

2021 Regular Session

HOUSE BILL NO. 622

BY REPRESENTATIVE THOMPSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RURAL/DEVELOPMENT: Provides relative to the office of rural development and the Rural Development Program

1 AN ACT

2 To amend and reenact R.S. 3:312(4) and (5) and 313(9) and to enact Part II of Chapter 4-A
3 of Title 3 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 3:321
4 through 323, relative to the Louisiana Rural Development Law; to provide for
5 definitions; to provide for a rural development fund; to provide for fund
6 administration; to provide for rules and regulations; to provide for a rural
7 development program; to provide for receipt of bond proceeds; and to provide for
8 related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 3:312(4) and (5) and 313(9) are hereby amended and reenacted and
11 Part II of Chapter 4-A of Title 3 of the Louisiana Revised Statutes of 1950, to be comprised
12 of R.S. 3:321 through 323 is enacted to read as follows:

13 §312. Legislative findings

14 * * *

15 (4) The legislature seeks to amplify the efforts of existing agencies and
16 individuals who are interested in such rural policy areas as economic development
17 and employment, local government and management, business, agriculture,
18 environment, land use, natural resources, community revitalization, human services
19 and community life, health care, education, transportation, community facilities, ~~and~~
20 housing, broadband connectivity, and water quality and treatment.

1 (5) No state office has been specifically created to promote, harmonize, or
 2 assist such efforts of existing agencies and individuals that address the unique needs,
 3 conditions, and strengths of rural areas of the state. It is, therefore, the intent of the
 4 legislature to create a state office of rural development. The office shall serve as a
 5 single contact point for rural governments, service providers, state and federal
 6 agencies, and for individuals interested in rural policies and programs of the state;
 7 and shall strive to promote cooperative and integrated efforts among such agencies
 8 and programs that are designed to address rural needs, including but not limited to,
 9 the Governor's Advisory Council on Rural Revitalization, the office of broadband
 10 and connectivity, and the Department of Economic Development; and shall
 11 recommend to the governor and to the legislature the suitable use of policies,
 12 programs, long-range plans, laws, and regulatory mechanisms in order to meet such
 13 needs.

14 §313. Definitions

15 * * *

16 (9) "Rural development and revitalization" means those policies, programs,
 17 laws, regulations, or other matters having to do with rural areas, including but not
 18 limited to economic development, employment, local government services and
 19 management, business, agriculture, environment, land use and natural resources,
 20 human services and community life, health care, education, transportation,
 21 community facilities, ~~and~~ housing, broadband connectivity, and water quality and
 22 treatment.

23 * * *

24 PART II. RURAL DEVELOPMENT PROGRAM

25 §321. Policy Statement

26 A. Louisiana's rural areas are a vital element of the state. In order to mitigate
 27 the rapid deterioration of rural health, education, infrastructure, and other systems
 28 essential to the socioeconomic well-being of Louisiana's rural population, it is
 29 necessary that the state encourage and support the creation of a rural development

1 program. It is therefore declared to be the public policy of this state to develop and
2 enhance the state's rural areas through a rural development fund and a program of
3 rural development.

4 §322. Rural Development Fund

5 A. Funds received by the office of rural development under this Chapter or
6 otherwise made available for the purpose of this Chapter shall be deposited
7 immediately upon receipt into the state treasury.

8 B. After compliance with the requirements of Article VII, Section 9(B) of
9 the Constitution of Louisiana, relative to the Bond Security and Redemption Fund,
10 and prior to monies being placed in the state general fund, an amount equal to that
11 deposited as required in Subsection A of this Section and monies appropriated by the
12 legislature shall be credited to a special fund hereby created in the state treasury to
13 be known as the "Rural Development Fund". The monies in this fund shall be used
14 solely as provided in Subsection C of this Section and only in the amounts
15 appropriated by the legislature. All unexpended and unencumbered monies in this
16 fund at the end of the fiscal year shall remain in the fund. The monies in this fund
17 shall be invested by the state treasurer in the same manner as monies in the state
18 general fund, and interest earned on the investment of these monies shall be credited
19 to this fund, again following compliance with the requirements of Article VII,
20 Section 9(B) of the Constitution of Louisiana, relative to the Bond Security and
21 Redemption Fund.

22 C. The monies in the Rural Development Fund shall be used by the office
23 of rural development solely to fund projects developed and coordinated jointly by the
24 office of rural development and the Department of Transportation and Development
25 in rural areas of this state and for the administration and implementation of the
26 provisions of this Chapter.

27 D. The Rural Development Fund is hereby authorized to receive monies
28 from the sale of general obligation bonds of the state issued pursuant to Article VII,
29 Section 6 of the Constitution of Louisiana. Such proceeds are to be used for the

1 constitutionally permissible purposes of making capital improvements, providing
2 relief from natural catastrophes, or for the matching of federal funds received for
3 such purposes.

4 §323. Administration of funds; rules and regulations; program guidelines

5 A. The Rural Development Fund shall be administered by the office of rural
6 development. Subject to the budget process and appropriations made for such
7 purposes, the director of the office of rural development may employ personnel
8 necessary for the efficient and proper administration of this Chapter.

9 B. The office shall adopt rules and regulations governing the use of this fund
10 and shall adopt rules and regulations governing any program or funding action that
11 it implements prior to the initiation of the program or funding action. Specifically,
12 rules and regulations shall establish a formula for the distribution of funds. Such
13 formula shall use as its basis, all relevant data including but not limited to the
14 affected population, unemployment, and other elements that may assist in the
15 determination of the direct and indirect social and economic benefit to the rural
16 community and the relationship of the project or activity to the overall rural
17 revitalization plan for the state. All rules and regulations shall be adopted in
18 accordance with the Administrative Procedure Act with legislative review by the
19 House and Senate committees on agriculture, forestry, aquaculture, and rural
20 development.

21 C. The office shall clearly delineate the projects that are to be implemented
22 and the functions that each project will fulfill. The office shall apply the following
23 guidelines to any project funded:

24 (a) All projects or activities funded must be related to the revitalization of
25 a designated rural area, as defined in R.S. 3:313.

26 (b) All funds shall be used to mitigate the rapid deterioration of rural health,
27 education, transportation, public facilities, tourism, infrastructure, or other systems
28 essential to the socioeconomic wellbeing of the state's rural areas.

1 (c) All projects or activities should enhance and broaden rural employment
2 opportunities and community services.

3 (d) All projects or activities should further the provisions of the Louisiana
4 Rural Development Law.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 622 Original

2021 Regular Session

Thompson

Abstract: Creates the "Rural Development Fund" and program.

Present law creates the office of rural development within the office of the governor and provides for the powers and authorities of the office and executive director.

Proposed law retains present law and adds "broadband connectivity" and "water quality and treatment" as policy areas considered to be a part of rural development and revitalization.

Proposed law reestablishes previously repealed law to create the "Rural Development Fund" and "Rural Development Program" for the purpose of mitigating the rapid deterioration of rural health, education, infrastructure, and other systems essential to the socioeconomic wellbeing of the state's rural population.

Proposed law provides for permissible sources of monies to deposit into the fund and guidelines for administering the funds and program.

(Amends R.S. 3:12(4) and (5) and 313(9); Adds R.S. 3:321-323)