

ACT No. 178

2025 Regular Session

HOUSE BILL NO. 298

BY REPRESENTATIVE KNOX

1 AN ACT

2 To amend and reenact R.S. 33:4710.11(A) and (D), 4710.13(3), (7), (8), and (13),
 3 4710.15.1(A), 4710.15.2(A), 4710.16, 4710.17(A), 4710.17.1(A) and (D),
 4 4710.24(A), (B)(1), (C)(1), and (F), 4710.25(A), 4710.26(B),
 5 4710.28(A)(introductory paragraph), (1), and (2), and 4710.29 and to repeal R.S.
 6 33:4710.14, 4710.15(B)(5), 4710.15.1(B)(4), 4710.15.2(B)(5), 4710.23(A)(4) and
 7 (B)(4), 4710.24(E), 4710.25(D), 4710.26(C), and 4710.30, relative to the Ernest N.
 8 Morial-New Orleans Exhibition Hall Authority; to provide relative to the powers and
 9 duties of the authority; to provide for an effective date; and to provide for related
 10 matters.

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

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 33:4710.11(A) and (D), 4710.13(3), (7), (8), and (13), 4710.15.1(A),
 16 4710.15.2(A), 4710.16, 4710.17(A), 4710.17.1(A) and (D), 4710.24(A), (B)(1), (C)(1), and
 17 (F), 4710.25(A), 4710.26(B), 4710.28(A)(introductory paragraph), (1), and (2), and 4710.29
 18 are hereby amended and reenacted to read as follows:

19 §4710.11. Creation

20 A. There is hereby created the Ernest N. Morial-New Orleans Exhibition
 21 Hall Authority, hereafter in this Chapter referred to as the "authority", which is
 22 created as a body politic and corporate and political subdivision of the state. The
 23 territorial limits and territorial jurisdiction of the authority shall be the entire parish
 24 of Orleans, including but not limited to the Ernest N. Morial Convention Center-New
 25 Orleans, referred to in this Chapter as the "convention center".

26 * * *

1 D.(1) As used in this Chapter, the word "project" or "projects" ~~means one or~~
2 ~~more of any combination of convention, exhibition, and tourist facilities, including~~
3 ~~a convention center hotel with a multi-story parking garage and bridge connecting~~
4 ~~the hotel and the south end of the convention center, the "Convention Center~~
5 ~~Headquarters Hotel Project", and the necessary land, acquired by lease or purchase,~~
6 ~~site improvements, infrastructure, furnishings, machinery, equipment, and~~
7 ~~appurtenances for any such facility~~ has the meaning provided in R.S. 33:4710.24.

8 ~~(2) The authority may utilize its tax revenues, other income, and other~~
9 ~~revenues for the costs of the design, development, construction, furnishing, and~~
10 ~~equipping of the Convention Center Headquarters Hotel Project, as provided in and~~
11 ~~pursuant to any contract described in this Section or as provided in and pursuant to~~
12 ~~a cooperative endeavor agreement.~~

13 ~~(3)~~(2) Any lease with respect to the Convention Center Headquarters Hotel
14 Project, which means a convention center hotel with a multi-story garage and bridge
15 connecting the hotel and the south end of the convention center, shall provide for a
16 payment in lieu of ad valorem taxes by the lessee thereof during the term of such
17 lease; such payment shall be calculated based on the number of rooms in the
18 Convention Center Headquarters Hotel Project, multiplied by the average per-room
19 tax assessment for the prior year of the three hotels that have the highest number of
20 rooms, that are not the subject of any ad valorem tax exemption, abatement, or other
21 reduction, and that are located within the area of downtown New Orleans bounded
22 on the east by Iberville Street, on the west by Calliope Street, on the north by
23 Claiborne Avenue, and on the south by the Mississippi River, the "base rate". Such
24 payments shall be in the amounts as follows:

25 (a) Beginning in the first calendar year after the hotel is open to the public,
26 a payment equal to forty-five percent of the base rate.

