

ACT No. 457

2016 Regular Session

HOUSE BILL NO. 1056

BY REPRESENTATIVE LEGER AND SENATOR ALARIO

1 AN ACT

2 To amend and reenact R.S. 33:130.865(9) and 130.866 and to enact R.S. 33:130.865(10),
3 relative to the New Orleans Exhibition Hall Authority Economic Growth and
4 Development District; to provide relative to the powers and duties of the district,
5 including the authority to levy taxes and implement tax increment financing; to
6 authorize the district to create subdistricts and to provide for their powers and duties;
7 and to provide for related matters.

8 Notice of intention to introduce this Act has been published
9 as provided by Article III, Section 13 of the Constitution of
10 Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 33:130.865(9) and 130.866 are hereby amended and reenacted and
13 R.S. 33:130.865(10) is hereby enacted to read as follows:

14 §130.865. Rights and powers

15 The district, acting by and through its board, shall have and exercise all
16 powers of a political subdivision necessary or convenient for the carrying out of its

1 objects and purposes, including but not limited to the following in addition to the
2 other rights and powers set out in this Subpart:

3 * * *

4 (9) To exercise any and all of the powers granted to an economic
5 development district as if the district were an economic development district
6 established pursuant to Part II of Chapter 27 of Title 33 of the Louisiana Revised
7 Statutes of 1950, ~~excluding, however, the powers of tax increment financing~~
8 ~~pursuant to R.S. 33:9038.33 and 9038.34 and the power to levy taxes within the~~
9 ~~district pursuant to R.S. 33:9038.39.~~ The taxing authority granted to the district by
10 this Paragraph shall not limit any taxing authority granted to the city of New Orleans
11 pursuant to Article VI, Section 29(B) of the Constitution of Louisiana.

12 (10)(a) To create subdistricts as provided in this Paragraph. The district shall
13 publish notice of its intent to create a subdistrict in the official journal of the district.
14 At least ten days after publication of such notice in the official journal of the district,
15 the board shall conduct a public hearing on the question of creating the subdistrict.
16 Thereafter, the board may designate one or more proposed areas within the
17 boundaries of the district as a subdistrict of the district.

18 (b) Each subdistrict shall constitute a political subdivision of the state and
19 shall be governed by the board. Each subdistrict shall have the same powers granted
20 to the district, including the powers granted to the district pursuant to Paragraph (9)
21 of this Section. Each subdistrict shall be given a name and designated as "New
22 Orleans Exhibition Hall Authority Economic Growth and Development District
23 Subdistrict No. _____" or such other suitable name as the board may designate.

24 §130.866. Bonds of the district or any subdistrict

25 A. The district, or any subdistrict, may issue and sell from time to time
26 bonds, notes, renewal notes, refunding bonds, interim certificates, certificates of
27 indebtedness, certificates of participation, debentures, warrants, commercial paper,
28 or other obligations or evidences of indebtedness to provide funds for and to fulfill
29 and achieve its public purpose or corporate purposes, as set forth in this Subpart,
30 including but not limited to the payment of all or a portion of the costs of a project,

1 to provide amounts necessary for any corporate purposes, including necessary and
2 incidental expenses in connection with the issuance of the obligations, the payment
3 of principal and interest on the obligations of the district or subdistrict, the
4 establishment of reserves to secure such obligations, and all other purposes and
5 expenditures of the district or subdistrict incident to and necessary or convenient to
6 carry out its public functions or corporate purposes, and any credit enhancement for
7 such obligations.

8 B. Except as may otherwise be provided by the board, all obligations issued
9 by the district, or any subdistrict, shall be negotiable instruments and payable solely
10 from the revenues of the district or subdistrict, as determined by the board, or from
11 any other sources whatsoever, that may be available to the district or subdistrict but
12 shall not be secured by the full faith and credit of the state or the city.

13 C. Obligations shall be authorized, issued, and sold by a resolution or
14 resolutions of the board. Such bonds or obligations may be of such series, bear such
15 date or dates, mature at such time or times, bear interest at such rate or rates,
16 including variable, adjustable, or zero interest rates, be payable at such time or times,
17 be in such denominations and in such form, carry such registration and
18 exchangeability privileges, be payable at such place or places, be subject to such
19 terms of redemption, and be entitled to such priorities on the income, revenue, and
20 receipts of, or available to, the district or subdistrict as may be provided by the board
21 in the resolution or resolutions providing for the issuance and sale of the bonds or
22 obligations of the district or subdistrict.

