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## DIGEST

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HB 296 Reengrossed

2023 Regular Session

Hilferty

**Abstract:** Provides relative to the parcel fee imposed within the Mid-City Security District in Orleans Parish.

Present law creates the Mid-City Security District in Orleans Parish as a political subdivision of the state for the purpose of promoting and encouraging security in the area included within the district. Provides for district boundaries. Provides that the district is governed by a seven-member board of commissioners and provides for the district's powers and duties.

Proposed law retains present law.

Present law authorizes the governing authority of the city of New Orleans to impose and collect a parcel fee within the district. Provides that the amount of the fee shall be as requested by duly adopted resolution of the board of the district. Further provides that the amount of the fee shall be as follows:

- (1) For each improved residential parcel the fee shall be a flat fee per parcel of land not to exceed \$250 per year.
- (2) For improved residential parcels subject to a special assessment level pursuant to present constitution (Art. VII, Sec. 18(G)), the fee shall be a flat fee per parcel of land not to exceed \$150 per year.
- (3) For each improved commercial parcel, the fee shall be a flat fee per parcel of land not to exceed \$375 per year.

Provides that any improved parcel consisting of both commercial and residential uses shall be considered commercial.

Proposed law instead provides that the amount of the parcel fee shall be as follows:

- (1) For each residential parcel which is unimproved, or contains a single-family dwelling, condominium, townhouse, or two-family dwellings, the fee shall be a flat fee not to exceed \$250 per year.
- (2) For each residential parcel which contains three-or four-family dwellings, the fee shall be a flat fee not to exceed \$300 per year.

- (3) For each residential parcel which contains five to nine rental units, the fee shall be a flat fee not to exceed \$600 per year.
- (4) For each residential parcel which contains 10 to 19 rental units, the fee shall be a flat fee not to exceed \$1,000 per year.
- (5) For each residential parcel which contains 20 to 39 rental units, the fee shall be a flat fee not to exceed \$2,000 per year.
- (6) For each residential parcel which contains 40 or more rental units, the fee shall be a flat fee not to exceed \$4,000 per year.
- (7) For unimproved and improved residential parcels subject to a special assessment level pursuant to present constitution (Art. VII, Section 18(G)), the fee shall be a flat fee per parcel of land not to exceed \$150 per year.
- (8) For unimproved and improved commercial parcels, the fee shall be a flat fee not to exceed \$500 per year.

Provides that any unimproved or improved parcel used for commercial and residential purposes is considered commercial if it is comprised of fewer than four residential units and residential if it is comprised of four or more residential units. Provides that certain properties that are exempt from ad valorem tax pursuant to present constitution (Art. VII, Sec. 21) are not exempt from the parcel fee imposed pursuant to proposed law.

Present law provides that the fee shall be imposed only after the question of its imposition has been approved by a majority of the registered voters of the district voting on the proposition at an election held for that purpose. Provides that the amount of the fee may be changed by duly adopted board resolution, not to exceed the maximum amount authorized by present law. Provides that no other election shall be required except as provided by present law. Proposed law retains present law but authorizes the board to change the amount of the fee, without election, not to exceed the maximum amount authorized by proposed law.

Present law requires that the initial election on the question of the imposition of the fee be held at the same time as a regularly scheduled election in the city of New Orleans. Provides that the fee shall expire on Dec. 31, 2014. Authorizes renewal of the fee. Provides that any election to authorize fee renewal shall be held at the same time as a regularly scheduled municipal, state, or federal election.

Proposed law instead provides that the fee shall expire at the end of the term provided for in the proposition authorizing the fee, not to exceed eight years, but the fee may be renewed if approved by a majority of the registered voters of the district voting on the proposition at an election as provided by present law. Any election to authorize the renewal of the fee shall be held for that purpose in accordance with the La. Election Code.

Present law provides that if the fee is renewed, the term of the imposition of the fee shall be as provided in the proposition authorizing such renewal, not to exceed eight years. Proposed law retains present law.

Proposed law requires the governing authority of the city of New Orleans to continue to levy the fee until such time as it expires, as provided in the proposition approved by a majority of the district's registered voters voting on the proposition at an election held on Nov. 16, 2019. However, proposed law authorizes the board to submit the question of imposition of the fee as provided in proposed law to the voters prior to the expiration of the fee. Requires the governing authority to begin to levy a parcel fee as provided in proposed law if the parcel fee has been approved by the voters.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 33:9091.14(F)(1), (2)(intro. para.), (3)(c), and (4); Repeals R.S. 33:9091.14(F)(3)(b))

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill:

1. Exempts public property and property owned by nonprofits from the parcel fee if such property is exempt from ad valorem taxes pursuant to present constitution (Art. VII, Sec. 21).
2. Adds condominiums to the list of properties subject to a parcel fee not to exceed \$250 per year.

The House Floor Amendments to the engrossed bill:

1. Limit the term of the initial fee to eight years.
2. Make technical changes.