27 (b) In the second calendar year after the hotel is open to the public, a
28 payment equal to sixty-five percent of the base rate.

29 (c) In the third calendar year after the hotel is open to the public, a payment
30 equal to eighty-five percent of the base rate.

(d) In the fourth calendar year after the hotel is open to the public and thereafter, a payment equal to one hundred percent of the base rate.

~~(4)~~(3) In connection with any development by the authority, other than with respect to the Convention Center Headquarters Hotel Project, that constitutes or includes a joint project involving a private entity, whether through a lease or other public-private partnership structure, on land owned by the authority or any other tax exempt entity, the authority shall use reasonable efforts to require, in the contract of lease or other agreement, that the private entity pay ad valorem taxes on any improvements constructed in connection with such development and a payment for the applicable property calculated and paid as set forth in this Paragraph. However, in the absence of provision for such payment, the contract of lease or other agreement shall provide for an annual payment in lieu of ad valorem taxes by the private entity during the term of such lease or other agreement, such payment to be in an amount equal to the amount of ad valorem taxes which the private entity would have been obligated to pay had it been the owner of the property and improvements during the term of such lease or other agreement. The amount of each annual payment in lieu of taxes shall be the applicable ad valorem tax rate applied against the assessed value of the property and improvements, as determined by the parish assessor; however, if the parish assessor fails or refuses to determine the assessed value of the property and improvements, the amount of each annual payment in lieu of taxes shall be the applicable ad valorem tax rate applied against the appraised value of the property and improvements, as determined by a Member Appraisal Institute appraiser retained by the authority.

~~(5)~~(4) Any payment in lieu of ad valorem taxes as provided by this Subsection shall be paid to the local taxing authorities, through the normal collecting agency, and, to the extent they do not in the aggregate exceed the amount of ad valorem taxes that would be paid if the lessee were the owner, shall constitute statutory impositions within the meaning of ~~R.S. 47:2128~~ Title 47 of the Louisiana Revised Statutes of 1950.

* * *

§4710.13. Powers and duties

The authority shall have all the powers and authority necessary or convenient to carry out the purposes of this Chapter including but not limited to the following powers and authority:

* * *

(3) To acquire, whether by sale, exchange, lease, or otherwise, title to or rights and interests in immovable property within the parish of Orleans, including leasehold interests, required to implement the purposes of this Chapter. In connection with any exchange of property in which the authority may engage, the property acquired by the authority and the property given up by the authority shall each have a value to the authority that is approximately equal, with any difference to be paid in cash. The term "value to the authority" shall include any and all factors reflecting a benefit to the authority and shall include without limitation proximity of a property to other property owned by the authority, increased efficiency of operations of the authority afforded by a property, the economic growth and development resulting from such exchange, and resolution of any claims against or potential liabilities of the authority achieved by any aspect of the exchange. Any property that is acquired or owned by the authority is hereby declared to be public property used for public purposes and shall be exempt from all ad valorem taxes.

* * *

(7) To incur debt and issue bonds or other obligations for the purpose of the authority in the manner provided by this Chapter, or other applicable law.

(8) To pledge to the payment of its bonds or other obligations and interest thereon the avails or proceeds of the hotel occupancy taxes authorized by this Chapter and other income and revenues of the authority derived from any source, including without limitation any and all taxes, fees, and charges authorized by this Chapter and revenues derived from one or more projects or expansion projects and leases and agreements securing the payment of bonds.

