

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 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-eight thousand persons**  
 25 **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) An elected school board member located in the parish appointed by  
14 the superintendent.

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

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

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

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

29 (5) The board shall elect from its own members a president and

1 secretary, whose duties shall be common to the offices or as may be provided by  
2 bylaws adopted by the district. The board shall hold regular meetings and may  
3 hold special meetings as provided in the bylaws. All meetings shall be public  
4 meetings subject to the provisions of the Open Meetings Law.

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

11 (1) To sue and to be sued.

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

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

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

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

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

26 (7) In its own name and on its own behalf, to incur debt and to issue  
27 bonds, notes, certificates, and other evidences of indebtedness. For this purpose  
28 the district shall be deemed and considered to be an issuer for purposes of R.S.  
29 33:9037 and shall, to the extent not in conflict with this Section, be subject to the

1 provisions of R.S. 33:9037.

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

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

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

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

25 (2) Notwithstanding any provision of Part II of Chapter 27 of Title 33 of  
26 the Louisiana Revised Statutes of 1950 or any other law to the contrary, any  
27 powers, authorities, or duties granted under such laws may be restricted to a  
28 subdistrict of the territory which shall be established by ordinance of the board  
29 of commissioners of the district.



- (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) An elected school board member located in the parish appointed by the superintendent.
- (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 and other authority that is provided to local governmental subdivisions in present law, including but not limited to the following: sales tax increment financing and bonding; cooperative endeavor authority; and bond 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)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill

1. Changes one of the district's board appointments from a member of the parish economic development community to a member of the local school board.
2. Removes the district's taxing authority.

##### Senate Floor Amendments to engrossed bill

1. Change to the population range used in determining a parish that may create a special taxing district pursuant to proposed law.