DIGEST

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HB 608 Original | 2015 Regular Session | Jackson

Abstract: Permits, with voter approval, certain school districts to incur bonded debt that exceeds 10% but does not exceed 50% of the assessed valuation of the taxable property within the geographic boundaries of the district.

Present law (R.S. 39:554) provides that the governing authorities of school districts may incur debt and issue bonds of the districts for the following purposes and none other: acquiring or improving lands for building sites and playgrounds, including construction of necessary sidewalks and streets; purchasing, erecting and/or improving school buildings, teachers' homes, and other school related facilities, and acquiring the necessary equipment and furnishings therefor. Proposed law retains present law.

Relative to a limit on the indebtedness of local school boards, generally:

Present law (R.S. 39:562(B)) provides that no debt shall be incurred and general obligation bonds issued therefor for any one of the purposes provided by present law which, including the existing bonded debt (with specified exceptions) shall exceed in the aggregate 10% of the assessed valuation of the taxable property within the school district, including both homestead exempt property and certain nonexempt property.

Proposed law authorizes a school district in any parish having a population of between 149,000 to 184,000 persons at the time any bonds are issued, with the approval of a majority of the voters, to incur debt and issue bonds for the purposes specified in R.S. 39:554 which may exceed 10% but shall not exceed 50% of the assessed valuation of the taxable property within the geographic boundaries of the school system, including each of the following:

(1) Homestead exempt property, which must be included on the assessment roll for the purpose of calculating debt limitation.

(2) Nonexempt property, as ascertained for local purposes by the last assessment of property within the geographic boundaries of the school system governed by the board prior to the delivery of the bonds representing the debt, regardless of the date of the election at which said bonds were approved.

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

(Adds R.S. 39:562(Q))