

2024 Regular Session

SENATE BILL NO. 88

BY SENATOR CONNICK

TAX/TAXATION. Authorizes creation of a tax increment financing district for parishes of a certain size for economic development purposes. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 33:9038.31(2) and (3) and to enact R.S. 33:9038.77, relative to  
3 special districts; to authorize the creation of a special district; to provide for the  
4 governance and the powers and duties of the district, including tax, bond, and tax  
5 increment finance authority; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 33:9038.31(2) and (3) are hereby amended and reenacted and R.S.  
8 33:9038.77 is hereby enacted to read as follows:

9 §9038.31. Definitions

10 As used in this Part, the following terms shall have the following meanings,  
11 unless the context requires otherwise:

12 \* \* \*

13 (2) "Issuer" means the local governmental subdivision, economic  
14 development district, industrial development board of the municipality or parish  
15 authorized and created pursuant to Chapter 7 of Title 51 of the Louisiana Revised  
16 Statutes of 1950, a public trust with the municipality or parish as the beneficiary  
17 thereof as provided in Chapter 2-A of Code Title II of Code Book III of Title 9 of the

1 Louisiana Revised Statutes of 1950, as authorized in this Part, ~~or~~ the Walnut Street  
 2 Special District, ~~or~~ any Tax Increment Development Corporation activated in a  
 3 municipality with a population of not less than three thousand three hundred and not  
 4 more than three thousand three hundred ninety-five persons according to the most  
 5 recent federal decennial census for the purposes provided for in R.S. 33:9038.68, or  
 6 any district created pursuant to R.S. 33:9038.70 **or 33:9038.77**.

7 (3) "Local governmental subdivision" means any municipality or parish or  
 8 any municipality, parish, local industrial board, a local public trust authorized  
 9 pursuant to R.S. 33:9038.33(N) or 9038.34(N) having jurisdiction over the  
 10 geographical area bounded by the Mississippi River, the Orleans/Jefferson parish  
 11 line and the Orleans/Plaquemines parish line, ~~or~~ the Walnut Street Special District,  
 12 ~~or~~ any Tax Increment Development Corporation activated in a municipality with a  
 13 population of not less than three thousand three hundred and not more than three  
 14 thousand three hundred ninety-five persons according to the most recent federal  
 15 decennial census for the purposes provided for in R.S. 33:9038.68, or any district  
 16 created pursuant to R.S. 33:9038.70 **or 33:9038.77**; but the provisions of this Part  
 17 shall not apply to any of the financing of construction, renovations, or improvements  
 18 of any convention center, hotel complex, and ancillary facilities within the city of  
 19 Shreveport. However, the provisions of this Part shall apply to the parish of Rapides,  
 20 only as provided in R.S. 33:9038.41.

21 \* \* \*

22 **§9038.77. Special district in certain parishes**

23 **A. Definitions. As used in this Section, "parish" means any parish with**  
 24 **a population between twenty-three thousand and twenty-five thousand five**  
 25 **hundred persons according to the latest federal decennial census.**

26 **B. Creation. The governing authority of the parish may, by ordinance,**  
 27 **create a special taxing district and political subdivision of the state, hereinafter**  
 28 **referred to as the "district".**

29 **C. Boundaries. The ordinance creating the district shall establish its**

1 boundaries which shall be within the jurisdictional limits of the parish.

2 D. Purpose. The district is created to provide for cooperative economic  
3 development between the district, the parish, and the owner or owners of  
4 businesses and other property within the district in order to provide for costs  
5 related to infrastructure within the district as determined by the board of  
6 commissioners of the district.

7 E. Governance. (1) In order to provide for the orderly development of  
8 the district and effectuation of the purposes of the district, the district shall be  
9 administered and governed by a board of commissioners as follows:

10 (a) The parish president, or his designee.

11 (b) A member of the parish council appointed by the parish president.

12 (c) The chairman or director of a port located within the parish.

13 (d) A member of the parish economic development community appointed  
14 by the regional economic development authority president or chief executive  
15 officer.

16 (e) A member of the business community within the district appointed  
17 by the parish president.

