

2021 Regular Session

HOUSE BILL NO. 647

BY REPRESENTATIVE TRAVIS JOHNSON

DISTRICTS/ECONOMIC DEVEL: Creates the Delta Agriculture Research and Sustainability District

1 AN ACT

2 To enact Part IV of Chapter 4-A of Title 3 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 3:341 through 347, relative to agricultural research and  
4 sustainability in the delta region of the state; to create and provide for the Delta  
5 Agriculture Research and Sustainability District; to provide for the governance,  
6 powers, duties, and funding of the district; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part IV of Chapter 4-A of Title 3 of the Louisiana Revised Statutes of  
9 1950, comprised of R.S. 3:341 through 347, is hereby enacted to read as follows:

10 PART IV. DELTA AGRICULTURE RESEARCH AND SUSTAINABILITY

11 DISTRICT

12 §341. Delta Agriculture Research and Sustainability District; creation; purpose;  
13 territorial jurisdiction

14 A. The Delta Agriculture Research and Sustainability District, referred to in  
15 this Part as the "district", is hereby constituted and is declared to be a body politic  
16 and political subdivision of the state of Louisiana, as defined in Article VI, Section  
17 44 of the Constitution of Louisiana.

18 B. Pursuant to Article VI, Sections 19 and 21 of the Constitution of  
19 Louisiana, the district, acting through its board of commissioners, the governing  
20 authority of the district, is hereby granted all of the rights, powers, privileges, and

1 immunities granted to or authorized for political subdivisions for industrial,  
2 commercial, research, and economic development purposes, including but not  
3 limited to the power of taxation, the power to incur debt and issue revenue and  
4 general obligation bonds, certificates of indebtedness, bond and certificate  
5 anticipation notes, and refunding bonds, subject to the limitations provided in this  
6 Part.

7 C. The district shall be established for the primary object and purpose of  
8 promoting and encouraging agricultural research and sustainability to stimulate the  
9 economy through commerce, industry, and research and for the utilization and  
10 development of natural and human resources of the area by providing job  
11 opportunities.

12 D. The boundaries of the district shall be coterminous with the boundaries  
13 of the parishes of East Carroll, Madison, and Tensas.

14 §342. Board of commissioners; members; officers

15 A. The district shall be governed by a board of commissioners, referred to  
16 in this Part as the "board", consisting of fifteen members as follows:

17 (1) One member shall be the president of the local governing authority for  
18 the parish of East Carroll or his designee.

19 (2) One member shall be the president of the local governing authority for  
20 the parish of Madison or his designee.

21 (3) One member shall be the president of the local governing authority for  
22 the parish of Tensas or his designee.

23 (4) The president of Louisiana Tech University or his designee.

24 (5) The president of the University of Louisiana at Monroe or his designee.

25 (6) The president of the Southern University System or his designee.

26 (7) The president of the Louisiana State University System or his designee.

27 (8) The state representative for district 19 or his designee.

28 (9) The state representative for district 21 or his designee.

1           (10) The state senator for district 32 or his designee.

2           (11) The mayor of the city of Tallulah or his designee.

3           (12) The mayor of the town of Lake Providence or his designee.

4           (13) The mayor of the town of Newellton or his designee.

5           (14) The mayor of the town of St. Joseph or his designee.

6           (15) The mayor of the town of Waterproof or his designee.

7           C.(1) Members appointed pursuant to Paragraphs (A)(1) through (15) of this  
8           Section shall serve an indefinite term except as provided for in Paragraph (2) of this  
9           Subsection.

10           (2) A member's term may be terminated for any of the following:

11           (a) A board member resigns.

12           (b) A board member misses three meetings within a calendar year and a  
13           majority of the current members of the board vote to terminate.

14           (c) A newly elected official wishes to re-appoint himself or a new designee  
15           to the board and properly notifies the remaining members of the board via electronic  
16           mail.

17           D. Any vacancy in the membership of the board, occurring either by reason  
18           of death, resignation, or otherwise, shall be filled in the manner of the original  
19           appointment. If the entity responsible for the appointment of a member fails to fill  
20           a vacancy within thirty days, the board shall appoint an interim successor to serve  
21           until the position is filled by the appointing entity.

22           E. Any designee of the board may be removed by the entity that originally  
23           appointed him for cause.

24           F. The members of the board shall serve without compensation. The board  
25           may reimburse any member for expenses actually incurred in the performance of his  
26           duties pursuant to this Subpart.

27           G. Members of the board individually and members of their immediate  
28           families are prohibited from bidding on or entering into any contract, subcontract,  
29           or other transaction that is under the supervision or jurisdiction of the district.

1           H. The board shall elect from among its own members a chairman, vice  
2           chairman, secretary, and treasurer, whose duties shall be those usual to such offices.  
3           At the option of the board, the offices of secretary and treasurer may be held by one  
4           person.

