

Regular Session, 2014

SENATE BILL NO. 278

BY SENATOR AMEDEE

LOCAL AGENCIES. Provides for legislation relative to the creation of Ascension Parish Infrastructure Development Districts. (gov sig)

AN ACT

To enact R.S. 33:4690.13, relative to Ascension Parish; to authorize the parish governing authority to create infrastructure development districts; to provide relative to the authority of such districts to undertake infrastructure projects and to finance them by levying taxes and assessments and incurring debt; to provide relative to taxes, assessments, and debt; to provide for general powers and duties of a district; to provide for an effective date; 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. 33:4690.13 is hereby enacted to read as follows:

**§4690.13. Ascension Parish Infrastructure Development Districts**

**A. Findings and purpose. (1) The legislature finds that there are pockets of Ascension Parish which possess great potential for development or redevelopment. However, before such development can take place, basic infrastructure must be provided or upgraded in the areas. The legislature finds that the traditional method of financing infrastructure development, separate taxes or assessments for each individual improvement, e.g. roads, lighting,**

1 water, sewer, etc., though very appropriate in many cases, may not be the best  
2 way to provide multiple improvements in a relatively small geographic area.  
3 The legislature finds that an effective method of financing a spectrum of  
4 infrastructure improvements in a small geographic area is to finance the entire  
5 undertaking as a single package rather than levying separate taxes for each  
6 individual improvement. It is the purpose of this Section to authorize the levy  
7 of ad valorem taxes and non ad valorem assessments for financing  
8 infrastructure improvement projects in Ascension Parish.

9 (2) The legislature further finds that given the complexity of such  
10 projects and the geographic compactness of the areas contemplated for such  
11 development, the governing authority of Ascension Parish may wish to create  
12 special taxing districts having the authority to plan and execute the  
13 infrastructure development projects and to levy the ad valorem taxes and non  
14 ad valorem assessments authorized by this Section. Even if the governing  
15 authority of the parish serves as the governing authority of the district, there  
16 are proven political and legal advantages to the use of special taxing districts for  
17 carrying out governmental functions. It is further the purpose of this Section  
18 to authorize the governing authority of Ascension Parish to create special taxing  
19 districts authorized to do those things necessary, as prescribed in this Section,  
20 to finance, execute, and maintain infrastructure development projects such as  
21 those described in this Subsection.

22 B. Creation. Without limiting any authority of the governing authority  
23 of the parish of Ascension as provided in the government home rule charter, the  
24 governing authority may create special taxing districts within the parish for the  
25 purpose of infrastructure improvement subject to the provisions of this Section.  
26 The parish governing authority may not create such a district until it has held  
27 a public hearing on the issue. Any such district shall be a political subdivision  
28 of the state as defined in Article VI, Section 44 of the Constitution of Louisiana  
29 and shall have all authority granted by the constitution, the home rule charter

1 of Ascension Parish, and this Section. The parish governing authority may  
2 serve as the governing authority of any such special district or it may provide  
3 for appointment of a governing authority in the ordinance creating the district.  
4 The parish governing authority may, at its discretion, require as a condition of  
5 creation of the infrastructure development district that title to, control of, and  
6 responsibility for maintenance of any or all infrastructure projects within the  
7 district be transferred to the parish governing authority in accordance with its  
8 existing ordinances and practices.

9 C. Special powers. The district may, subject to applicable regulatory  
10 jurisdiction and permitting authority of other public entities and officials,  
11 finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or  
12 extend, equip, operate, and maintain systems, facilities, and basic  
13 infrastructures for the following:

14 (1) Water management and control for the lands within the district and  
15 to connect some or any of such facilities with roads and bridges.

16 (2) Water supply, sewer, and wastewater management, reclamation, and  
17 reuse, or any combination thereof, and may construct and operate connecting  
18 intercepting or outlet sewers and sewer mains and pipes and water mains,  
19 conduits, or pipelines in, along, and under any street, alley, highway, or other  
20 public place or way, and dispose of any effluent, residue, or other byproducts  
21 of such system or sewer system.

