

SENATE BILL NO. 50

BY SENATORS ERDEY, AMEDEE AND WHITE AND REPRESENTATIVES
HODGES, MACK, POPE AND SCHEXNAYDER

VETOED
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Veto Message

1 AN ACT

2 To enact R.S. 47:322.21.1, relative to the disposition of certain sales tax collections in
3 Livingston Parish; to establish the Juban Crossing Economic Development District
4 Fund as a special fund in the state treasury; to provide for the deposit of certain
5 monies into the fund; to provide for the uses of monies in the fund; to provide for an
6 effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:322.21.1 is hereby enacted to read as follows:

9 **§322.21.1. Disposition of certain collections in the Juban Crossing Economic**
10 **Development District of Livingston Parish**

11 **A. As used in this Section, the following terms shall have the following**
12 **meaning, unless the context requires otherwise:**

13 **(1) "Department" means the Department of Revenue.**

14 **(2) "District" means the Juban Crossing Economic Development**
15 **District, which is the special district with boundaries defined and created by**
16 **Livingston Parish Ordinance No. 07-24 pursuant to the provisions of Part II of**
17 **Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950.**

18 **(3) "Fund" means the Juban Crossing Economic Development District**
19 **Fund.**

20 **(4) "Parish" means Livingston Parish.**

21 **B. Except as provided in R.S. 47:322.21, the avails of the tax imposed by**
22 **R.S. 47:321 and as defined by R.S. 47:301 in the Juban Crossing Economic**
23 **Development District within Livingston Parish shall be credited to the Bond**
24 **Security and Redemption Fund, and after a sufficient amount is allocated from**
25 **that fund to pay all the obligations secured by the full faith and credit of the**

1 state which become due and payable within any fiscal year, the treasurer shall
2 pay the remainder of such funds into a special fund which is hereby established
3 in the state treasury and designated as the Juban Crossing Economic
4 Development District Fund.

5 C. The monies in the fund shall be subject to annual appropriation by
6 the legislature. All unexpended and unencumbered monies in the fund at the
7 end of the fiscal year shall remain in the fund. The monies in the fund shall be
8 invested by the state treasurer in the same manner as monies in the state
9 general fund, and interest earned on the investment of monies shall be credited
10 to the fund.

11 D. The monies in the fund shall be used for the district's infrastructure,
12 including but not limited to costs of construction, on-site and off-site
13 preparation costs, public improvements which are essential to the preparation
14 for use in accordance with the district's development plans, and any other
15 improvements as provided by R.S. 33:9038.36. The monies in the fund may also
16 be pledged to secure the repayment of bonds, notes, or other evidences of
17 indebtedness, including any renewals, extensions, or refundings thereof, issued
18 by the district in order to provide funds for the purposes as provided in this
19 Subsection, including necessary and incidental expenses in connection with the
20 issuance of the obligations, the payment of principal and interest on the
21 obligations of the district, the establishment of reserves to secure such
22 obligations, and all other purposes and expenditures of the district incident to
23 and necessary or convenient to carry out its public functions and any credit
24 enhancement for said obligations.

25 E. If the monies in the fund are pledged by the district to secure the
26 repayment of bonds, notes or other evidence of indebtedness, deposits to the
27 fund shall cease after all bonds, notes, and other evidences of indebtedness of
28 the district, including refunding bonds, are paid in full as to both principal and
29 interest, and the fund shall cease to exist.

30 F. The amount of the state's funding commitment herein shall not exceed

1 a total of forty-five million dollars.

2 G. The Department of Revenue shall determine the amount of the avails
3 of the tax imposed by R.S. 47:321 and as defined by R.S. 47:301, except R.S.
4 47:301(14)(a), from within the geographic boundaries of the district and shall
5 report the amount to the state treasurer. As compensation for its obligations
6 hereunder, the department is authorized and directed to withhold from said
7 avails each month an amount equal to one percent of such avails, not to exceed
8 in the aggregate ten thousand dollars within any fiscal year.

9 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor
10 and subsequently approved by the legislature, this Act shall become effective on July 1,
11 2013, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

"Senate Bill No. 50 by Senator Erdey diverts dollars away from the State General Fund to a local real estate development at the Juban Crossing Economic Development District.

There is an existing process through which a project can receive a State match for local tax increment financing revenues committed to the project. If the Louisiana Department of Economic Development (LED) determines that providing a State match for a project will result in a positive return on investment to the State, LED may submit the project for approval to the Joint Legislative Committee on the Budget. In addition, this project could be funded through the capital outlay bill.

For these reasons, I vetoed similar legislation last year, have vetoed Senate Bill No. 50 and hereby return it to the Senate. I encourage the author and the supporters of the Juban Crossing Project to continue to work with LED and the legislature."