5           I. The board shall meet in regular session once on the second Wednesday at  
6           the beginning of each quarter of a calendar year and shall also meet in special session  
7           as often as the chairman of the board convenes the board. Eight members of the  
8           board shall constitute a quorum.

9           J. The board shall prescribe rules to govern its meetings, may draft and  
10          implement bylaws to control and implement the activities of the board, and shall  
11          maintain suitable offices in the district.

12          §343. Powers of district

13          A. The district shall have and exercise all powers of a political subdivision  
14          necessary or convenient for the carrying out of its objects and purposes, including  
15          but not limited to rights and powers set out in this Section:

16                 (1) To sue and be sued.

17                 (2) To adopt, use, and alter at will a corporate seal.

18                 (3) To acquire by gift, grant, purchase, or otherwise, but not by  
19                 expropriation, all property, including rights-of-way, and to hold and use any  
20                 franchise or property, real, personal, or mixed, tangible or intangible, or any interest  
21                 therein, necessary or desirable for carrying out the objects and purposes of the  
22                 district, including but not limited to the establishment, maintenance, and operation  
23                 of a board office and research facility.

24                 (4) To enter into contracts for the purchase, acquisition, construction, and  
25                 improvement of works and facilities.

26                 (5) In its own name and on its own behalf, to incur debt and to issue general  
27                 obligation bonds, revenue bonds, certificates, notes, and other evidence of  
28                 indebtedness and to levy and cause to be collected a sales and use tax as provided in  
29                 this Part and as may be provided by general law.

1           (6) To regulate the imposition of fees and rentals charged by the district for  
2           its facilities and services rendered by it.

3           (7) To borrow money and pledge all or part of its revenues, leases, rents, or  
4           other advantages as security for such loans.

5           (8) To appoint officers, agents, and employees, prescribe their duties, and fix  
6           their compensation.

7           (9) To seek, apply for, or receive any donations, financial assistance, or  
8           monies by way of public or private grants or investors.

9           B. The district shall not be deemed to be an instrumentality of the state for  
10          purposes of Article X, Section 1(A) of the Constitution of Louisiana.

11          §344. Sales and use tax authorization; use of funds

12           A.(1) The district may levy and cause to be collected a sales and use tax  
13           within the boundaries of the district for such purposes and at such rate as may be  
14           provided by the proposition authorizing its levy, not exceeding one-half of one  
15           percent, which tax may exceed the limitation set forth in Article VI, Section 29(A)  
16           of the Constitution of Louisiana, provided that the proposition is approved by a  
17           majority of the qualified electors of the district voting in the election held for such  
18           purpose.

19           (2) Such an election shall be conducted in accordance with the provisions of  
20           the Louisiana Election Code and at the time another election is being conducted  
21           throughout the state.

22           (3) The duration of the tax set forth in the proposition shall not exceed five  
23           years; however, such tax may be renewed for an additional period not to exceed five  
24           years.

25           B.(1) The tax shall be levied upon the sale at retail, the use, the lease or  
26           rental, consumption, distribution, and storage for use or consumption of tangible  
27           personal property, and upon the sales of services within the district, all as presently  
28           defined in R.S. 47:301 et seq.

1           (2) Except where inapplicable, the procedure established by R.S. 47:301 et  
2           seq. shall be followed in the imposition, collection, and enforcement of the tax, and  
3           procedural details necessary to supplement those sections and to make them  
4           applicable to the tax herein authorized shall be fixed in the resolution imposing the  
5           tax.

6           C. The sales and use tax authorized by this Section shall be in addition to all  
7           other taxes which an economic and industrial development district is now or  
8           hereafter authorized to levy and collect.

9           D. All funds derived under this Section may be used for any expenses or  
10          purposes of the district. The board shall establish and maintain all necessary and  
11          normal accounts.

12          §345. Obligations of the district

13          A. The district shall have authority to incur debt for any one or more of its  
14          lawful purposes set forth in this Part, to issue in its name negotiable bonds, notes,  
15          certificates of indebtedness, or other evidence of debt and to provide for the security  
16          and payment thereof.

17          B.(1) The district may in its own name and behalf borrow from time to time  
18          in the form of certificates of indebtedness. The certificates shall be secured by the  
19          dedication and pledge of monies of the district derived from any lawful sources,  
20          including fees, lease rentals, service charges, local service agreement payments from  
21          one or more other contracting parties, the avails of sales and use taxation, or any  
22          combination of such sources of income, provided that the term of such certificates  
23          shall not exceed ten years, and the annual debt service on the amount borrowed shall  
24          not exceed the anticipated revenues to be dedicated and pledged to the payment of  
25          the certificates of indebtedness, as shall be estimated by the board of the district at  
26          the time of the adoption of the resolution authorizing the issuance of such  
27          certificates. The estimate of the board referred to in the authorizing resolution shall  
28          be conclusive for all purposes of this Section.

