

Regular Session, 2013

HOUSE BILL NO. 723 (Substitute for House Bill No. 622 by Representative Tim Burns)

BY REPRESENTATIVE TIM BURNS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/AD VALOREM TAX: Provides requirements for constitutionally authorized millage increases in certain parishes

1 AN ACT

2 To enact R.S. 47:1705.1, relative to ad valorem tax millages; to provide with respect to  
3 constitutionally authorized millage increases in certain parishes; to provide public  
4 hearing requirements; to provide with respect to public notice requirements; to  
5 provide for the transmittal of information by the assessor and certain taxing  
6 authorities; to provide for review of millages levied; and to provide for related  
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:1705.1 is hereby enacted to read as follows:

10 §1705.1. Information supplied to assessor and legislative auditor by taxing  
11 authorities; millage increases; additional notices; certain parishes

12 A. The provisions of this Section shall apply to any parish with a population  
13 between two hundred thirty thousand and two hundred fifty thousand according to  
14 the 2010 federal decennial census.

15 B. All taxing authorities levying ad valorem taxes, with the exception of  
16 municipalities which prepare their own tax rolls, shall provide to the assessor and the  
17 legislative auditor the authorizing ordinances or resolutions and the tax rate to be  
18 applied to the assessed values for ad valorem tax purposes not later than June first  
19 of each year.

1           C. Increases in a millage rate in excess of the rates established as provided  
2           by Article VII, Section 23(B) of the Constitution of Louisiana, but not in excess of  
3           the prior year's maximum authorized millage rate, may be levied by two-thirds vote  
4           of the total membership of a taxing authority without further voter approval, but only  
5           after a public hearing held in accordance with the requirements of Article VII,  
6           Section 23(C) of the Constitution of Louisiana, the open meetings law, and as  
7           provided in Subsection D of this Section.

8           D. For the exercise of the authority granted in Subsection C of this Section,  
9           all of the following requirements and conditions shall be met.

10           (1) The taxing authority shall adopt an ordinance or resolution which sets  
11           forth and designates the adjusted millage rate which was established pursuant to  
12           Article VII, Section 23(B) of the Constitution of Louisiana.

13           (2) The taxing authority shall adopt, by two-thirds vote, another separate  
14           ordinance or resolution which shall provide for the millage rate increases and set  
15           forth and designate not only the increased millage rate, but also the adjusted millage  
16           rate as required by Article VII, Section 23(B) of the Constitution of Louisiana. The  
17           requirements for the notification for and conduct of the public hearing at which this  
18           ordinance or resolution may be considered shall consist of the following:

19           (a) Each year there shall be coordination of the date, times, and place for all  
20           public hearings of any and all taxing authorities which seek a millage increase. The  
21           parish governing authority shall establish the location for hearings, as well as two  
22           specific dates on which hearings may be conducted. Hearings on the same date shall  
23           be scheduled sequentially in a manner which allows for the maximum opportunity  
24           for taxpayer attendance to the greatest degree practicable.

25           (b) The notice for the public hearing shall conform to the requirements of  
26           this Subparagraph. Failure to timely accomplish its publication shall cause the  
27           adoption of any resolution or ordinance providing for the adoption of an increased  
28           millage rate at such a hearing to be null, void, and of no effect. The notice shall meet  
29           all of the following requirements:

1           (i) Be in conformity with the requirements of Article VII, Section 23(C) of  
2           the Constitution of Louisiana, the open meetings law, the requirements prescribed  
3           by the Louisiana Tax Commission as provided in R.S. 47:1705(B)(2)(c)(iii), and the  
4           requirements of this Subparagraph.

5           (ii) Contain a statement that the taxing authority intends to consider at the  
6           hearing the levy of increased millage rates without further voter approval.

7           (iii) Contain the following information relating to the proposal for the  
8           increased millage rate:

9           (aa) An estimate of the amount of tax revenues to be collected in the next tax  
10           year from the increased millage as compared to the amount of tax revenue for the  
11           current year and the amount of increase in taxes attributable to the millage increase.

12           (bb) For purposes of the Internet publication only, a recitation of the current  
13           budget of the taxing authority.

14           (iv) Be published by July fifteenth, on two separate days occurring no more  
15           than sixty days nor less than thirty days before the hearing date.

16           (v) Be published in the official journal of the taxing authority, and in another  
17           newspaper with a larger circulation within the taxing authority than the official  
18           journal of the taxing authority, if one exists. However, in the event that a taxing  
19           authority has submitted a notice to the official journal in conformity with the date  
20           required for the submission of advertisements for publication by July fifteenth, and  
21           the official journal fails to publish the notice by July fifteenth, the publication of the  
22           notice shall be deemed to be in accordance with the publication requirements  
23           provided in this Item and Item (iv) of this Subparagraph if the notice is published by  
24           July twenty-fifth.

