
DIGEST

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HB 664 Engrossed

2020 Regular Session

Duplessis

Abstract: Creates the New Orleans Infrastructure and Economic Development District as a political subdivision of the state located in the city of New Orleans.

Proposed law creates and provides for the New Orleans Infrastructure and Economic Development District as a political subdivision of the state in the city of New Orleans to promote the economic growth of the district by providing for the supplemental construction, operation, and maintenance of the infrastructure located within the district. Provides that the district's boundaries are coterminous with the boundaries of the city. Provides that the district is governed by a board of commissioners comprised of the members of the governing authority of the city of New Orleans.

Proposed law provides for the powers and duties of the district, including but not limited to the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal and bylaws.
- (3) To incur debt and issue bonds, certificates, warrants, notes, or other evidences of indebtedness.
- (4) To receive by gift, grant, donation, or otherwise any sum of money, property, aid, or assistance from the U.S., the state, or any political subdivision thereof, or any person, firm, or corporation.

Provides that the district shall not be deemed to be an instrumentality of the state for purposes of civil service provisions of the Constitution of La.

Proposed law authorizes the district to levy and collect a sales and use tax not to exceed .45%, subject to voter approval. Prohibits the levy and collection of a tax pursuant to proposed law prior to the expiration of the .45% state sales tax levied by present law (R.S. 47:321.1); however, proposed law authorizes the district to levy a tax, subject to voter approval, if the rate of the state sales tax is less than .45%. Provides that the rate cannot exceed the difference between .45% and the lower rate. Authorizes the board to enter into a contract with any public entity authorized to collect sales and use tax. Requires that the proceeds of the tax be used solely and exclusively for the purpose and benefit of the district.

Proposed law requires the district to adopt an annual budget in accordance with the Local Government Budget Act (R.S. 39:1301 et seq.) and provides that the district is subject to audit by the legislative auditor.

Proposed law authorizes the district to cooperate with the government of the U.S., the state, and any agencies, departments, and political subdivisions of the state of La. in all undertakings to accomplish the district's objects and purposes.

Proposed law provides that any additional infrastructure improvements provided by the district pursuant to proposed law shall be supplemental to and not be in lieu of services to be provided in the district by the state or the city of New Orleans or their departments or agencies or by other political subdivisions. Provides that if the district ceases to exist, the funds shall be transmitted to the city and maintained in a separate account to be used only for infrastructure improvements within the district.

Effective July 1, 2020.

(Adds R.S. 33:4690.15)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill:

1. Require that the imposition of a tax by the district be approved by the voters.
2. Additionally authorize the district to levy a tax if the rate of the state sales tax is less than .45%; limit the rate of the tax to the difference between .45% and the lower rate.