

Regular Session, 2009

HOUSE BILL NO. 526

BY REPRESENTATIVE CHANDLER

DISTRICTS/ECONOMIC DEVEL: Creates the Grant Parish Economic and Industrial Development District

1 AN ACT

2 To enact Subpart B-6-A of Part IV of Chapter 1 of Title 33 of the Louisiana Revised
3 Statutes of 1950, to be comprised of R.S. 33:130.161 through 130.169, relative to
4 economic development in Grant Parish; to create and provide for the Grant Parish
5 Economic and Industrial Development District; to provide for the governance,
6 powers, duties, and funding of the district; to authorize the district to issue bonds and
7 levy taxes; and to provide for related matters.

8 Notice of intention to introduce this Act has been published
9 as provided by Article III, Section 13 of the Constitution of
10 Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. Subpart B-6-A of Part IV of Chapter I of Title 33 of the Louisiana
13 Revised Statutes of 1950, comprised of R.S. 33:130.161 through 130.169, is hereby enacted
14 to read as follows:

1 SUBPART B-6-A. GRANT PARISH ECONOMIC AND INDUSTRIAL
2 DEVELOPMENT DISTRICT

3 §130.161. Grant Parish Economic and Industrial Development District; creation;
4 territorial jurisdiction

5 A. There is hereby created a body politic and corporate of the state which
6 shall be known as the Grant Parish Economic and Industrial Development District,
7 referred to in this Subpart as the "district".

8 B. The district shall be composed of all of the territory located within the
9 unincorporated areas of Grant Parish on July 1, 2009.

10 C. The district shall be a political subdivision of the state as defined in
11 Article VI, Section 44 of the Constitution of Louisiana. Pursuant to Article VI,
12 Sections 19 and 21 of the Constitution of Louisiana, the district is hereby granted all
13 of the rights, powers, privileges, and immunities accorded by law and the
14 Constitution of Louisiana to political subdivisions of the state, subject to the
15 limitations provided in this Subpart.

16 §130.162. Object and purposes

17 The district created by this Subpart shall be established for the primary
18 purposes of promoting and encouraging industrial development, stimulating the
19 economy through commerce, industry, and research, utilizing and developing the
20 area's natural and human resources, and providing job opportunities.

21 §130.163. Board of commissioners; members; officers; employees

22 A. The district shall be governed by a board of commissioners, referred to
23 in this Subpart as the "board", consisting of five members appointed by the
24 governing authority of Grant Parish.

25 B.(1) Each member appointed to the board shall be a citizen of the United
26 States. Each member shall additionally have been domiciled in Grant Parish and a
27 qualified voter in Grant Parish for at least one year preceding the date of his
28 appointment. Each board member shall remain domiciled in and a qualified voter
29 in Grant Parish throughout his term of office.

1 (2) Preference for board appointment shall be given to individuals with at
2 least five years of experience in one or more of the following areas:

3 (a) Economic development.

4 (b) Public finance or administration.

5 (c) Senior level management.

6 (d) Urban planning.

7 (e) Banking or finance.

8 (f) Public relations.

9 (g) Education.

10 (h) Practice of law, medicine, or other licensed profession.

11 (i) Construction.

12 (j) Realtor, appraiser, or commercial developer.

13 (k) Aviation.

14 (l) Labor.

15 C.(1) The members of the board shall serve terms of four years after initial
16 terms as provided in Paragraph (2) of this Subsection.

17 (2) One member shall serve an initial term of one year, one shall serve two
18 years, one shall serve three years, and two shall serve four years, as determined by
19 lot at the first meeting of the board.

20 D.(1) Any member may be removed for cause by a majority vote of the
21 Grant Parish Police Jury.

22 (2) Any member who misses fifty percent of the board's meetings, regular
23 and special, in any calendar year shall be disqualified and removed automatically
24 from office. Such vacated position shall be filled in the same manner as the original
25 appointment for the balance of the vacated term. The former member shall not be
26 eligible for reappointment until expiration of the balance of the vacated term.

27 E.(1) Any vacancy in the membership of the board shall be filled in the same
28 manner as the original appointment within thirty days after receipt by the police jury
29 of written notification from the board of the vacancy.

1 (2) In the event the vacancy is not filled within thirty days after the police
2 jury's receipt of written notification of the vacancy, the board shall appoint an
3 interim successor to serve on the board until the position is filled in the same manner
4 as the original appointment.

