
DIGEST

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HB 791 Original

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Abstract: Creates a special taxing district in E. Baton Rouge, W. Baton Rouge, Ascension, Iberville, and Livingston parishes with authority to levy a 1% sales tax to fund specified highway construction projects which include a new Mississippi River Bridge.

Proposed law creates the Capital Area Road and Bridge District, hereinafter referred to as the "district", as a political subdivision of the state composed of all of the territory within the parish boundaries of E. Baton Rouge, W. Baton Rouge, Ascension, Iberville, and Livingston. The district is created to undertake specific transportation infrastructure projects: a new Mississippi River Bridge, the La. Hwy. 1/La. Hwy. 415 connector, and the connection to and widening of La. Hwy. 30, all within the district.

Proposed law provides for governance of the district by a board of commissioners comprised of five members, one appointed by the governing authority of each parish in the district. Provides that members serve four-year terms. Provides that a vacancy is filled in the same manner as the original appointment for the remainder of the unexpired term; if the appointing authority does not fill the vacancy within 30 days, requires the board to appoint an interim successor to serve until the position is filled by the parish governing authority. Prohibits compensation of board members but authorizes reimbursement of expenses. Provides for the selection of officers. Provides that board action on the following requires approval by a majority of the total board membership:

- (1) Adoption of bylaws and other rules and regulations for conduct of the district's business.
- (2) Hiring or firing of the district's chief executive officer.
- (3) The incurring of funded, general, or bonded debt, levy of taxes, and call for any tax or other election.
- (4) Adoption or amendment of the annual budget.
- (5) Sale, lease, or alienation of immovable property or improvements.

Proposed law provides that the official journal of the district is the same as the official journal of the governing authority of E. Baton Rouge Parish.

Proposed law authorizes the district to create subdistricts which have the same powers as the district itself.

Proposed law provides that the actions of the district are essential governmental functions and that the district and bonds issued by the district are exempt from taxation.

Proposed law authorizes the district, subject to the approval of the voters in each parish of the district, to levy a sales and use tax not to exceed 1%. Authorizes use of the proceeds of the tax for costs related to the transportation infrastructure projects that the district is authorized to undertake. Such related costs include:

- (1) Costs of studies, surveys, development of plans and specifications, preparation, implementation and administration, personnel and professional services costs for architectural, engineering, legal, marketing, financial, planning, police, fire, public works or other services incurred by the district directly or on behalf of the district. Proposed law prohibits basing charges for professional services on a percentage of tax revenues.
- (2) Property acquisition and assembly costs, including acquisition of land and other immovable or movable property or rights or interests therein.
- (3) On- and off-site preparation costs, including clearance of any area by demolition or removal of any existing buildings, structures, fixtures, utilities and improvements and clearing and grading and including without limitation installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public improvements.
- (4) Costs of renovation, rehabilitation, relocation, repair, or remodeling of any existing buildings, improvements, and fixtures.
- (5) Costs of construction of public improvements, including but not limited to buildings, structures, works, utilities, or fixtures.
- (6) Financing costs of the district, including all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations which accrues during the estimated period of construction for which such obligations are issued and thereafter, and any reasonable reserves related to the issuance of such obligations.

Proposed law requires that the levy and collection of the sales and use tax terminate immediately following the retirement of all debt and obligations attributable to projects included in the proposition authorizing its levy.

Proposed law authorizes the district to undertake highway construction projects financed entirely or partially with district funds on the specified highways which are within the state highway system. Provides that such projects are subject to the following:

- (1) Only projects that are funded by proceeds of a tax levied pursuant to proposed law may be undertaken.
- (2) All work must be done in accordance with and the completed project must meet all

applicable standards of the Dept. of Transportation and Development.

- (3) The plans for any such project are subject to review and approval by the chief engineer of the department, who must, within 30 days after submission, review and approve or propose changes to plans submitted by the district.
- (4) The district may proceed with the design and construction portions of the project when it deems appropriate subject to approval by the chief engineer; however, the construction phase must be coordinated with the department so as to minimize disruption of the flow of traffic on and near the site of the project, taking into consideration any other projects the department may be executing at the same time and rules and regulations of the department.
- (5) Upon completion of the project, the section of highway must be maintained by the department under the same terms and conditions as apply to any other portion of the state highway system.

Proposed law authorizes the district to issue revenue bonds, subject to the approval of the State Bond Commission, and provides with respect to such bonds and other debt of the district.

(Adds R.S. 48:771-777)