23 D. The obligations of the district, or any subdistrict, shall be signed by such
24 officers of the board by either manual or facsimile signatures as shall be determined
25 by resolution or resolutions of the board, and shall have impressed or imprinted
26 thereon the seal of the district or subdistrict, or a facsimile thereof.

27 E. Any obligations of the district, or any subdistrict, may be validly issued,
28 sold, and delivered, notwithstanding that one or more of the officers of the board
29 signing such obligations, or whose facsimile signature or signatures may be on the

1 obligations, shall have ceased to be such officer of the board at the time such
2 obligations shall actually have been delivered.

3 F. Obligations of the district, or any subdistrict, may be sold at such price or
4 prices, at public or private negotiated sale, in such manner and from time to time as
5 may be determined by the district or subdistrict to be most beneficial, subject to
6 approval of the State Bond Commission, and the district or subdistrict may pay all
7 expenses, premiums, fees, or commissions, which it may deem necessary or
8 advantageous in connection with the issuance and sale thereof.

9 G. The board may authorize the establishment of a fund or funds for the
10 creation of a debt service reserve, a renewal and replacement reserve, or such other
11 funds or reserves as the board may approve with respect to the financing and
12 operation of any project funded with the proceeds of such bonds and as may be
13 authorized by any bond resolution, trust agreement, indenture of trust, or similar
14 instrument or agreement pursuant to the provisions of which the issuance of bonds
15 or other obligations of the district, or any subdistrict, may be authorized.

16 H. Any cost, obligation, or expense incurred for any of the purposes or
17 powers of the district, or any subdistrict, specified in this Subpart shall be a part of
18 the project costs and may be paid or reimbursed as such out of the proceeds of bonds
19 or other obligations issued by the district or subdistrict.

20 I. For a period of thirty days from the date of publication of the resolution
21 authorizing the issuance of such bonds, any person in interest shall have the right to
22 contest the legality of the resolution and the legality of the bond issue for any cause,
23 after which time no one shall have any cause or right of action to contest the legality
24 of such resolution or of the bonds authorized thereby for any cause whatsoever. If
25 no suit, action, or proceeding is begun contesting the validity of the bond issue
26 within the thirty days prescribed in this Subsection, the authority to issue the bonds
27 and to provide for the payment thereof, and the legality thereof and all of the
28 provisions of the resolution authorizing the issuance of the bonds shall be
29 conclusively presumed, and no court shall have authority to inquire into such
30 matters.

1 J. Neither the members of the board nor any person executing the bonds shall
 2 be personally liable for the bonds or be subject to any personal liability by reason of
 3 the issuance thereof; however, the limitation of liability provided for in this
 4 Subsection shall not apply to any gross negligence or criminal negligence on the part
 5 of any member of the board or person executing the bonds.

6 K. All obligations authorized to be issued by the district, or any subdistrict,
 7 pursuant to the provisions of this Subpart, together with interest thereof, income
 8 therefrom, and gain upon the sale thereof shall be exempt from all state and local
 9 taxes.

10 L. The state and all public officers, any parish, municipality, or other
 11 subdivision or instrumentality of the state, any political subdivision, any bank,
 12 banker, trust company, savings bank and institution, building and loan association,
 13 savings and loan association, investment company or any person carrying on a
 14 banking or investment business, any insurance company or business, insurance
 15 association, and any person carrying on an insurance business, and any executor,
 16 administrator, curator, trustee, and other fiduciary, and any retirement system or
 17 pension fund may legally invest any funds belonging to it or within its control in any
 18 bonds or other obligations issued by the district, or any subdistrict, pursuant to the
 19 provisions of this Subpart, and such bonds or other obligations shall be authorized
 20 security for all public deposits. It is the purpose of this Subsection to authorize such
 21 persons, firms, corporations, associations, political subdivisions and officers, or other
 22 entities, public or private, to use any funds owned or controlled by them, including
 23 but not limited to sinking, insurance, investment, retirement, compensation, pension
 24 and trust funds, and funds held on deposit, for the purchase of any such bonds or
 25 other obligations of the district, or any subdistrict, and to provide that any such bonds
 26 shall be authorized security for all public deposits; however, nothing contained in
 27 this Subsection with regard to legal investments or security for public deposits shall

1 be construed as relieving any such person, firm, corporation, or other entity from any
2 duty of exercising reasonable care in selecting securities.

3 Section 2. This Act shall become effective on July 1, 2016; if vetoed by the governor
4 and subsequently approved by the legislature, this Act shall become effective on July 1,
5 2016, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____