5 F. Members of the board shall serve without compensation. The board may
6 reimburse any member for expenses actually incurred in the performance of his
7 duties.

8 G. The board shall elect yearly from its number a chairman, vice chairman,
9 secretary, and treasurer and establish their duties in rules adopted by the board. The
10 offices of secretary and treasurer may be held by the same person.

11 H. The board shall meet in regular session once each month and also shall
12 meet in special session as convened by the president or upon written notice of three
13 members.

14 I. A majority of the board members shall constitute a quorum.

15 J. All actions of the board shall be approved by the affirmative vote of a
16 majority of the members.

17 K. Vote by proxy shall not be permitted. Any member may request a
18 recorded vote on any resolution or action of the district.

19 L. The board shall cause minutes and a record to be kept of all its
20 proceedings, and it shall select a newspaper of general circulation within its
21 territorial jurisdiction as its official journal in which it shall publish its minutes and
22 in which it shall publish such official notices as are required by law.

23 §130.164. Governmental functions

24 A. The district, or any subdistrict created by the board, shall not be required
25 to pay any taxes, including but not limited to sales and use taxes, ad valorem,
26 occupational licensing, income, or any other taxes of any kind or nature, or
27 assessments upon any property acquired or used by the district under the provisions
28 of this Subpart, or upon the income therefrom.

1 B.(1) Any bonds issued pursuant to this Subpart and the income therefrom
2 shall be exempt from taxation by the state and by any parish, municipality, or other
3 political subdivision of the state.

4 (2) No bonds, other debt obligations, or contracts of the district or of any
5 subdistrict shall be a charge upon the income, property, or revenue of Grant Parish
6 or the state of Louisiana.

7 C. The district or any subdistrict created by the board shall not be deemed
8 to be a public utility and shall not be subject in any respect to the authority, control,
9 regulation, or supervision of the Louisiana Public Service Commission or any other
10 regulatory body of the state, or any political subdivision thereof.

11 §130.165. Powers

12 A. In addition to the powers and duties elsewhere granted in this Subpart, the
13 board is hereby granted all powers necessary or convenient for the carrying out of
14 its purposes, including but not limited to the following:

15 (1) To sue and be sued.

16 (2) To adopt, use, and alter at will a corporate seal.

17 (3) To acquire by purchase or donation any property and to hold, maintain,
18 and use such property, or any interest therein.

19 (4) To sell or transfer any property acquired by it, or any interest therein.

20 (5) To lease or sublease all or any portion of any property at a fixed or
21 variable rental rate without advertisement for public bids.

22 (6) To donate property to the United States or any political subdivision of the
23 state.

24 (7) To make and collect reasonable charges for the use of the district's
25 property and for services rendered by the district.

26 (8) To enter into contracts.

27 (9) To develop, regulate, and operate activities and planned land uses to
28 foster creation of new jobs, economic development, and industry.

1 (10) To develop and regulate the construction, operation, maintenance, and
2 improvement of facilities and infrastructure on property owned or leased by the
3 district.

4 (11) To require and issue licenses with respect to its properties and facilities.

5 (12) To regulate fees or rentals charged for use of privately owned facilities
6 located on district property when such facilities are offered for use by the public or
7 by a private industrial, commercial, research, or other economic development entity
8 or activity.

9 (13) In its own name and behalf, to incur debt and issue general obligation
10 bonds under the authority of and subject to the provisions of Article VI, Section 33
11 of the Constitution of Louisiana, and Subpart A of Part III of Chapter 4 of Subtitle
12 II of Title 39 of the Louisiana Revised Statutes of 1950.

13 (14) To issue revenue bonds, certificates of indebtedness, and certificate
14 anticipation notes, and to provide for the manner and method of repayment.

15 (15) To mortgage or pledge property, servitudes, and works of the district.

16 (16) To borrow money and pledge all or part of its revenues, leases, rents,
17 and other advantages as security for such loans.

18 (17) To appoint officers, agents, and employees, prescribe their duties, and
19 fix their compensation.

20 B. The district, or any subdistrict created by the board, shall not be deemed
21 to be an instrumentality of the state for purposes of Article X, Section 1(A) of the
22 Constitution of Louisiana.