22 (3) Bridges or culverts that may be needed across or in any drain, ditch,  
23 canal, floodway, holding basin, excavation, public highway, tract, grade, fill, or  
24 cut, and roadways over levees and embankments, and may construct any and  
25 all of such works and improvements across, through, or over any public right-  
26 of-way, highway, grade, fill, or cut.

27 (4) District roads equal to or exceeding parish specifications and street  
28 lights.

29 D. Taxing authority. (1)(a) The governing authority of a special taxing

1 district created as provided in this Section may levy and collect, in the same  
2 manner and at the same time as all other ad valorem taxes in the parish are  
3 levied and collected, a special ad valorem tax, not to exceed twenty mills, upon  
4 all taxable, immovable property situated within the boundaries of the district.  
5 The ad valorem tax provided for herein shall be in addition to all other ad  
6 valorem taxes provided for by law.

7 (b) The proceeds of the tax authorized by this Paragraph may be used  
8 for any lawful purpose of the district, including ordinary expenses of the  
9 district.

10 (2) To plan, establish, acquire, construct or reconstruct, enlarge or  
11 extend, and equip the facilities and projects of the district and to pay expenses  
12 associated with and related to the issuance of bonds for such facilities and  
13 projects, the district governing authority may levy a benefit special assessment.  
14 The district governing authority shall determine the amount of the assessment  
15 based upon a report of the district's engineer and shall assess lands benefited  
16 by the improvement, such assessment to be apportioned in proportion to the  
17 benefits received by each tract of land. The benefit special assessment shall be  
18 levied and payable in equal annual installments for each year for which bonds  
19 secured by the assessment are outstanding. The tax collector shall collect and  
20 enforce assessments in the same manner and at the same time as ad valorem  
21 taxes. Benefit special assessments shall be a lien on the property against which  
22 assessed until paid.

23 (3) To maintain, operate, and preserve the facilities and projects of the  
24 district, the district governing authority may levy a maintenance special  
25 assessment. The district governing authority shall determine the amount of the  
26 assessment based upon a report of the district's engineer and shall assess lands  
27 benefited by the improvement, such assessments to be apportioned in  
28 proportion to the benefits received by each tract of land. Assessments shall be  
29 collected and enforced by the tax collector in the same manner and at the same

1 time as ad valorem taxes. Maintenance special assessments shall be a lien on the  
2 property against which assessed until paid.

3 E. General powers and duties. The governing authority of the district  
4 shall have the following additional powers and duties:

5 (1) To adopt bylaws for the regulation of its affairs and the conduct of  
6 its business.

7 (2) To adopt an official seal and alter the seal at its pleasure.

8 (3) To maintain an office at such place as it may designate and to occupy  
9 space for such purposes as may be made available by the parish governing  
10 authority.

11 (4) To sue and to be sued.

12 (5) To receive, administer, and comply with the conditions and  
13 requirements respecting any gift, grant, guarantee, subsidy, or donation of any  
14 property or money.

15 (6) To acquire, by any lawful means, property, including rights-of-way,  
16 and to hold and use any franchise or property, whether real, personal, or mixed,  
17 tangible or intangible, necessary or desirable for carrying out the objects and  
18 purposes of the district.

19 (7) To borrow money and issue bonds or obligations of the district in the  
20 manner provided by this Section and to refund the same.

21 (8) To make and execute contracts and other instruments necessary in  
22 the exercise of the powers and functions of the district under this Section.

23 (9) To pledge or assign any monies, fees, charges, or other revenues and  
24 any proceeds derived by the district from the sale of bonds and other contracts  
25 or rights of the district.

