

## GREEN SHEET REDIGEST

**HB 647**

**2021 Regular Session**

**Travis Johnson**

### **DISTRICTS/ECONOMIC DEVELOPMENT: Creates the Delta Agriculture Research and Sustainability District**

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#### DIGEST

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 25-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.
- (23) The secretary of the Dept. of Economic Development or his designee as an ex officio nonvoting member.
- (24) The president of the La. Farm Bureau Federation or his designee as an ex officio nonvoting member.
- (25) The president of the La. Cotton and Grain Association or his designee as an ex officio nonvoting member.

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 requires the board to hire a district director to manage the day-to-day operations of the district. Further requires the board to establish the duties and salary of the district director.

Proposed law requires the district director to report directly to the board and, with approval of the board, authorizes the district director to hire an administrative assistant.

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.
- (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 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. 3:341-347)

#### 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.

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Agriculture, Forestry, Aquaculture, and Rural Development to the reengrossed bill

1. Add the secretary of the Dept. of Economic Development, the president of the La. Farm Bureau Federation, and the president of the La. Cotton and Grain Association or their designees as ex officio nonvoting members.
2. Require the board to hire a district director and establish the duties and salary of the district director.
3. Authorize the district director to hire an administrative assistant with approval of the board.
4. Remove the authority of the district to levy a sales and use tax.
5. Make technical changes.