

SENATE BILL NO. 459

BY SENATOR REESE

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AN ACT

To enact Subpart B-49 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 33:130.870 through 130.878, relative to economic development districts; to create the Vernon Parish Economic Development District in Vernon Parish; to provide for the district boundaries, purpose, and governance; to provide relative to powers and duties of the district; 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. Subpart B-49 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 33:130.870 through 130.878, is hereby enacted to read as follows:

SUBPART B-49. VERNON PARISH DEVELOPMENT DISTRICT

§130.870. Vernon Parish Development District; creation; territorial jurisdiction

A. The Vernon Parish Development District, hereinafter referred to as the "district", is hereby constituted and is declared to be a body politic and political subdivision of the state of Louisiana, as defined in Article VI, Section 44 of the Constitution of Louisiana. Pursuant to Article VI, Sections 19 and 21 of the Constitution of Louisiana, the district, acting through its board of commissioners, the governing authority of the district, is hereby granted all of the rights, powers, privileges, and immunities granted to political subdivisions for economic and industrial development purposes, including but not limited to the power of taxation, the power to incur debt and issue revenue and general obligation bonds, certificates of indebtedness, bond and certificate anticipation

1 notes, and refunding bonds, subject to the limitations hereinafter provided.

2 B. The district created pursuant hereto shall be established for the
3 primary object and purpose of promoting and encouraging the development of
4 economic and industrial opportunities, stimulating the economy through
5 renewed commerce and industry, and for the utilization and development of
6 natural and human resources of the area by providing job opportunities.

7 C. The boundaries of the district shall be coterminous with the
8 boundaries of Vernon Parish.

9 §130.871. Board of commissioners; members; officers; employees

10 A. The district shall be governed by a board of commissioners consisting
11 of nine members selected as follows:

12 (1) Three members shall be appointed by the Vernon Parish Chamber
13 of Commerce.

14 (2) Three members shall be appointed by the governing authority of
15 Vernon Parish.

16 (3) Three members shall be appointed by the mayor of Leesville.

17 B. Any vacancy in the membership of the board of commissioners,
18 occurring either by reason of the expiration of the term for which appointed or
19 by reason of death, resignation, or otherwise, shall be filled by the governing
20 authority of Vernon Parish.

21 C. Any member of the board of commissioners may be removed by the
22 governing authority of Vernon Parish, but only for cause and on charges
23 preferred against him in writing and after public hearing; provided that any
24 member so removed shall have the right to appeal his removal to a court of
25 competent jurisdiction within ten days of the decision of the governing authority
26 ordering his removal.

27 D. The members of the board of commissioners shall serve without per
28 diem or other compensation. The board of commissioners shall have the power
29 to organize and reorganize executive, clerical, and other departments and to fix
30 the duties and powers and compensation of all officers, agents, and employees

1 of the district. The board of commissioners may reimburse any member for
2 expenses actually incurred in the performance of his duties hereunder.

3 E. Commissioners individually, and members of each commissioner's
4 immediate family are prohibited from bidding on or entering into any contract,
5 subcontract, or other transaction that is under the supervision or jurisdiction
6 of the district.

7 F. Elected officials are prohibited from serving on the board of
8 commissioners.

9 G. The board of commissioners shall elect from among its own members
10 a president, a vice president, a secretary, and a treasurer, whose duties shall be
11 those usual to such offices. At the option of the board of commissioners, the
12 offices of secretary and treasurer may be held by one person.

13 H. The board of commissioners shall meet in regular session on a
14 quarterly basis and shall also meet in special session when the president of the
15 board convenes them or on the written request of four members. No more than
16 twelve special sessions may be called within any one calendar year. Five
17 members of the board of commissioners shall constitute a quorum.

18 I. The board of commissioners shall prescribe rules to govern its
19 meetings, shall maintain suitable offices in the parish of Vernon, and may
20 contract with and employ attorneys, clerks, engineers, deputy commissioners,
21 superintendents, and other agents and employees and shall fix their
22 compensation and terms of employment.

23 §130.872. Powers of district

24 The district, acting by and through its board of commissioners, shall
25 have and exercise all powers of a political subdivision necessary or convenient
26 for the carrying out of its objects and purposes, including but not limited to
27 rights and powers set out in this Subpart:

28 (1) To sue and be sued.

29 (2) To adopt, use, and alter at will a corporate seal.

30 (3) To acquire by gift, grant, or purchase any property, including rights

1 of way; to hold and use any franchise or property, real, personal, or mixed,
2 tangible or intangible, or any interest therein, necessary or desirable for
3 carrying out the objects and purposes of the district, including but not limited
4 to the establishment, maintenance, and operation of industrial parks, ports,
5 harbors, and terminals.