26 (10) To employ such employees, to make use of such persons as the  
27 parish governing authority may make available to the district for its use, and  
28 to employ or otherwise retain the services of accountants, financial advisors,  
29 underwriters, attorneys, engineers, and such other consultants as may be

1 required, in the judgment of the governing authority, and to fix and pay their  
2 compensation.

3 (11) To exercise any and all other powers necessary to accomplish the  
4 purposes set forth herein.

5 F. Authority to incur debt. (1) For any of its lawful purposes, the  
6 district governing authority may issue bonds secured by and payable from a  
7 pledge of the proceeds of the ad valorem taxes and the non ad valorem  
8 assessments authorized by this Section. The bonds shall have such form,  
9 characteristics, and details and shall be issued in accordance with this  
10 Subsection and all other laws applicable to the issuance of bonds by political  
11 subdivisions including but not limited to Article VI, Section 35 of the  
12 Constitution of Louisiana and Part IV of Chapter 11 and Chapters 13, 13-A, 14,  
13 and 14-A of Title 39 of the Louisiana Revised Statutes of 1950.

14 (2) The district governing authority shall authorize the issuance of bonds  
15 by adoption of a resolution. It may not adopt a resolution authorizing the  
16 issuance of general obligation bonds until a proposition authorizing the funding  
17 of the tax or assessment into bonds and stating the purpose or purposes for  
18 which the bonds will be issued is approved by a majority of the qualified district  
19 electors voting on the proposition at an election held for that purpose and  
20 conducted in accordance with the Louisiana Election Code.

21 (3) The bonds shall be of such series, bear such date or dates, be serial  
22 or term bonds, mature at such time or times no later than thirty years from  
23 their date, bear interest at such rate or rates payable on such date or dates, be  
24 in such denomination, be in such form, carry such registration and  
25 exchangeability provisions, be payable in such medium of payment and at such  
26 place or places, be subject to such terms of redemption, and be entitled to such  
27 priorities on the tax or assessment as the resolution authorizing such bonds may  
28 provide.

29 (4) The bonds shall be executed in the name of the district by the manual

1 or facsimile signatures of such official or officials as may be designated in the  
2 resolution authorizing their issuance. If any officer whose manual or facsimile  
3 signature appears on any bond ceases to be such officer before the delivery of  
4 such bonds, such signature nevertheless shall be valid and sufficient for all  
5 purposes as if he had remained in office until such delivery. The resolution may  
6 provide for authentication of the bonds by the fiscal agent thereunder.

7 (5) The commissioners, officers, or employees of the district or any other  
8 person executing the bonds of the district, while acting within the scope of their  
9 authority, shall not be personally liable for the bonds nor be subject to any  
10 personal liability or accountability by reason of the issuance, sale, and delivery  
11 thereof.

12 (6) The holders of any bonds issued hereunder shall have such rights  
13 and remedies as may be provided in the resolution authorizing the issuance of  
14 the bonds, including but not by way of limitation, appointment of a trustee for  
15 bondholders and any other available civil action to compel compliance with the  
16 terms and provisions of the bonds and the resolution.

17 (7)(a) Until all bonds issued pursuant to this Subsection have been  
18 retired as to principal and interest or irrevocable provision otherwise made for  
19 their complete redemption and payment in principal, interest, and redemption  
20 premium if any, neither the legislature, the district, nor any other authority  
21 may act to:

22 (i) Impair any obligation of contract for the benefit of the holders of the  
23 bonds.

24 (ii) Discontinue or decrease the tax or assessment or permit to be  
25 discontinued or decreased the tax or assessment in anticipation of the collection  
26 of which such bonds have been issued.

27 (iii) Make any change in the allocation and dedication of the proceeds  
28 of such tax that would diminish the amount of the tax revenues to be received  
29 by the district.

