

## RÉSUMÉ DIGEST

ACT 279 (HB 590)

2020 Regular Session

Mike Johnson

Existing constitution prohibits the state and political subdivisions from loaning, pledging, or donating funds, credit, property, or things of value to other persons or entities. Provides exceptions, one of which is the donation of the use of public equipment and personnel by a political subdivision upon request to another political subdivision for an activity or function the requesting political subdivision is authorized to exercise.

Prior law provided for the sharing of public equipment between public entities provided that both entities entered into a cooperative endeavor agreement.

New law provides instead for the donation of the use of public equipment and the utilization of personnel between political subdivisions provided that both parties execute a written agreement.

Existing law requires that the agreement include the following regarding equipment:

- (1) Identify the equipment that will be shared.
- (2) Explain the use of the equipment and the approximate length of time for use.
- (3) Responsibility for repairing or replacing the equipment.
- (4) A hold harmless provision.

New law also requires that the agreement include provision for compulsory insurance.

New law requires that the written agreement include the following regarding personnel:

- (1) Identity and employment position of employee.
- (2) Delineation of responsibility for worker's compensation and employment liability insurance coverage.
- (3) Responsibility for pay and reporting of earnings.
- (4) Whether the employee is a direct or borrowed employee.
- (5) Hold harmless and indemnification provision.

New law requires that the donor provide an estimation of the value of the donation.

Prior law provided for the donation of equipment in emergency situations and which agencies were authorized to coordinate these donations. New law repeals prior law.

Prior law provided that it was applicable to public entities and defined "public entities" as state boards, agencies or commissions, parishes, municipalities, city parish, and other local school boards and districts, levee boards and districts, port boards and commissions, port, harbor, and terminal and industrial districts, drainage and land reclamation districts, all special service districts including but not limited to road, water, sewage, fire protection, recreation, hospital service, and gas utility districts; all other political subdivisions, special authorities, commissions, public trusts, and boards heretofore or hereafter created by or pursuant to the constitution or statutes of the state, any laws incorporated into or ratified or confirmed by the constitution, or general or special charters of any parish or municipality; and all other units of local government created by or governed by the governing authorities of parishes or municipalities.

New law repeals prior law and makes existing law and new law applicable to political subdivisions, which is defined by existing constitution as a parish, municipality, and any other unit of local government, including a school board and a special district, authorized by law to perform governmental functions.

Effective Aug. 1, 2020

(Amends R.S. 33:4712.18)