

RÉSUMÉ DIGEST

ACT 331 (SB 141)

2025 Regular Session

Connick

Existing 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 the bonds are first submitted to and approved by the legislature.

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

New law retains existing law exception and adds Plaquemines Parish to the exception.

Existing law defines a "public benefit corporation" as 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.

New law provides that, notwithstanding existing law requirements, any lease or sublease executed by a public benefit corporation under the provisions of existing 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))