1                   **(b) There is hereby vested in the holders of such bonds a contract right**  
2                   **in the provisions of this Subsection.**

3                   **(8) Bonds issued pursuant to this Subsection shall have all the qualities**  
4                   **of negotiable paper and shall constitute negotiable instruments under applicable**  
5                   **state law. They shall not be invalid for any irregularity or defect in the**  
6                   **proceedings for the issuance and sale thereof and shall be incontestable in the**  
7                   **hands of bona fide purchasers or holders for value.**

8                   **(9) All bonds and the income therefrom shall be exempt from taxation**  
9                   **by the state and any political subdivision thereof. The bonds shall be legal and**  
10                   **authorized investments for banks, savings banks, insurance companies,**  
11                   **homestead and building and loan associations, trustees, and other fiduciaries**  
12                   **and may be used for deposit with any officer, board, or political subdivision of**  
13                   **the state in any case where, by present or future laws, deposit of security is**  
14                   **required.**

15                   **(10) All bonds issued shall be advertised for sale on sealed bids. The**  
16                   **district may reject any and all bids. If the bonds are not sold pursuant to the**  
17                   **advertisement, they may be sold by the commission at private sale within sixty**  
18                   **days after the date advertised for the reception of sealed bids, but no private**  
19                   **sale shall be made at a price less than the highest bid received. If not so sold,**  
20                   **the bonds shall be readvertised as prescribed by this Paragraph.**

21                   **(11) The proceeds derived from the sale of bonds shall be used**  
22                   **exclusively by the issuer for the purpose or purposes for which the bonds are**  
23                   **authorized to be issued, but the purchasers of the bonds shall not be obligated**  
24                   **to see to the application thereof.**

25                   Section 2. This Act shall become effective upon signature by the governor or, if not  
26                   signed by the governor, upon expiration of the time for bills to become law without signature  
27                   by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
28                   vetoed by the governor and subsequently approved by the legislature, this Act shall become  
29                   effective on the day following such approval.



---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michael Bell.

---

### DIGEST

Amedee (SB 278)

Proposed law authorizes the governing authority of Ascension Parish to create special taxing districts for funding infrastructure development.

Proposed law requires that the parish governing authority hold a public hearing before creating such a district. Provides that the parish governing authority may serve as the governing authority of such a district or may provide for the appointment of a governing authority. Authorizes any such district to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain a wide variety of specified infrastructure projects.

Proposed law authorizes a district to levy taxes as follows:

- (1) An ad valorem tax not to exceed 20 mills for any lawful purpose of the district. Provides that not more than three mills of such tax may be dedicated to or used for ordinary operating expenses of the district.
- (2) A benefit special assessment to finance district facilities and projects. Provides that the amount assessed against each property in the district shall be determined by apportioning the costs of the improvements according to benefits received.
- (3) A maintenance special assessment to finance maintenance and preservation of district facilities and projects. Provides that the amount assessed against each property in the district shall be determined by apportioning the costs of the improvements according to benefits received.

Proposed law grants a district the following additional powers and duties:

- (1) To adopt bylaws.
- (2) To adopt and alter an official seal.
- (3) To maintain an office and to occupy space made available by the city-parish governing authority.
- (4) To sue and to be sued.
- (5) To receive, administer, and comply with the conditions and requirements respecting any gift, grant, guarantee, subsidy, or donation of any property or money.
- (6) To acquire and to hold and use any franchise or property.
- (7) To borrow money and issue bonds.
- (8) To make and execute contracts.
- (9) To pledge or assign any revenues.
- (10) To employ such employees, to make use of such persons as the city-parish governing authority may make available to the district, and to employ or otherwise retain the services of accountants, financial advisors, underwriters, attorneys, engineers, and such other consultants.

- (11) To exercise any and all other powers necessary to accomplish the purposes set forth herein.

Proposed law authorizes the district to issue bonds secured by the ad valorem taxes and the non ad valorem assessments. Requires voter approval for the issuance of general obligation bonds.

Proposed law retains present constitution and present law and provides that bonds issued pursuant to proposed law shall be in accordance with present constitution and present law.

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

(Adds R.S. 33:4690.13)