1           (2) The board, as the governing authority of the district, is authorized to  
2           adopt all necessary resolutions or ordinances which may be necessary for ordering,  
3           holding, canvassing, and promulgating the returns of any election required for the  
4           issuance of general obligation bonds, or limited tax secured obligations, or for the  
5           voting of a sales and use tax, which resolutions or ordinances may include covenants  
6           for the security and payment of any bonds or other evidence of debt so issued.

7           (3) For a period of thirty days from the date of publication of any resolution  
8           or ordinance authorizing the issuance of any bonds, certificates of indebtedness,  
9           notes, or other evidence of debt of the district, any interested person may contest the  
10           legality of such resolution or ordinance and the validity of such bonds, certificates  
11           of indebtedness, notes, or other evidence of debt issued or proposed to be issued  
12           thereunder and the security of their payment, after which time no one shall have any  
13           cause of action to contest the legality of said resolution or ordinance or to draw in  
14           question the legality of said bonds, certificates of indebtedness, notes, or other  
15           evidence of debt, the security therefor, or the debts represented thereby for any cause  
16           whatever, and it shall be conclusively presumed that every legal requirement has  
17           been complied with, and no court shall have authority to inquire into such matters  
18           after the lapse of thirty days.

19           (4) The issuance and sale of such bonds, certificates of indebtedness, notes,  
20           or other evidence of debt by the district shall be subject to approval by the State  
21           Bond Commission.

22           (5) Such bonds, certificates of indebtedness, notes, or other evidence of debt  
23           shall have all the qualities of negotiable instruments under the commercial laws of  
24           the state of Louisiana.

25           §346. Securities

26           Bonds, certificates, or other evidence of indebtedness issued by the district  
27           under this Subpart are deemed to be securities of public entities within the meaning  
28           of Chapters 13 and 13-A of Title 39 of the Louisiana Revised Statutes of 1950, and  
29           shall be subject to defeasance in accordance with the provisions of Chapter 14 of

1        Title 39 of the Louisiana Revised Statutes of 1950, and may be refunded in  
2        accordance with the provisions of Chapters 14-A and 15 of Title 39 of the Louisiana  
3        Revised Statutes of 1950, and may also be issued as short-term revenue notes of a  
4        public entity under Chapter 15-A of Title 39 of the Louisiana Revised Statutes of  
5        1950.

6        §347. Exemption from taxation

7                The district and all properties at any time owned by the district and the  
8        income therefrom and all bonds, certificates, and other evidence of indebtedness  
9        issued by the district under this Part and the interest or income therefrom shall be  
10       exempt from all taxation by the State of Louisiana.

11       §348. General compliances; enhancement

12                A. No provision of this Subpart shall be construed so as to exempt the  
13       district from compliance with the provisions of Louisiana laws pertaining to open  
14       meetings, public records, fiscal agents, official journals, dual officeholding and  
15       employment, public bidding for the purchase of supplies and materials and  
16       construction of public works, the Code of Governmental Ethics, the Right to  
17       Property in Article I, Section 4 of the Constitution of Louisiana, and the Louisiana  
18       Election Code.

19                B. The district shall have the power and right to adopt a program or  
20       programs awarding contracts to, and establishing set-aside goals and preference  
21       procedures for the benefit of, businesses owned and operated by socially or  
22       economically disadvantaged persons in accordance with any of the provisions of R.S.  
23       38:2233 and of Chapter 19 of Title 39 of the Louisiana Revised Statutes of 1950,  
24       entitled "Louisiana Minority and Women's Business Enterprise Act".

25                C. The financial records of the district shall be audited pursuant to R.S.  
26       24:513.

## 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 647 Original

2021 Regular Session

Travis Johnson

**Abstract:** Creates and provides for the Delta Agriculture Research and Sustainability District in the parishes of East Carroll, Madison, and Tensas. Provides relative to the governance, powers, duties, and funding of the district.

Proposed law creates the Delta Agriculture Research and Sustainability District as a political subdivision of the state. Provides that the district shall be established for the primary object and purpose of promoting and encouraging agricultural research and sustainability to stimulate the economy through commerce, industry, and research and for the utilization and development of natural and human resources of the area by providing job opportunities. Provides for district boundaries. Grants the district rights and powers of political subdivisions provided by the constitution for economic development purposes.