23 C. The district may create subdistricts as provided in this Subsection. The
24 district shall publish notice of its intent to create a subdistrict in the official journal
25 of the district. At least ten days after publication of such notice in the official journal
26 of the district, the board shall conduct a public hearing on the question of creating
27 such subdistrict. Thereafter, the board may designate one or more project areas
28 within the boundaries of the district as a subdistrict of the district. Each subdistrict
29 shall constitute a political subdivision of the state and shall be governed by the

1 board. Each subdistrict shall have the same powers as the district and shall be given
2 a name and designated as "Grant Parish Economic and Industrial Development
3 District Subdistrict No. _____".

4 §130.166. Funding of the district

5 A. The board may levy annually and cause to be collected an ad valorem tax,
6 provided that the amount, term, and purpose of such tax, as set out in a proposition
7 submitted to a vote in accordance with the Louisiana Election Code, is approved by
8 a majority of the qualified electors of the district voting in an election held for that
9 purpose.

10 B.(1) The board may levy and collect a sales and use tax within the
11 boundaries of the district for such purposes and at such rate as provided by the
12 proposition authorizing its levy, not exceeding one percent, which tax may exceed
13 the limitation set forth in Article VI, Section 29(A) of the Constitution of Louisiana,
14 provided the proposition submitted to a vote in accordance with the Louisiana
15 Election Code shall be approved by a majority of the qualified electors of the district
16 voting in an election held for that purpose.

17 (2) The tax shall be levied upon the use, lease, rental, consumption,
18 distribution, storage, or sale at retail of tangible personal property, and upon the sales
19 of services within the district, all as presently defined in Chapter 2 of Subtitle II of
20 Title 47 of the Louisiana Revised Statutes of 1950.

21 (3) The tax shall be imposed, collected, and enforced subject to the terms of
22 the resolution imposing the tax and the provisions of Chapter 2 of Subtitle II of Title
23 47 of the Louisiana Revised Statutes of 1950.

24 (4) The tax shall be imposed and collected uniformly throughout the district.

25 §130.167. Revenue bonds

26 A. In addition to the authority contained in this Subpart, the district, or any
27 subdistrict created by the district, may, in order to encourage economic and industrial
28 development within the district, issue revenue bonds to acquire, purchase, lease,
29 construct, or improve commercial, research, industrial, or other plant sites and

1 buildings, or other capital improvements authorized in this Subpart, including energy
2 and pollution abatement and control facilities and necessary property and
3 appurtenances thereto, and may sell or lease to any enterprise locating or existing
4 within the jurisdiction of the district such sites, buildings, or facilities and
5 appurtenances thereto, all or severally. The funds derived from the sale of such
6 bonds may be disbursed in whole or in part upon delivery of the bonds as shall be
7 provided in the contract between the district and the enterprise to be developed.

8 B. Bonds issued under this Section shall be authorized by resolution of the
9 board and shall be limited obligations of the district, or any subdistrict created by the
10 board, the principal and interest on which shall be payable solely from the income
11 and revenue derived from the disposition of the project or facility to be financed by
12 the bonds issued pursuant to this Section, or from the income and revenue derived
13 from the sale, lease, or other disposition of any existing project or facility acquired,
14 constructed, and improved under the provisions of this Subpart. However, in the
15 discretion of the board, the bonds may be additionally secured by mortgage covering
16 all or part of the project from which the revenues so pledged may be derived. Any
17 refunding bonds issued pursuant to this Section shall be payable from any source
18 described above or from the investment of any of the proceeds of the refunding
19 bonds authorized pursuant to this Section. These bonds shall not constitute an
20 indebtedness or pledge of the general credit of the district, or any subdistrict created
21 by the board, within the meaning of any constitutional or statutory limitation of
22 indebtedness, and shall contain a recital to that effect.

23 C. Bonds issued under this Section shall be issued, sold, and delivered in
24 accordance with the terms and provisions of a resolution to be adopted by the board.
25 Bonds of the district, or any subdistrict created by the board, shall be issued in such
26 form, shall be in such denominations, shall bear interest, and shall mature in such
27 manner and be executed by one or more members of the board of the body as
28 provided in the resolutions authorizing their issuance. Such bonds may be subject

1 to redemption at the option of and in the manner determined by the board in the
2 resolution authorizing their issuance.

3 D. No bonds or other evidence of indebtedness may be issued under this
4 Section without the prior approval of the State Bond Commission of the terms and
5 provisions thereof.