* * *

(13) Except as limited by the terms and conditions of the lease covering and affecting the Poydras Street Wharf, to lease or sublease to or from any person, firm, or corporation, public or private, all or any part of any project upon such terms and conditions and for such term of years, not in excess of ~~sixty~~ ninety-nine years, as the board deems advisable to carry out the provisions of this Chapter and to provide, if deemed advisable by the board, for an option to purchase or otherwise lawfully acquire such project upon the terms and conditions therein specified. Any lease or sublease, or both, of the authority to an exhibition or convention user or to facilitate the private development and funding of lodging facilities, including any assignments thereof, any lease or sublease or extension or renewal thereof, including any assignments thereof, for allied services such as hotels, restaurants, retail outlets, offices, and entertainment, are exempt from the provisions of R.S. 38:2211 et seq., and any other provision of law with respect to the purchase or lease of property by public entities; all other contracts, leases or subleases, or both, of the authority, including any assignment thereof, shall be entered into in accordance with the provisions of R.S. 38:2211 et seq.

* * *

§4710.15.1. Additional hotel tax authorized

A. In addition to the tax authorized by R.S. 33:4710.15, the authority may levy and collect an additional tax on the occupancy of hotel rooms located within the parish of Orleans. The tax shall be in the amount of one percent of the rent or fee charged for such occupancy and shall be in addition to all taxation upon the occupancy of hotel rooms located in the parish of Orleans. The tax shall be levied and collected in the same manner, according to the same procedures, and upon the same terms and conditions, including the approval of the governing authority of the city of New Orleans and the electorate of the city, as required for the imposition of the tax authorized by R.S. 33:4710.15(A). ~~The authority to levy and collect the tax authorized in this Subsection shall terminate upon payment in full of all bonds or other similar debt obligations of the authority payable in whole or in part from or secured by such tax and issued before July 1, 2029.~~

* * *

1 §4710.15.2. Additional hotel occupancy tax authorized

2 A.(1)(a) In addition to the hotel occupancy taxes authorized to be levied and
3 collected by the authority pursuant to R.S. 33:4710.15 and 4710.15.1, the authority
4 may levy and collect a tax upon the paid occupancy of hotel rooms located within
5 the parish of Orleans. The hotel occupancy tax shall be in the amount of fifty cents
6 per occupied hotel room per night for hotels containing ten to two hundred
7 ninety-nine guest rooms, one dollar per occupied hotel room per night for hotels
8 containing three hundred to nine hundred ninety-nine guest rooms, and two dollars
9 per occupied hotel room per night for hotels containing one thousand or more guest
10 rooms.

11 (b)(2) The tax shall be levied and collected in the same manner, according
12 to the same procedures, and upon the same terms and conditions, including the
13 approval of the governing authority of the city of New Orleans and the electorate of
14 the city, as required for the imposition of the tax by R.S. 33:4710.15(A).

15 (2) ~~The authority to levy and collect the hotel occupancy tax shall terminate~~
16 ~~upon payment in full of all bonds or other similar debt obligations of the authority~~
17 ~~payable in whole or in part from or secured by such tax.~~

18 * * *

19 §4710.16. Use of revenues

20 ~~Prior to the issuance of bonds pursuant to this Chapter, any~~ Any revenue of
21 the authority derived from any source whatsoever, after all payments required to be
22 made in connection with any bonds of the authority have been made, may be used
23 by the authority for the payment of the administrative and operating expenses of the
24 ~~board~~ authority and for the payment of any expenses incurred in ~~determining the~~
25 ~~feasibility of a project or projects and developing plans therefor~~ connection with any
26 project, including engineering, architectural, legal, and administrative costs and fees
27 incidental thereto. Any revenue of the authority remaining at the end of each fiscal
28 year ~~prior to the issuance of bonds and~~ after the payment of such expenses shall be
29 considered surplus and may, in the sole discretion of the authority, be distributed by

the authority to the city of New Orleans or retained by authority for utilization on future expenses, capital expenditures, or costs reasonably anticipated to be incurred.

