

2021 Regular Session

HOUSE BILL NO. 647

BY REPRESENTATIVES TRAVIS JOHNSON, BUTLER, DESHOTEL, MCMAHEN,  
MIGUEZ, ROMERO, SELDERS, THOMPSON, AND WHITE

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. Part IV of Chapter 4-A of Title 3 of the Louisiana Revised Statutes of  
12 1950, comprised of R.S. 3:341 through 348, is hereby enacted to read as follows:

13 PART IV. DELTA AGRICULTURE RESEARCH AND SUSTAINABILITY

14 DISTRICT

15 §341. Delta Agriculture Research and Sustainability District; creation; purpose;  
16 territorial jurisdiction

17 A. The Delta Agriculture Research and Sustainability District, referred to in  
18 this Part as the "district", is hereby constituted and is declared to be a body politic

1 and political subdivision of the state of Louisiana, as defined in Article VI, Section  
2 44 of the Constitution of Louisiana.

3 B. Pursuant to Article VI, Sections 19 and 21 of the Constitution of  
4 Louisiana, the district, acting through its board of commissioners, the governing  
5 authority of the district, is hereby granted all of the rights, powers, privileges, and  
6 immunities granted to or authorized for political subdivisions for industrial,  
7 commercial, research, and economic development purposes including but not limited  
8 to the power of taxation and the power to incur debt and issue revenue and general  
9 obligation bonds, certificates of indebtedness, bond and certificate anticipation notes,  
10 and refunding bonds, subject to the limitations provided in this Part.

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

16 D. The boundaries of the district shall be coterminous with the boundaries  
17 of the parishes of East Carroll and Tensas.

18 §342. Board of commissioners; members; officers

19 A. The district shall be governed by a board of commissioners, referred to  
20 in this Part as the "board", consisting of twenty-two members as follows:

21 (1) The governor or his designee.

22 (2) The commissioner of agriculture and forestry or his designee.

23 (3) The president of the local governing authority for the parish of East  
24 Carroll or his designee.

25 (4) The president of the local governing authority for the parish of Concordia  
26 or his designee.

27 (5) The president of the local governing authority for the parish of Madison  
28 or his designee.

1           (6) The president of the local governing authority for the parish of Tensas  
2           or his designee.

3           (7) The president of Louisiana Tech University or his designee.

4           (8) The president of the University of Louisiana at Monroe or his designee.

5           (9) The president of the Southern University System or his designee.

6           (10) The president of the Louisiana State University System or his designee.

7           (11) The president of Grambling State University or his designee.

8           (12) The state representative for House District 19 or his designee.

9           (13) The state representative for House District 21 or his designee.

10          (14) The state senator for Senate District 32 or his designee.

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

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

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

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

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

16          (20) The mayor of the town of Clayton or his designee.

17          (21) The mayor of the town of Ferriday or his designee.

18          (22) The mayor of the town of Vidalia or his designee.

19          B. Members shall serve during their tenure in the offices listed in Subsection  
20          A of this Section.

21          C. Any vacancy in the membership of the board, occurring by reason of  
22          death, resignation, or otherwise, shall be filled by the interim or acting person who  
23          assumes the duties of the person who held the now-vacant seat until an election can  
24          be held or a permanent appointment can be made.

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

1           E. Members of the board individually and members of their immediate  
2           families are prohibited from bidding on or entering into any contract, subcontract,  
3           or other transaction that is under the supervision or jurisdiction of the district.

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

8           G. The board shall meet in regular session on the second Wednesday at the  
9           beginning of each quarter of a calendar year and shall also meet in special session  
10           as often as the chairman of the board convenes the board. Twelve members of the  
11           board shall constitute a quorum.

12           H. The board shall prescribe rules to govern its meetings, may draft and  
13           implement bylaws to control and implement the activities of the board, and shall  
14           maintain suitable offices in the district.

15           §343. Powers of district

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

19                   (1) To sue and be sued.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16           §345. Obligations of the district

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

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

1        the time of the adoption of the resolution authorizing the issuance of such  
2        certificates. The estimate of the board referred to in the authorizing resolution shall  
3        be conclusive for all purposes of this Section.

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

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

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

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

1        §346. Securities

2                Bonds, certificates, or other evidence of indebtedness issued by the district  
3        under this Subpart are deemed to be securities of public entities within the meaning  
4        of Chapters 13 and 13-A of Title 39 of the Louisiana Revised Statutes of 1950, and  
5        shall be subject to defeasance in accordance with the provisions of Chapter 14 of  
6        Title 39 of the Louisiana Revised Statutes of 1950, and may be refunded in  
7        accordance with the provisions of Chapters 14-A and 15 of Title 39 of the Louisiana  
8        Revised Statutes of 1950, and may also be issued as short-term revenue notes of a  
9        public entity under Chapter 15-A of Title 39 of the Louisiana Revised Statutes of  
10       1950.

