

2020 Regular Session

HOUSE BILL NO. 162

BY REPRESENTATIVE LARVADAIN

TAX INCREMENT FINANCING: Provides relative to the use of tax increment financing in Rapides Parish

1 AN ACT

2 To amend and reenact R.S. 33:9038.31(3), relative to tax increment financing; to provide
3 relative to the use of tax increment financing by local governmental subdivisions in
4 Rapides Parish; to remove certain restrictions placed on the use of such financing in
5 the city of Alexandria; and to provide for related matters.

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

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 33:9038.31(3) is hereby amended and reenacted to read as follows:

11 §9038.31. Definitions

12 As used in this Part, the following terms shall have the following meanings,
13 unless the context requires otherwise:

14 * * *

15 (3)(a) "Local governmental subdivision" means any municipality or parish
16 or any municipality, parish, local industrial board, a local public trust authorized
17 pursuant to R.S. 33:9038.33(N) or 9038.34(N) having jurisdiction over the
18 geographical area bounded by the Mississippi River, the Orleans/Jefferson parish
19 line and the Orleans/Plaquemines parish line, the Walnut Street Special District, any
20 Tax Increment Development Corporation activated in a municipality with a

1 population of not less than three thousand three hundred and not more than three
2 thousand three hundred ninety-five persons according to the most recent federal
3 decennial census for the purposes provided for in R.S. 33:9038.68, or any district
4 created pursuant to R.S. 33:9038.70; ~~but~~ however, the provisions of this Part shall
5 not apply to any of the financing of construction, renovations, or improvements of
6 any convention center, hotel complex, and ancillary facilities within the city of
7 Shreveport.

8 ~~(b)(i) However, the~~ The provisions of this Part shall apply to the parish of
9 Rapides, only as provided in R.S. 33:9038.41 and Item (ii) of this Subparagraph.

10 (ii) Notwithstanding the provisions of R.S. 33:9038.41, the governing
11 authority of the city of Alexandria may finance or refinance economic development
12 projects within the boundaries of the North MacArthur Bolton Avenue Economic
13 Development District as otherwise authorized in this Part. The governing authority
14 of the city shall create the district by ordinance, and the ordinance shall designate the
15 boundaries of the district as follows: Approximately 50 Acres, that includes Lots 1,
16 2, 3, 4, 5 and 6 of the Octave Praet Plantation and all of Central Louisiana Surgical
17 Hospital Medical Plaza Subdivision, located in parts of Lots 38, 39, 40 and 41 of
18 Experiment Plantation in Sections 16 & 17, T4N-R1W Rapides Parish, LA and lying
19 between MacArthur Drive, Bolton Avenue and Bayou Rapides. The district shall be
20 a political subdivision of the state and shall possess such power and authority and
21 have such duties as provided in this Part and the ordinance creating the district.

22 * * *

23 Section 2. This Act shall become effective on July 1, 2020; if vetoed by the governor
24 and subsequently approved by the legislature, this Act shall become effective on July 1,
25 2020, or on the day following such approval by the legislature, whichever is later.

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)]

HB 162 Engrossed

2020 Regular Session

Larvadain

Abstract: Relative to the use of tax increment financing in Rapides Parish, removes the applicability of certain restrictions placed on the use of such financing to 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 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 July 1, 2020.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill:

1. Limit the use of tax increment financing by the Alexandria city governing authority to funding economic development projects in a specific district, rather than the entire city. Provide for district boundaries.