§4710.17. Bonds

A. The authority may, from time to time, with the approval of the State Bond Commission, issue negotiable bonds in one or more series in such principal amount as it deems necessary to provide for the acquisition, construction, reconstruction, extension, or improvement of one or more projects, including engineering, architectural, inspection, legal, and financial fees and costs, interest on such bonds during construction and for a reasonable period thereafter, establishment of reserves to secure such bonds, and all other expenditures of the authority incidental or necessary or convenient thereto. The annual payments due on bonds of the authority for principal, interest, premium, or otherwise shall not exceed the estimated annual revenues of the hotel occupancy taxes authorized by this Chapter and other income and revenues of the authority derived from any source whatsoever, including without limitation any and all taxes, fees, and charges authorized by this Chapter and revenues derived from one or more projects ~~or expansion projects~~ and leases and agreements securing the payment of bonds. Such bonds shall be authorized and issued by a resolution of the board of the authority and shall be of such series, bear such date or dates, be serial or term bonds, or a combination thereof, mature at such time or times, bear interest at such rate or rates payable on such date or dates, be in such denominations, be in such form, carry such registration and exchangeability privilege, be payable in such medium of payment and at such place or places, be subject to such terms of redemption, and be secured in such manner consistent with the authority contained in this Section as the resolution authorizing such bonds may provide.

* * *

§4710.17.1. Additional authority to issue bonds

A. Without reference to any other provision of the Constitution of Louisiana or of the laws of Louisiana and as a grant of power in addition to the authority to issue bonds contained in R.S. 33:4710.17 and to carry out the purposes of this

Chapter, the authority may, from time to time, with the approval of the State Bond Commission, issue negotiable bonds in one or more series for the purpose of providing funds to finance ~~an expansion~~ a project or projects, including engineering, architectural, inspection, legal, and financial fees and costs, interest on such bonds during construction and for a reasonable period thereafter, establishment of reserves to secure such bonds, all costs associated with the issuance of such bonds, including credit enhancement, derivative products, underwriter's discount, and funding of accounts, if any, required by the terms of the resolution or trust indenture authorizing their issuance, and all other expenditures of the authority incidental or necessary or convenient thereto. Such bonds shall be authorized and issued by a resolution or resolutions of the board and shall be of such series, bear such date or dates, be of such type, mature at such time or times, bear interest at such rate or rates payable on such date or dates, be in such denominations, be in such form, carry such registration and exchangeability privilege, be payable in such medium of payment and at such place or places, be subject to such terms of redemption, and be secured in such manner consistent with the authority contained in this Section as the resolution authorizing such bonds may provide. Payment of the bonds authorized by this Section may be secured by a pledge of the avails or proceeds of the hotel occupancy taxes and food and beverage tax authorized by this Chapter, such other taxes, fees, and charges authorized by this Chapter, and any other income and revenue of the authority as may be determined by the board and as authorized or permitted by law. The word "bonds" as used in this Section means and includes bonds, notes, certificates of indebtedness, or other evidence of indebtedness for the repayment of borrowed money.

* * *

D. The board may, in any resolution authorizing the issuance of such bonds, enter into such covenants with the future owner or owners of the bonds as to the management and operation of ~~expansion~~ projects, the lease or rental thereof, the imposition and collection of fees and charges for services and facilities furnished by the authority, the disposition of such fees and revenues, the issuance of future bonds

1 and the creation of future liens and encumbrances against the ~~expansion~~ projects and
2 the revenues therefrom, the carrying of insurance on the ~~expansion~~ projects, the
3 keeping of books and records, and other pertinent matters, including the appointment
4 of a receiver in the event of default, as may be deemed proper by the board to assure
5 the marketability of the bonds.