Proposed law provides that the district shall be governed by a 15-member board of commissioners as follows:

- (1) One member shall be the president of the local governing authority for the parish of East Carroll or his designee.
- (2) One member shall be the president of the local governing authority for the parish of Madison or his designee.
- (3) One member shall be the president of the local governing authority for the parish of Tensas or his designee.
- (4) The president of Louisiana Tech University or his designee.
- (5) The president of the University of Louisiana at Monroe or his designee.
- (6) The president of the Southern University System or his designee.
- (7) The president of the Louisiana State University System or his designee.
- (8) The state representative for district 19 or his designee.
- (9) The state representative for district 21 or his designee.
- (10) The state senator for district 32 or his designee.
- (11) The mayor of the city of Tallulah or his designee.
- (12) The mayor of the town of Lake Providence or his designee.
- (13) The mayor of the town of Newellton or his designee.
- (14) The mayor of the town of St. Joseph or his designee.
- (15) The mayor of the town of Waterproof or his designee.

Proposed law Provides that appointed members shall serve indefinite terms except in cases where a member resigns, misses 3 meetings in a calendar year, or a newly elected official decides to appoint a new member. Provides for filling board vacancies.

Proposed law requires board members to serve without compensation, except that the board may reimburse any member for expenses. Provides that a board member may be removed by the entity that originally appointed him for cause. Prohibits members of the board, individually, and members of their immediate families from bidding on or entering into any contract or other transaction that is under the supervision or jurisdiction of the district.

Proposed law authorizes the district to exercise all powers of a political subdivision necessary or convenient for the carrying out of its objects and purposes, including but not limited to the following:

- (1) To sue and be sued.

- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire, but not by expropriation, all property, including rights-of-way, and to hold and use any franchise or property, necessary or desirable for carrying out the objects and purposes of the district, including establishing, operating, and maintaining a board office and research facilities.
- (4) To enter into contracts for the purchase, acquisition, construction, and improvement of works and facilities.
- (5) To incur debt and to issue general obligation bonds, revenue bonds, certificates, notes, and other evidence of indebtedness and to levy and cause to be collected sales and use taxes.
- (6) To regulate the imposition of fees and rentals charged by the district for its facilities and services rendered by it.
- (7) To borrow money and pledge all or part of its revenues, leases, rents, or other advantages as security for such loans.
- (8) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.
- (9) To seek, apply for, or receive any donations, financial assistance, or monies by way of public or private grants or investors.

Proposed law authorizes the district to sell, lease, or otherwise dispose of, by suitable and appropriate contract, to any enterprise locating or existing within the district all or any part of a site, building, or other property owned by the district. Prohibits the board from disposing of any property of the district for less than the fair market value without the prior approval of the State Bond Commission.

Proposed law authorizes the district to enter into leases having a term, including all renewal terms, not to exceed 50 years in the aggregate. Requires that the resolution or ordinance authorizing any lease, sale, or other disposition of property to set forth, in a general way, the terms of the disposition. Requires publication of any such resolution or ordinance in the official journal of the district. Provides for a 30-day period to contest any such resolution or ordinance.

Proposed law provides that the district shall have the following additional powers and powers incidental thereto:

- (1) To acquire, but not by expropriation, and to construct and improve, maintain, equip, and furnish economic development projects.
- (2) To lease or to contract for the use of any or all of its authorized projects and to charge and collect rent, fees, or charges therefor.
- (3) To convey any or all of its projects.
- (4) To mortgage and pledge any or all of its projects and to pledge the revenues and receipts therefrom or from any other source.
- (5) To enter into any cooperative financing of an economic development project or cooperative development.

Proposed law authorizes the district, subject to voter approval, to levy a sales and use tax not to exceed one-half of one percent within the boundaries of the district. Provides that the

duration of the tax shall not exceed five years. Authorizes renewal of such tax for a period not to exceed five years.

Proposed law authorizes the district, subject to voter approval, to incur debt and issue general obligation ad valorem property tax secured bonds for any district purpose. Authorizes the district to issue revenue bonds for district purposes. Further authorizes the district to borrow from time to time in the form of certificates of indebtedness. Requires that such certificates be secured by the dedication and pledge of monies of the district derived from any lawful sources, provided that the term of such certificates shall not exceed 10 years. Provides that the annual debt service on the amount borrowed shall not exceed the anticipated revenues to be dedicated and pledged to the payment of the certificates of indebtedness, as shall be estimated by the board.

Proposed law provides that no provision of proposed law shall be construed so as to exempt the district from compliance with La. laws pertaining to open meetings, public records, fiscal agents, official journals, dual officeholding and employment, public bidding for the purchase of supplies and materials and construction of public works, the Code of Governmental Ethics, the Right to Property in Art. I, §4 of the Constitution of La., and the La. Election Code.

Proposed law provides that the district shall have the power and right to adopt a program or programs awarding contracts to, and establishing set-aside goals and preference procedures for the benefit of, businesses owned and operated by socially or economically disadvantaged persons in accordance with present law (R.S. 38:2233 and the La. Minority and Women's Business Enterprise Act). Requires that the financial records of the district be audited pursuant to present law (R.S. 24:513).

(Adds R.S. 3:341-347)