

ACT No. 331

HOUSE BILL NO. 622

BY REPRESENTATIVES THOMPSON, ADAMS, BACALA, BAGLEY, BOURRIAQUE, BROWN, BRYANT, BUTLER, CARRIER, ROBBY CARTER, COX, DESHOTEL, ECHOLS, EDMONSTON, FARNUM, FIRMENT, GADBERRY, HORTON, ILLG, JEFFERSON, MIKE JOHNSON, TRAVIS JOHNSON, JONES, KERNER, LACOMBE, LYONS, MCCORMICK, MCFARLAND, MCKNIGHT, MCMAHEN, DUSTIN MILLER, GREGORY MILLER, MINCEY, MOORE, ORGERON, CHARLES OWEN, RISER, ROMERO, SCHAMERHORN, SCHEXNAYDER, SELDERS, ST. BLANC, WHEAT, AND WHITE

1 AN ACT

2 To amend and reenact R.S. 3:312(4) and (5), 313(8) through (10), and 314(B) and to enact
3 R.S. 3:313(11) and Part II of Chapter 4-A of Title 3 of the Louisiana Revised
4 Statutes of 1950, to be comprised of R.S. 3:321 through 323, relative to the
5 Louisiana Rural Development Law; to provide for definitions; to provide for
6 employees in the state office of rural development; to provide for a rural
7 development fund; to provide for fund administration; to provide for rules and
8 regulations; to provide for a rural development program; to provide for receipt of
9 bond proceeds; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 3:312(4) and (5), 313(8) through (10), and 314(B) are hereby
12 amended and reenacted and R.S. 3:313(11) and Part II of Chapter 4-A of Title 3 of the
13 Louisiana Revised Statutes of 1950, comprised of R.S. 3:321 through 323 are enacted to read
14 as follows:

15 §312. Legislative findings

16 * * *

17 (4) The legislature seeks to amplify the efforts of existing agencies and
18 individuals who are interested in such rural policy areas as economic development

1 and employment, local government and management, business, agriculture,
 2 environment, land use, natural resources, community revitalization, human services
 3 and community life, health care, education, transportation, community facilities, ~~and~~
 4 housing, broadband connectivity, water quality, and sewer treatment.

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

17 §313. Definitions

18 * * *

19 (8) "Regional planning commission districts" means the eight regional
 20 planning commissions created pursuant to Subparts C and F of Part IV of Chapter
 21 1 of Title 33 of the Louisiana Revised Statutes of 1950.

22 ~~(8)~~(9) "Rural areas" means parishes within the state having less than one
 23 hundred thousand population, or municipalities within the state having less than
 24 thirty-five thousand population, and the unincorporated areas of a parish with a
 25 population of over one hundred thousand.

26 ~~(9)~~(10) "Rural development and revitalization" means those policies,
 27 programs, laws, regulations, or other matters having to do with rural areas, including

1 but not limited to economic development, employment, local government services
2 and management, business, agriculture, environment, land use and natural resources,
3 human services and community life, health care, education, transportation,
4 community facilities, ~~and housing,~~ broadband connectivity, water quality, and sewer
5 treatment.

6 ~~(10)~~(11) "State agency" means any department, office, council, or agency of
7 the state, or any public benefit corporation or authority authorized by the laws of the
8 state.

9 §314. State office of rural development

10 * * *

11 B. The director shall employ necessary staff to carry out the duties and
12 functions of the office as otherwise provided in this Chapter, or as otherwise
13 provided by law. As part of the necessary staff, the director shall employ one
14 regional director in each of the eight regional planning commission districts of the
15 state. Each applicant for the position of regional director shall reside in the district
16 in which he seeks employment as a regional director. Any person hired as a regional
17 director shall remain a resident of the district in which he is employed throughout the
18 entirety of his employment. Regional directors shall serve under the supervision of
19 the director and assist with the functions and duties assigned by the director and as
20 provided for under this Chapter.

21 * * *

22 PART II. RURAL DEVELOPMENT PROGRAM

23 §321. Policy Statement

24 Louisiana's rural areas are a vital element of the state. In order to mitigate
25 the rapid deterioration of rural health, education, infrastructure, and other systems
26 essential to the socioeconomic well-being of Louisiana's rural population, it is
27 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.

1 D. The Rural Development Fund is hereby authorized to receive monies
2 from the sale of general obligation bonds of the state issued pursuant to Article VII,
3 Section 6 of the Constitution of Louisiana. Such proceeds are to be used for the
4 constitutionally permissible purposes of making capital improvements, providing
5 relief from natural catastrophes, or for the matching of federal funds received for
6 such purposes.

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

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

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

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

27 (1) All projects or activities funded shall be related to the revitalization of
28 a designated rural area, as defined in R.S. 3:313.

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

4 (3) All projects or activities should enhance and broaden rural employment
5 opportunities and community services.

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____