6 * * *

7 §4710.24. ~~Expansion project~~ Projects defined; additional taxes

8 A. As used in this Chapter, "~~expansion project~~" "project" or "projects" means
9 ~~a project or projects for the acquisition, construction, installation, and equipping of~~
10 ~~additions or improvements to the Ernest N. Morial Convention Center-New Orleans,~~
11 ~~the "convention center"~~ one or more of any combination of convention, exhibition,
12 tourist, entertainment, lodging, retail, parking, and related facilities, together with the
13 necessary land, acquired by lease or purchase, site improvements, infrastructure,
14 furnishings, machinery, equipment, and appurtenances for any such facility,
15 including but not by way of limitation each of the following:

16 (1) ~~Phase III Convention Center Expansion Project, which consists of a~~
17 ~~building attached to the convention center containing additional exhibit space,~~
18 ~~meeting rooms, ballroom space, a food court, exhibit hall concession stands, food~~
19 ~~production facilities, and other structures and facilities functionally related to the~~
20 ~~convention center and completed in April of 1999.~~

21 (2) ~~Phase IV Convention Center Expansion Project, which means the project~~
22 ~~to construct a free-standing building across Henderson Street from the existing~~
23 ~~convention center, on a site owned by the authority, containing approximately one~~
24 ~~million five hundred thousand square feet under roof including approximately five~~
25 ~~hundred thousand square feet of exhibit space, with accompanying meeting rooms,~~
26 ~~food service areas, building service areas, and other facilities functionally related~~
27 ~~thereto, and which shall be connected to Phase III Convention Center Expansion~~
28 ~~Project by a pedestrian bridge above Henderson Street.~~

29 (3) ~~Phase V Convention Center Expansion Project, which means all of the~~
30 ~~following projects:~~

(a)(1) Constructing, installing, equipping, renovating, and refurbishing the convention center and related infrastructure and the acquisition of land in the vicinity of the convention center to implement the authority's five-year capital plan as approved by the board as the same may be amended from time to time ~~but excluding any expansion project beyond the projects referred to in Subparagraphs (b) and (c) of this Paragraph.~~

(b)(2) The public or private development of ~~the Convention Center Headquarters Hotel Project~~ any project, the private component of which may involve a joint project between the authority and a private entity.

(c)(3) Additional riverfront development adjacent to or in support of the convention center including acquisition, expansion, investment, construction, restoration, demolition, site preparation, and development of land, structures, infrastructure, including public rights-of-way, utilities, lighting, and landscaping to surrounding urban areas and riverfront. Such development shall be accomplished in a manner that ensures no interference with or adverse effect upon vehicular access to the facilities of the board of commissioners of the Port of New Orleans or the main line track of the New Orleans Public Belt Railroad.

B.(1) Notwithstanding any other provision of this Chapter or any other law to the contrary, in order to provide funds for any ~~expansion~~ project and for the use of such funds, along with existing taxes, fees, and charges to secure any bonds issued for such ~~expansion~~ project, the authority may levy and collect within the parish of Orleans a tax of one percent on the occupancy of hotel rooms located in Orleans Parish.

* * *

C.(1) In addition to other taxes authorized by this Chapter and to provide additional funds for any ~~expansion~~ project, the authority may levy and collect an additional tax on food and beverages sold by any food service establishment located within the parish of Orleans or in any airport or air transportation facility owned and operated by the city of New Orleans, excluding any food service establishment owned by any individual or corporation who had gross annual receipts of less than

1 five hundred thousand dollars from the operation of all such establishments during
2 the calendar year prior to the year in which the additional food and beverage tax is
3 assessed. The tax shall be in the amount of one-fourth of one percent of gross
4 receipts from the sales of goods and beverages by food service establishments.

5 * * *

6 F. Without reference to any other provision of the constitution or laws of
7 Louisiana, including this Chapter, the authority may, from time to time, with the
8 approval of the State Bond Commission, issue negotiable bonds in one or more series
9 for the purpose of providing funds to finance ~~expansion projects~~ any project in
10 accordance with the provisions of R.S. 33:4710.17 and 4710.17.1 or other applicable
11 law; such bonds to be payable from all revenues derived by the authority as more
12 particularly set forth in the resolution or resolutions providing for their issuance.