18 (2) A majority of the members of the board shall constitute a quorum for  
19 the transaction of business. The board shall keep minutes of all meetings and  
20 shall make them available for inspection through the board's secretary. The  
21 minute books and archives of the district shall be maintained by the board's  
22 secretary. The monies, funds, and accounts of the district shall be in the official  
23 custody of the board.

24 (3) The board shall adopt bylaws and rules to govern its meetings. The  
25 members of the board shall serve without salary or per diem and shall be  
26 entitled to reimbursement for reasonable, actual, and necessary expenses  
27 incurred in the performance of their duties.

28 (4) The domicile of the board shall be established by the board at a  
29 location within the parish.

1           (5) The board shall elect from its own members a president and  
2           secretary, whose duties shall be common to the offices or as may be provided by  
3           bylaws adopted by the district. The board shall hold regular meetings and may  
4           hold special meetings as provided in the bylaws. All meetings shall be public  
5           meetings subject to the provisions of the Open Meetings Law.

6           F. Rights and powers. In addition to the taxing, tax increment finance,  
7           and bonding authority provided for in Subsection G of this Section, the district,  
8           acting by and through its board of commissioners, shall have and exercise all  
9           powers of a political subdivision and a special district necessary or convenient  
10          for the carrying out of its objects and purposes including but not limited to the  
11          following:

12           (1) To sue and to be sued.

13           (2) To adopt bylaws and rules and regulations.

14           (3) To receive by gift, grant, or donation any sum of money, property, aid  
15          or assistance from the United States, the state of Louisiana, or any political  
16          subdivision thereof, or any person, firm, or corporation.

17           (4) For the public purposes of the district, to enter into contracts,  
18          agreements, or cooperative endeavors with the state and its political  
19          subdivisions or political corporations and with any public or private association,  
20          corporation, business entity, or individual.

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

23           (6) To acquire by gift, grant, purchase, or lease, but not by  
24          expropriation, such property as may be necessary or desirable for carrying out  
25          the objectives and purposes of the district and to mortgage and sell such  
26          property.

27           (7) In its own name and on its own behalf, to incur debt and to issue  
28          bonds, notes, certificates, and other evidences of indebtedness. For this purpose  
29          the district shall be deemed and considered to be an issuer for purposes of R.S.

1 33:9037 and shall, to the extent not in conflict with this Section, be subject to the  
2 provisions of R.S. 33:9037.

3 (8) To establish such funds or accounts as are necessary for the conduct  
4 of the affairs of the district.

5 (9) To do all things reasonably necessary to accomplish the purposes of  
6 this Section.

7 (10) To designate by ordinance any territory within the district as a  
8 subdistrict in which shall be exercised, to the exclusion of the remainder of the  
9 district, any authority provided to the district by Subsection G of this Section  
10 or any other provision of this Section or other law.

11 G. Taxing, tax incremental financing, and bonding authority. (1) To  
12 provide for the costs of a project to fund infrastructure within the district, the  
13 district shall have such tax increment finance authority, taxing authority, and  
14 other authority that is provided to local governmental subdivisions in Part II of  
15 Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, including but  
16 not limited to the following: ad valorem tax increment financing and bonding  
17 in R.S. 33:9038.33; sales tax increment financing and bonding in R.S.  
18 33:9038.34; cooperative endeavor authority in R.S. 33:9038.35; bond authority  
19 in R.S. 33:9038.38; and ad valorem, sales tax, and hotel occupancy tax authority  
20 in R.S. 33:9038.39. The project to fund infrastructure within the district is  
21 hereby deemed to be an "economic development project" within the meaning  
22 provided for in Part II of Chapter 27 of Title 33 of the Louisiana Revised  
23 Statutes of 1950. An agreement entered into by the district and any affected tax  
24 recipient entity authorizing the use and dedication of the affected tax recipient  
25 entity's incremental increase in taxes may include additional public or private  
26 entities as parties to such agreement and may include such terms, conditions,  
27 and other provisions to which all parties to such agreement consent.

28 (2) Notwithstanding any provision of Part II of Chapter 27 of Title 33 of  
29 the Louisiana Revised Statutes of 1950 or any other law to the contrary, any

1 powers, authorities, or duties granted under such laws may be restricted to a  
 2 subdistrict of the territory which shall be established by ordinance of the board  
 3 of commissioners of the district.