11       §347. Exemption from taxation

12                The district and all properties at any time owned by the district and the  
13        income therefrom and all bonds, certificates, and other evidence of indebtedness  
14        issued by the district under this Part and the interest or income therefrom shall be  
15        exempt from all taxation by the state of Louisiana.

16       §348. General compliances; enhancement

17                A. No provision of this Subpart shall be construed to exempt the district  
18        from compliance with the provisions of Louisiana laws pertaining to open meetings,  
19        public records, fiscal agents, official journals, dual officeholding and employment,  
20        public bidding for the purchase of supplies and materials and construction of public  
21        works, the Code of Governmental Ethics, the Right to Property in Article I, Section  
22        4 of the Constitution of Louisiana, and the Louisiana Election Code.

23                B. The district shall have the power and right to adopt a program or  
24        programs awarding contracts to, and establishing set-aside goals and preference  
25        procedures for the benefit of, businesses owned and operated by socially or  
26        economically disadvantaged persons in accordance with any of the provisions of R.S.  
27        38:2233 and of Chapter 19 of Title 39 of the Louisiana Revised Statutes of 1950,  
28        entitled "Louisiana Minority and Women's Business Enterprise Act".



1                    C. The financial records of the district shall be audited pursuant to R.S.  
 2                    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 Reengrossed

2021 Regular Session

Travis Johnson

**Abstract:** Creates and provides for the Delta Agriculture Research and Sustainability District in the parishes of East Carroll 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 will be governed by a 22-member board of commissioners as follows:

- (1) The governor or his designee.
- (2) The commissioner of Dept. of Agriculture and Forestry or his designee.
- (3) The president of the local governing authority for the parish of East Carroll or his designee.
- (4) The president of the local governing authority for the parish of Concordia or his designee.
- (5) The president of the local governing authority for the parish of Madison or his designee.
- (6) The president of the local governing authority for the parish of Tensas or his designee.
- (7) The president of Louisiana Tech University or his designee.
- (8) The president of the University of Louisiana at Monroe or his designee.
- (9) The president of the Southern University System or his designee.
- (10) The president of the Louisiana State University System or his designee.
- (11) The president of Grambling State University or his designee.
- (12) The state representative for district 19 or his designee.
- (13) The state representative for district 21 or his designee.

- (14) The state senator for district 32 or his designee.
- (15) The mayor of the city of Tallulah or his designee.
- (16) The mayor of the town of Lake Providence or his designee.
- (17) The mayor of the town of Newellton or his designee.
- (18) The mayor of the town of St. Joseph or his designee.
- (19) The mayor of the town of Waterproof or his designee.
- (20) The mayor of the town of Clayton or his designee.
- (21) The mayor of the town of Ferriday or his designee.
- (22) The mayor of the town of Vidalia or his designee.

Proposed law provides that members will serve during their tenure in the offices by which they are designated in proposed law. Provides for vacancies on the board and how they will be filled.

Proposed law requires board members to serve without compensation, except that the board may reimburse any member for expenses. 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 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 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 do not exceed 10 years. Provides that the annual debt service on the amount borrowed cannot 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 can 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 authorizes the district 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. 3:341-348)

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Agriculture, Forestry, Aquaculture, and Rural Development to the original bill:

1. Remove Madison Parish from the composition of the district.

2. Increase the composition of the board of commissioners from 15 to 22 and adds the following seats to the board:
  - (a) The governor or his designee.
  - (b) The commissioner of agriculture and forestry or his designee
  - (c) The president of the local governing authority for the parish of Concordia or his designee.
  - (d) The president of Grambling State University or his designee.
  - (e) The mayor of the town of Clayton or his designee.
  - (f) The mayor of the town of Ferriday or his designee.
  - (g) The mayor of the town of Vidalia or his designee.
3. Remove "otherwise" from the methods by which the district can acquire property.
4. Make technical changes.

#### Summary of Amendments Adopted by House

##### The House Floor Amendments to the engrossed bill:

1. Remove indefinite term limits for board members and criteria for terminating a board members position on the board, and add members will serve during the tenure of their corresponding offices by which they are designated through proposed law.
2. Change the manner by which a vacancy in the membership of the board occurring by reason of death, resignation, or otherwise to being filled by the interim or acting person who assumes the duties of the person who held the now-vacant seat until an election can be held or a permanent appointment can be made.
3. Increase the threshold for quorum of the board from eight to twelve.
4. Make technical changes.