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## DIGEST

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HB 41 Original

2020 Second Extraordinary Session

Larvadain

**Abstract:** Relative to the use of tax increment financing in Rapides Parish, authorizes the use of such financing in a portion of the city of Alexandria.

Present law (R.S. 33:9038.31 et seq.) authorizes any local governmental subdivision to establish, by ordinance, an economic development district to utilize ad valorem and sales tax increment financing to fund economic development projects. Defines "local governmental subdivision" as any municipality or parish or any municipality, parish, local industrial board, or local public trust authorized pursuant to present law (R.S. 33:9038.33(N) or 9038.34(N)) having jurisdiction over the geographical area bounded by the Mississippi River, the Orleans/Jefferson parish line, and the Orleans/Plaquemines parish line, the Walnut Street Special District, any Tax Increment Development Corporation activated in a municipality with a population of not less than 3,300 and not more than 3,395 persons for the purposes provided for in present law (R.S. 33:9038.68), or special taxing districts created by municipalities governed by a home rule charter and with a population between 7,000 and 8,000 persons pursuant to present law (R.S. 33:9038.70). Provides that the provisions of present law do not apply to any of the financing of construction, renovations, or improvements of any convention center, hotel complex, and ancillary facilities within the city of Shreveport.

Proposed law retains present law.

Present law (R.S. 33:9038.41) provides for restrictions on the use of tax increment financing in Rapides Parish. Provides that such financing may only be used for certain infrastructure projects, including but not limited to utility projects, access projects, and telecommunication projects; the purchase of land; and the construction of a publicly owned facility for certain manufacturers or businesses identified as one of the Vision 2020 cluster industries.

Present law (R.S. 33:9038.41), relative to Rapides Parish, provides that the provisions of present law (R.S. 33:9038.31 et seq.), relative to tax increment financing, may not be used to finance the following employers or business types and that these employers or business types are not eligible to receive benefits of tax increment financing:

- (1) Retail employers as identified by the NAICS code sections 44 and 45.
- (2) Business associations and professional organizations as defined in NAICS code 8139.
- (3) Real estate agents, operators, and lessors.

- (4) Automotive rental and leasing.
- (5) Local solid waste disposal, local sewage systems, and local water systems businesses.
- (6) Nonprofit organizations.
- (7) Employers engaged in the gaming industry as identified by the NAICS code sections 713210 and 721120.

Proposed law retains present law (R.S. 33:9038.41), relative to Rapides Parish, but makes an exception for a portion of the city of Alexandria. Authorizes the city's governing authority to use tax increment financing as otherwise provided in present law (R.S. 33:9038.31 et seq.) only for the purpose of funding economic development projects in the North MacArthur Bolton Avenue Economic Development District. Requires the governing authority to create the district by ordinance. Proposed law further provides that the district shall be a political subdivision of the state and shall possess all powers and duties authorized by present law (R.S. 33:9038.31 et seq.). Provides for district boundaries.

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

(Amends R.S. 33:9038.31(3))