13 §4710.25. Service contractor tax

14 A. Notwithstanding any other provision of law to the contrary, in order to
15 provide funds for any ~~expansion~~ project, the authority may levy and collect, within
16 the parish of Orleans, a tax on the furnishing of goods and services which are
17 provided on a contractual basis by service contractors in conjunction with trade
18 shows, conventions, exhibitions, and other events, whether public or private, such
19 services to include goods and services provided in connection with the installation
20 and dismantling of exhibits, displays and booths, decorations, electrical supplies,
21 material handling, drag, flowers and floral decorations, computers, audio and visual
22 equipment, bands and orchestras, lighting trusses, rigging and associated equipment,
23 furniture, carpets, signs, props, floats, business machines, plumbing, telephones,
24 photography, catering food services, compressed air or gas, balloons, scaffolding,
25 fork lifts, highlights, security, information retrieval systems, and any other services
26 or items associated with the above. The tax shall be levied on the service contractor
27 providing the services in an amount equal to two percent of total charges specified
28 in the contract to be paid to the service contractor for the furnishing of the goods and
29 services; however, the amount of the tax may be included in the contract as a charge
30 to be paid by the person for whom the goods and services were provided.

31 * * *

1 §4710.26. Sight-seeing tour tax

2 * * *

3 B. Notwithstanding any other provisions of law to the contrary, in order to
4 provide funds for any ~~expansion~~ project, the authority may levy and collect a tax of
5 one dollar on all tickets sold in the parish of Orleans for per capita sight-seeing tours
6 in the parish of Orleans, or for tours, a portion of which includes sight-seeing in the
7 parish of Orleans, except those sold by a governmental agency. The tax shall be
8 imposed by ordinance adopted by the board which shall provide for the
9 administration and enforcement of the tax and the collection of the tax from persons
10 subject to the tax as the authority determines to be necessary or practical for the
11 effective collection, administration, and enforcement of the tax. The tax shall be
12 paid by the purchasers of the tickets at the time of purchase. The authority may enter
13 into agreements as it deems appropriate with any governmental agency providing for
14 that entity or agency to act as the authority's agent to collect the tax.

15 * * *

16 §4710.28. Minority businesses

17 A. To provide equal procurement, contractual, and employment participation
18 in any ~~expansion~~ project, as defined in R.S. 33:4710.24, the authority shall prescribe
19 rules and regulations as may be necessary to provide for the following protections
20 for the rights of minority citizens:

21 (1) To designate and set aside for awarding to minority businesses not less
22 than thirty percent of anticipated local procurement of goods and services
23 respectively, including contracts for professional services but excluding construction,
24 for any ~~expansion~~ project, based upon the total value of such procurement.

25 (2) To designate and set aside for awarding to minority contractors not less
26 than twenty percent of the construction contracts for any ~~expansion~~ project, based
27 upon the total value of such contracts.

28 * * *

1 §4710.29. Reporting

2 The authority shall present to the city council of New Orleans an annual
 3 written ~~and oral~~ report on its financial condition at a meeting of the city council in
 4 ~~January~~ the second fiscal quarter of each year. The written report shall include the
 5 latest available annual and year-to-date financial statements, operating and capital
 6 budgets for the current year and proposed for the upcoming year, and a schedule of
 7 all reserves held by the authority for future use pursuant to R.S. 33:4710.19(B)(5)
 8 specifying each project for which a reserve has been established.

9 Section 2. R.S. 33:4710.14, 4710.15(B)(5), 4710.15.1(B)(4), 4710.15.2(B)(5),
 10 4710.23(A)(4) and (B)(4), 4710.24(E), 4710.25(D), 4710.26(C), and 4710.30 are hereby
 11 repealed in their entirety.

12 Section 3. This Act shall become effective upon signature by the governor or, if not
 13 signed by the governor, upon expiration of the time for bills to become law without signature
 14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 15 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 16 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____