25           (vi) Be posted on the Internet website of the taxing authority on the first day  
26           of publication, if such taxing authority maintains an Internet website. The Internet  
27           posting shall remain active until such time as the taxing authority has taken action  
28           to approve or disapprove, or has abandoned action on, the proposed millage increase.

1           (c) In addition to the requirements for publication provided for in this  
2           Paragraph, the taxing authority shall issue a press release to newspapers with  
3           substantial distribution within the parish of the taxing authority's jurisdiction and to  
4           area broadcast media.

5           (d) In the event of cancellation or postponement of the public hearing, or in  
6           the event that such a proposal was considered at the public hearing without action or  
7           vote, then any future public hearing to consider such proposal shall be advertised and  
8           publicized as required in this Paragraph, except that no newspaper advertisement  
9           shall be required.

10           (3) Each taxing authority required to publish public notice pursuant to  
11           Paragraph (2) of this Subsection shall also provide a copy of the notice to the  
12           assessor. The assessor shall maintain a list of the scheduled public hearings and may  
13           publish it on his website.

14           (4) The additional publications of notice as required by Items (b)(iv) and (v)  
15           of Paragraph (2) shall be provided by the official journal at a charge not in excess of  
16           the rates assessed and charged for regular commercial advertising.

17           E. The assessor shall provide information to the governing authority of each  
18           taxing authority which is sufficient for their compliance with the requirements of this  
19           Section. No later than May first of each year in which reassessment occurs, the  
20           assessor shall furnish to such governing authorities a statement showing the assessed  
21           value of taxable property that appeared on the tax roll of the prior year before and  
22           after reassessment and application of changes in the homestead exemption.

23           F. In order to carry out the mandate of Article VII, Section 23(B) of the  
24           Constitution of Louisiana, the legislative auditor is hereby authorized and required  
25           to review the millages levied by each taxing authority in each year that reassessment  
26           occurs to determine whether the millages levied are in compliance with the  
27           provisions of this Section and the constitution. The legislative auditor is also  
28           authorized and required to review the millages levied by each taxing authority in  
29           each year in which an increase in millage is made pursuant to the authority granted

1 in Article VII, Section 23(C) of the Constitution of Louisiana, to determine whether  
 2 the millage levied is in compliance with the provisions of this Section and the  
 3 constitution. The auditor shall order changes in the amount of millage levied if the  
 4 auditor determines thereafter that a mathematical error or mathematical errors have  
 5 been made in the calculation of the adjustment of millages as required by this  
 6 Section and the Constitution of Louisiana.

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Tim Burns

HB No. 723

**Abstract:** Provides requirements relating to constitutionally authorized ad valorem tax millage rate increases without voter approval in certain parishes

Proposed law shall apply to any parish with a population between 230,000 and 250,000 according to the 2010 federal decennial census.

Present constitution requires the automatic adjustment of millage rates after property reassessment or a change in the homestead exemption. Millage rates are increased or decreased so that the amount of taxes collected in the year after the change in the tax base is the same as that collected in the prior year. Further, present constitution authorizes a taxing authority to increase millage rates in excess of those established after the automatic adjustments required by present constitution. Such increase may occur without further voter approval.

Present constitution sets out limitations on the amount a millage rate may be increased, and requires approval of two-thirds vote of the governing authority of the taxing authority. Further, present constitution provides requirements regarding the public hearing at which such millage increase would be considered.

Proposed law provides with respect to the transmission of information and documents between the assessor and each taxing authority for purposes of proposed law.

Proposed law provides for specific requirements and conditions relating to a taxing authority exercising the authority to increase a millage rate as provided in present constitution. These include: the adoption of certain ordinances, extensive and detailed requirements relating to the public hearing at which a vote to increase a millage rate would occur including the scheduling of the hearing, and components and publication of the meeting notice.

Proposed law provides that the official journal of the jurisdiction of the taxing authority shall publish the notices required pursuant to proposed law at a charge not in excess of the rates assessed and charged for regular commercial advertising.

Proposed law authorizes and directs the legislative auditor to review the millages levied by each taxing authority in each year that reassessment occurs to determine whether the millages levied are in compliance La. constitution and law. Further, the legislative auditor is required to review the millages levied by each taxing authority in each year in which an increase in millage is made pursuant to the authority granted in present constitution to

determine whether the millage increase is in compliance with present constitution and present law. The auditor is authorized to order changes in the amount of millage levied if the auditor determines thereafter that mathematical error has occurred in the calculation of such millage increase.

(Adds R.S. 47:1705.1)