The original instrument and the following digest, which constitutes no part of the
legislative instrument, were prepared by Martha S. Hess.

DIGEST

SB 425 Original   2018 Regular Session   LaFleur

Present law provides for the creation of special service districts, sets forth the powers of the districts
to levy and collect taxes and other revenue, and the power to incur debt and issue bonds.

Proposed law retains present law, and provides a uniform and streamlined procedure for parishes and
municipalities to create special service districts. Proposed law authorizes the raising of revenue by
the districts and sets forth the procedures thereto. Proposed law further authorizes the districts to
incur debt and issue bonds and other evidences of indebtedness.

Proposed law provides a complete and additional method for the creation of local special service
districts, but proposed law does not repeal or otherwise limit the applicability of present law.

Proposed law states that it shall not be construed to confer upon any district created pursuant to
proposed law the authority to carry out the functions or exercise the powers of:

(1) A law enforcement district created under present law.

(2) A communications district created under present law.

(3) An assessment district created under present law.

(4) A judicial enforcement district created under present law.

(5) A port commission, deepwater port commission, or deepwater port, harbor and terminal
district.

(6) A levee district or regional flood protection authority.

(7) A school board or school district.

Proposed law provides that the districts shall be political subdivisions of the state, with the power
to sue and be sued in their corporate names. Such districts may avail themselves of any law relating
to political subdivisions generally, including general laws relating to the incurring of debt and
issuance of bonds or other evidences of indebtedness by political subdivisions generally.

Proposed law sets forth the procedure for the creation of such a district, specifies what information
shall be included in the ordinance creating the district; specifies what information shall be included
in the name of the district; and provides for the board of commissioners and the officers thereof.

Proposed law authorizes the district to levy and collect special taxes and parcel fees with the approval of the electorate in the district. Proposed law provides for the imposition of service charges, user fees, and special assessments.

Proposed law prohibits the levy of a sales and use tax or a hotel occupancy tax by the district, unless specially authorized by the legislature.

Proposed law provides that subject to the preservation of any existing contract rights, the governing authority of any parish or municipality may declare by resolution that any district previously created by such parish or municipality shall be deemed to have been created by proposed law.

Proposed law authorizes the governing authorities of the parishes and municipalities that created the districts to abolish such districts, provided that if any indebtedness of such a district is outstanding, the authorized provided in proposed law shall not be exercised until provision is made for the assumption of such indebtedness in the manner provided by law.

Proposed law provides that in any case where the governing authority of any parish or municipality creates any district pursuant to proposed law, the governing authority is authorized to provide appropriate budgetary and fiscal controls over the district. In addition, no district shall exercise the power to submit to the people any proposal to levy any tax, parcel fee or service charge, or to issue any bonds unless the proposal is first submitted to and approved by the governing authority of the parish or municipality.

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

(Adds R.S. 33:1420.31-1420.44)