6 (4) To enter into contracts for the purchase, acquisition, construction,
7 and improvement of works and facilities necessary in connection with the
8 purposes of the district.

9 (5) In its own name and on its own behalf, to incur debt and to issue
10 general obligation bonds, revenue bonds, certificates, notes, and other evidences
11 of indebtedness and to levy and cause to be collected certain taxes as provided
12 in this Subpart and as may be provided by general law.

13 (6) To require and issue licenses with respect to its properties and
14 facilities.

15 (7) To regulate the imposition of fees and rentals charged by the district
16 for its facilities and services rendered by it.

17 (8) To borrow money and pledge all or part of its revenues, leases, rents,
18 or other advantages as security for such loans.

19 (9) To appoint officers, agents, and employees, prescribe their duties, and
20 fix their compensation.

21 (10) To engage in public relations, advertising, marketing activities, and
22 to provide and disseminate information.

23 (11) To engage in government relations, ombudsman activities, and
24 government liaison.

25 (12) To provide financial and financing assistance.

26 (13) To provide tax abatement.

27 (14) To provide, directly or indirectly, planning and coordination for
28 economic development and resource utilization, including such functions as
29 industrial and economic research and industrial programming and solicitation.

30 (15) To provide industrial training, technical assistance, and technology

1 transfer.

2 (16) To use public and other legal powers to facilitate development.

3 (17) To promote transfer mechanisms to take ideas, from their point of
4 origin or development, to commercially successful utilization by local
5 enterprises.

6 (18) To foster entrepreneurial activities in Vernon Parish or in the
7 region.

8 (19) To promote the development of new products, processes, or services
9 or new uses for existing products, processes, or services manufactured,
10 produced, or marketed in Vernon Parish or in the region.

11 (20) To support market research aimed at identifying new markets for
12 local or regional products and processes, including international markets; to
13 determine the characteristics, needs, and preferences of those markets; and to
14 develop new marketing techniques to exploit those markets.

15 (21) To foster and support economic and industrial development and
16 education in cooperation with private business enterprises, financial
17 institutions, educational institutions, nonprofit institutions and organizations,
18 state government and political subdivisions of the state, the federal government,
19 and other organizations or persons concerned with research, development,
20 education, commercial application, and economic or industrial development in
21 ways that increase the economic base of Vernon Parish or of the region.

22 (22) To enter a cooperative endeavor agreement with the Vernon Parish
23 Economic Development Foundation, or any successor thereof, or the Vernon
24 Parish government or any other eligible entity pursuant to applicable laws to
25 achieve any of the lawful purposes of the district.

26 (23) For the purposes enumerated in this Subpart, and in order to
27 achieve any of the lawful purposes of the district, to engage in whatever
28 activities and projects it deems most appropriate to encourage and to assist
29 economic growth and development in accordance with and pursuant to
30 provisions of this Subpart.

1 **§130.873. Economic and industrial development**

2 **A.(1) The district shall have the power to construct, acquire, finance, or**
3 **lease facilities, including sites or facilities for industrial, business, or commercial**
4 **parks and plants, and including the acquisition of sites and facilities and other**
5 **necessary property or appurtenances thereto within or outside the district, and**
6 **to acquire, construct, improve, operate, maintain, and provide improvements**
7 **and services necessary therefor, including but not limited to roads, street**
8 **lighting, bridges, rail facilities, drainage, sewage disposal facilities, solid waste**
9 **disposal facilities, waterworks, and other utilities and related properties.**
10 **However, in connection with any projects outside the geographic boundaries of**
11 **the district, the district must make a determination that such development**
12 **provides a substantial benefit to the district or the region or to business and**
13 **industry of persons located within the geographic boundaries of the district or**
14 **region.**

15 **(2) The district shall also have the authority to sell, lease, or otherwise**
16 **dispose of, by suitable and appropriate contract, to any enterprise locating or**
17 **existing within the district all or any part of a site, building, or other property**
18 **owned by the district. In determining the consideration for any contract to**
19 **lease, sell, or otherwise dispose of lands, buildings, or other property of the**
20 **district, the board of commissioners may take into consideration the value of the**
21 **lands, buildings, or other properties involved as well as the potential value of**
22 **the economic impact of the enterprise being induced to locate or expand within**
23 **the district. Such economic impact shall include increased employment,**
24 **increased use of local labor, wages and salaries to be paid, consumption of local**
25 **materials, products, and resources, and special tax revenues to be generated by**
26 **the enterprise acquiring or leasing lands, buildings, or other property from the**
27 **district. The district shall be empowered to enter into leases.**

