DIGEST

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HB 282 Engrossed

2025 Regular Session

McMakin

Abstract: Creates the Cypress Point Improvement District in East Baton Rouge Parish and provides for the district's boundaries, purpose, governance, and funding, including the authority to impose a parcel fee.

<u>Proposed law</u> creates the Cypress Point Improvement District in East Baton Rouge Parish as a political subdivision of the state for the purpose of providing for improvements to drainage and sewer systems and for the overall betterment of the district. Provides for district boundaries.

<u>Proposed law</u> provides that the district shall be governed by a seven-member board of commissioners composed as follows:

- (1) Four members appointed by the board of directors of the Cypress Point Homeowners Assoc.
- One member appointed by the member of the La. House of Representatives whose district encompasses all or the greater portion of the area of the district.
- (3) One member appointed by the member of the La. Senate whose district encompasses all or the greater portion of the area of the district.
- (4) One member appointed by the assessor for East Baton Rouge Parish.

Proposed law provides for the district's power and duties including the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To receive and expend funds collected pursuant to <u>proposed law</u> and in accordance with a budget as provided by <u>proposed law</u>.
- (4) To enter into contracts and agreements with one or more other districts for the joint improvement or betterment of all participating districts.
- (5) To perform or have performed any other function or activity necessary for achieving the district's purpose.

<u>Proposed law</u> authorizes the district, subject to voter approval, to impose and collect a parcel fee within the district. Provides that the amount of the fee shall not exceed \$300 per parcel per year. Requires that the fee be imposed on each improved and unimproved parcel located within the district. Authorizes the board, not sooner than five years from the initial proposition of the fee, to increase the fee one time without an election.

<u>Proposed law</u> requires any election held by the district pursuant to <u>proposed law</u> shall be held on a date that corresponds with gubernatorial or congressional primary elections.

<u>Proposed law</u> provides that the fee shall expire 20 years after its levy but authorizes the renewal of the fee.

<u>Proposed law</u> provides that the fee shall be collected at the same time and in the same manner as ad valorem taxes and that any unpaid fee shall be added to the parish tax rolls and enforced with the same authority and subject to the same penalties and procedures as unpaid ad valorem taxes. Requires the tax collector to remit to the district all amounts collected not more than 60 days after collection authorizes the district to enter into an agreement with the tax collector to authorize the retention of a collection fee, not to exceed 1% of the amount collected.

<u>Proposed law</u> requires the district's board to adopt an annual budget in accordance with the <u>present law</u> La. Local Government Budget Act and provides that the district shall be subject to audit by the legislative auditor.

<u>Proposed law</u> provides that if the district ceases to exist, all district funds shall be transmitted to the governing authority of East Baton Rouge Parish to be used for the beautification of and improvements to the area which comprised the district.

<u>Proposed law</u> requires the district to indemnify its officers and board members to the fullest extent permitted by <u>present law</u> (relative to indemnification of officers, directors, employees, and agents of nonprofit organizations) as fully as if the district were a nonprofit corporation governed thereby and as may be provided in district bylaws. Provides that no board member or officer shall be liable to the district or to any individual who resides, owns property, visits, or otherwise conducts business in the district for monetary damages for breach of duties. However, provides that this shall not eliminate or limit the liability of a board member or officer for:

- (1) Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law.
- (2) Any transaction from which the member derived an improper personal benefit.

<u>Proposed law</u> provides that a board member or officer shall not be individually liable for any act or omission arising out of the performance of his duties to the fullest extend permitted by <u>present law</u> relative to limitation of liability of directors, officers, and trustees of certain organizations and districts.

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

(Adds R.S. 33:9097.50)

Summary of Amendments Adopted by House

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

1. Require any election held by the district pursuant to <u>proposed law</u> be held on a date that corresponds with gubernatorial or congressional primary elections.