4 H. Project financing. The district may pledge any taxes collected under  
 5 the authority of this Section to any economic development project in  
 6 furtherance of the purposes of the district.

7 I. Term. The district shall dissolve and cease to exist one year after the  
 8 date all bonds, notes, and other evidences of indebtedness of the district,  
 9 including refunding bonds, are paid in full as to both principal and interest;  
 10 however, in no event shall the district exist less than three years.

11 J. Liberal construction. This Section, being necessary for the welfare of  
 12 the parish and its residents, shall be liberally construed to effect the purposes  
 13 thereof.

14 Section 2. This Act shall become effective upon signature by the governor or, if not  
 15 signed by the governor, upon expiration of the time for bills to become law without signature  
 16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 17 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 18 effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Danielle Clapinski.

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DIGEST

SB 88 Original

2024 Regular Session

Connick

Proposed law includes any district created pursuant to proposed law in the definition of "issuer" and "local governmental subdivision" under the laws applicable to tax increment financing for local governmental subdivisions.

Proposed law defines "parish" as any parish with a population between 23,000 and 25,500 persons based upon the latest federal decennial census.

Proposed law authorizes the parish governing authority to, by ordinance, create a special taxing district and political subdivision of the state.

Proposed law requires that the ordinance creating the district establish its boundaries within the parish.

Proposed law provides that the district is created to provide for cooperative economic development between the district, the parish, and the owners of businesses and other

property within the district in order to provide for costs related to infrastructure within the district.

Proposed law provides that the district shall be administered and governed by a board of commissioners as follows:

- (1) The parish president, or his designee.
- (2) A member of the parish council appointed by the parish president.
- (3) The chairman or director of a port located within the parish.
- (4) A member of the parish economic development community appointed by the regional economic development authority president or chief executive officer.
- (5) A member of the business community located within the district appointed by the parish president.

Proposed law provides for quorum and record keeping requirements and requires the board to adopt bylaws and rules. Provides that the board members serve without salary or per diem but are entitled to reimbursement for reasonable, actual, and necessary expenses incurred in the performance of their duties.

Proposed law provides that the district, acting by and through its board, shall have and exercise all powers of a political subdivision and a special district necessary or convenient for the carrying out of its objects and purposes including but not limited to the following:

- (1) To sue and to be sued.
- (2) To adopt bylaws and rules and regulations.
- (3) To receive by gift, grant, or donation any sum of money, property, aid or assistance from the United States, the state, or any political subdivision thereof, or any person, firm, or corporation.
- (4) For the public purposes of the district, to enter into contracts, agreements, or cooperative endeavors with the state and its political subdivisions or political corporations and with any public or private association, corporation, business entity, or individual.
- (5) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.
- (6) To acquire by gift, grant, purchase, or lease but not by expropriation, such property as may be necessary or desirable for carrying out the objectives and purposes of the district and to mortgage and sell such property.
- (7) In its own name and on its own behalf, to incur debt and to issue bonds, notes, certificates, and other evidences of indebtedness.
- (8) To establish such funds or accounts as are necessary for the conduct of the affairs of the district.
- (9) To do all things reasonably necessary to accomplish the purposes of proposed law.
- (10) To designate by ordinance any territory within the district as a subdistrict in which shall be exercised, to the exclusion of the remainder of the district, any authority provided to the district.

Proposed law grants the district tax increment finance authority, taxing authority, and other authority that is provided to local governmental subdivisions in present law, including but not limited to the following: ad valorem tax increment financing and bonding; sales tax increment financing and bonding; cooperative endeavor authority; bond authority; and ad valorem, sales tax, and hotel occupancy tax authority.

Proposed law provides that the district may pledge any taxes collected to any economic development project in furtherance of the purposes of the district.

Proposed law requires that the district dissolve and cease to exist one year after the date all bonds, notes, and other evidences of indebtedness of the district, including refunding bonds, are paid in full as to both principal and interest; however, in no event shall the district exist for less than three years.

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

(Amends R.S. 33:9038.31(2) and (3); adds R.S. 33:9038.77)