6 §130.168. Securities

7 Bonds, certificates, or other evidence of indebtedness issued by the district,
8 or any subdistrict created by the board, pursuant to this Subpart are deemed to be
9 securities of public entities within the meaning of Chapters 13 and 13-A of Title 39
10 of the Louisiana Revised Statutes of 1950, and shall be subject to defeasance in
11 accordance with the provisions of Chapter 14 of Title 39 of the Louisiana Revised
12 Statutes of 1950, and may be refunded in accordance with the provisions of Chapters
13 14-A and 15 of Title 39 of the Louisiana Revised Statutes of 1950, and may also be
14 issued as short-term revenue notes of a public entity under Chapter 15-A of Title 39
15 of the Louisiana Revised Statutes of 1950.

16 §130.169. General compliances; enhancement

17 A. No provision of this Subpart shall be construed so as to exempt the
18 district, or any subdistrict created by the board, from compliance with the provisions
19 of Louisiana laws pertaining to open meetings, public records, fiscal agents, official
20 journals, dual officeholding and employment, public bidding for the purchase of
21 supplies and materials and construction of public works, the Code of Governmental
22 Ethics, the Right to Property in Article I, Section 4 of the Constitution of Louisiana,
23 and the Louisiana Election Code.

24 B. The financial records of the district, or any subdistrict created by the
25 board, shall be audited pursuant to R.S. 24:513.

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)]

Chandler

HB No. 526

Abstract: Creates the Grant Parish Economic and Industrial Development District, provides relative to the governance, powers, duties, and funding of the district.

Proposed law creates the Grant Parish Economic and Industrial Development District as a political subdivision of the state composed of all the unincorporated areas of Grant Parish. Provides that the district shall be established for the primary object and purpose of promoting and encouraging industrial development to stimulate the economy.

Proposed law provides that the district shall be governed by a five-member board of commissioners appointed by the governing authority of Grant Parish. Requires that each member be a U.S. citizen, and domiciliary and qualified voter in Grant Parish for at least one year preceding the date of his appointment and during the entirety of his term of office.

Proposed law requires members to serve without compensation but authorizes the board to reimburse any member for expenses actually incurred in the performance of district business.

Proposed law authorizes the creation of subdistricts. Provides that the district, or any subdistrict, shall not be required to pay taxes of any kind or nature, or assessments upon any property acquired or used by the district or any subdistrict, or upon the income therefrom.

Proposed law authorizes the district to issue general obligation bonds and revenue bonds. Provides that any bonds issued and the income therefrom shall be exempt from taxation. Provides that no bonds, other debt obligations, or contracts of the district shall be a charge upon the income, property, or revenue of Grant Parish, nor shall any obligations of the district be obligations of Grant Parish or the state of La.

Proposed law provides that the board shall have and may exercise all powers necessary or convenient for the carrying out of its objects and purposes, including but not limited to the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire, hold, maintain, and use any property, or any interest therein.
- (4) To sell, transfer, and convey any property acquired by it, or any interest therein.
- (5) To lease or sublease all or any portion of any property at a fixed or variable rental without advertisement for public bids.
- (6) To donate property to the U.S. or any political subdivision of the state.
- (7) To make and collect reasonable charges for the use of the district's property and for services rendered by the district.
- (8) To enter into contracts.

- (9) To develop, regulate, and operate activities and planned land uses to foster creation of new jobs, economic development, and industry.
- (10) To develop and regulate the construction, operation, maintenance, and improvements of facilities and infrastructure on property owned or leased by the district.
- (11) To require and issue licenses with respect to its properties and facilities.
- (12) To regulate fees charged for use of privately owned facilities located on district property.
- (13) To incur debt and issue general obligation bonds.
- (14) To issue revenue bonds, certificates of indebtedness, and certificate anticipation notes, and to provide for the manner and method of repayment.
- (15) To mortgage or pledge property, servitudes, and works of the district.
- (16) To borrow money and pledge all or part of its revenues, leases, rents, and other advantages as security for such loans.
- (17) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.

Proposed law authorizes the district, subject to voter approval, to levy and collect annually an ad valorem tax. Further authorizes the district, subject to voter approval, to levy and collect a sales and use tax not to exceed 1%.

Proposed law authorizes the district, or any subdistrict, to issue revenue bonds to acquire, lease, construct, or improve sites or buildings or other capital improvements and to sell or lease such sites, buildings, or improvements to an enterprise in or locating in the district. Provides with respect to issuing such bonds.

Proposed law requires that the financial records of the district, or any subdistrict, be audited pursuant to present law (R.S. 24:513).

(Adds R.S. 33:130.161-130.169)