

2025 Regular Session

SENATE BILL NO. 141

BY SENATOR CONNICK

CORPORATIONS. Provides for nonprofit corporations in Plaquemines Parish. (8/1/25)

AN ACT

To amend and reenact R.S. 12:202.1(A) and (D), and to enact R.S. 41:1215(B)(10), relative to nonprofit corporations in Plaquemines Parish; to provide for exceptions to the limitation on formation of nonprofit corporations; to provide with respect to the length of any lease or sublease executed by a public benefit corporation in Plaquemines Parish; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 12:202.1(A) and (D) are hereby amended and reenacted to read as follows:

§202.1. Limitation on formation; exceptions

A. Notwithstanding any other provisions of this Chapter or of any other law, no state board, commission or department, nor any other persons, acting on behalf of such state board, commission or department, shall incorporate or cause to be incorporated any nonprofit corporation ~~which~~ **that** has for its purpose any public or quasi-public function or any function for the benefit of or in connection with any public agency, purpose or function, if in the exercise of any part of the functions of

1 the corporation any bonds or other evidences of indebtedness of the corporation are
2 or may be issued, unless the purpose for which the corporation is to be created; the
3 amount of bonds to be issued; the method of financing said bonds, including but not
4 restricted to the term of the bonds, the interest and other charges to be paid with
5 respect to the bonds, and the purposes for which the bonds are to be issued shall have
6 been first submitted to and approved by the legislature.

7 * * *

8 D. The prohibition of this Section ~~will~~ **shall** have no application to local
9 political subdivisions of the state with a population in excess of one hundred fifty
10 thousand **or Plaquemines Parish**, nor to their respective boards, commissions, and
11 departments. Any provision of this Section or other provision of law
12 notwithstanding, a quasi-public nonprofit corporation may be created by any such
13 political subdivision of the state **or Plaquemines Parish** under the general nonprofit
14 corporation law of Louisiana with all powers pertaining thereto, including the right
15 to issue negotiable revenue bonds not to exceed fifteen million dollars with interest
16 thereon not to exceed eight percent per annum which shall be exempted from
17 taxation and which bonds shall constitute negotiable instruments within the meaning
18 of the negotiable instruments law of the state of Louisiana; all properties and assets
19 of whatever nature and description owned or operated by said nonprofit corporation
20 shall be exempted from state and local taxation, including ad valorem taxation; and
21 the governing authority of such quasi-public nonprofit corporation shall be subject
22 to the requirements and provisions of the public contract law, the Open Meetings
23 Law, and the Public Records Law of the state of Louisiana.

24 * * *

25 Section 2. R.S. 41:1215(B)(10) is hereby enacted to read as follows:

26 §1215. Opening of bids; execution of leases; exceptions; public benefit corporations;
27 negotiated lease to nonprofit organizations

28 * * *

29 B. For the purposes of this Part, a "public benefit corporation" is defined to

be a nonprofit corporation formed pursuant to the general nonprofit corporation law of the state of Louisiana, except those formed pursuant to specific constitutional or statutory authority, by a political subdivision of the state of Louisiana through its chief executive officer for the purposes of owning, leasing, developing, and operating properties owned or leased by the political subdivision or by the public benefit corporation, including but not limited to planning, renovating, constructing, leasing, subleasing, managing, improving, operating, and promoting the properties, which activity is declared to constitute a public purpose, and which shall meet each of the following requirements:

* * *

(10) Notwithstanding the provisions of Paragraph (7) of this Subsection and R.S. 41:1217, any lease or sublease executed by a public benefit corporation under the provisions of this Part in Plaquemines Parish shall be for a period not exceeding ninety-nine years and shall provide for a rental payable in cash in a lump sum or installments, at the discretion of the lessor.

* * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

DIGEST

SB 141 Engrossed

2025 Regular Session

Connick

Present law provides for the Nonprofit Corporation Law and provides that no state board, commission, or department shall incorporate any nonprofit corporation that has any public or quasi-public function, if in the exercise of any part of the functions of the corporation any bonds of the corporation are or may be issued, unless the specifics of financing such bonds are first submitted to and approved by the legislature.

Present law provides for an exception to present law, specifically to local political subdivisions of the state with a population in excess of 150,000 and their respective boards, commissions, and departments.

Proposed law retains present law exception and adds Plaquemines Parish to the exception.

Present law defines a "public benefit corporation" to be a nonprofit corporation formed pursuant to the general Nonprofit Corporation Law of the state of Louisiana, except those formed pursuant to specific constitutional or statutory authority, by a political subdivision of the state of Louisiana through its chief executive officer for the purposes of owning, leasing, developing, and operating properties owned or leased by the political subdivision

or by the public benefit corporation, including but not limited to planning, renovating, constructing, leasing, subleasing, managing, improving, operating, and promoting the properties, which activity is declared to constitute a public purpose, and which shall meet specific requirements.

Proposed law provides that, notwithstanding present law requirements, any lease or sublease executed by a public benefit corporation under the provisions of present law in Plaquemines Parish shall be for a period not exceeding 99 years and shall provide for a rental payable in cash in a sum or installments, at the discretion of the lessor.

Effective August 1, 2025.

(Amends R.S. 12:202.1(A) and (D); adds R.S. 41:1215(B)(10))