28 **(3) The resolution or ordinance adopted by the board of commissioners**
29 **authorizing any lease, sale, or other disposition of lands, buildings, or other**
30 **property of the district or any attachment thereto shall set forth, in a general**

1 way, the terms of the authorized lease, sale, or other disposition, and such
2 resolution or ordinance shall be published as soon as possible in one issue of the
3 official journal of the district. For a period of thirty days from the date of
4 publication of any such resolution or ordinance, any interested person may
5 contest the legality of such resolution or ordinance or the validity of the
6 authorized lease, sale, or other disposition of district property, after which time
7 no one shall have any cause of action to contest the legality of the resolution or
8 ordinance or to draw into question the legality of the authorized lease, sale, or
9 other disposition of district property for any cause whatsoever, and it shall be
10 conclusively presumed thereafter that every legal requirement has been
11 complied with, and no court shall have authority to inquire into such matters
12 after the lapse of thirty days.

13 B. The district shall have the following additional powers, together with
14 all powers incidental thereto or necessary for the performance of those
15 hereinafter stated:

16 (1) To acquire, whether by purchase, exchange, gift, or lease, and to
17 construct and improve, maintain, equip, and furnish one or more economic
18 development projects, including all immovable and movable properties that the
19 board of commissioners may deem necessary in connection therewith and
20 whether or not any such project shall be in existence.

21 (2) To lease or to contract for the use to or by others of any or all of its
22 authorized projects and to charge and collect rent, fees, or charges therefor, and
23 to terminate any such lease or contractual arrangement upon the failure of the
24 lessee or contracting party to comply with any of the obligations thereof, all as
25 may be provided for in the lease or other contractual agreement to which the
26 district may become a part.

27 (3) To sell, exchange, donate, and convey any or all of its projects upon
28 such terms and conditions as the board of commissioners may deem advisable,
29 including the power to receive for any such sale or project the first mortgage
30 note or notes of the purchaser of a project representing unpaid installments of

1 the purchase price due by the purchaser to the district whenever the board of
2 commissioners finds any such actions to be in furtherance of the purposes for
3 which the district was organized.

4 (4) As security for the payment of the principal of and interest on any
5 bonds, notes, or other obligations of the district and any agreements made in
6 connection therewith, to mortgage and pledge any or all of its projects or any
7 part or parts thereof, whether then owned or thereafter acquired, and to pledge
8 the revenues and receipts therefrom or from any other source.

9 (5)(a) To enter into any cooperative financing associated with economic
10 and industrial development between or among the district and the state, any of
11 its local governmental subdivisions, political corporations, or public benefit
12 corporations, the United States or its agencies, or any public or private
13 association, corporation, or individual.

14 (b) To enter into any economic or industrial development project
15 between or among the district and the state, any of its local governmental
16 subdivisions, political corporations, or public benefit corporations, the United
17 States or its agencies, or any public or private association, corporation, or
18 individual. The methods of cooperative development shall include, but not be
19 limited to any number of joint development agreements and cooperative
20 ownership, limited partnerships, and investment syndicates not prohibited by
21 the Constitution of Louisiana. Regardless of the method of financing, the
22 district shall attempt to obtain the most favorable arrangement available in
23 order to protect and ensure economic and industrial development.

24 (c) To cooperate with and to engage in cooperative endeavors with other
25 persons and entities as provided by Article VII, Section 21(H) of the
26 Constitution of Louisiana to provide a means by which owners of such
27 properties who expand, restore, improve, and develop them may pay ad
28 valorem taxes for five years based upon the assessed valuation of the property
29 for the year prior to the commencement of the expansion, restoration,
30 improvement, or development.

1 C.(1) In addition to any other authority or powers granted the district,
2 the district shall have full power and authority to issue obligations and to
3 provide funds for the furtherance and accomplishment of any authorized public
4 function. For purposes of this Subpart, "authorized public function" shall mean
5 and include but not be limited to hospital, medical health, nursery care, nursing
6 care, clinical, ambulance, laboratory, and related services and facilities; housing
7 mortgage finance and related services, activities, facilities, and properties;
8 penitentiary, rehabilitation, incarceration, and other correctional services and
9 facilities; educational services and facilities and related housing and dormitory
10 services and facilities; providing, developing, securing, and improving water
11 storage treatment, supply, and distribution services and facilities; sanitary and
12 storm sewer and other liquid and solid waste collection, disposal, treatment, and
13 drainage services and facilities; educational or commercial communication
14 equipment and facilities; mass transit, commuting and transportation, and
15 parking services, equipment, and facilities; cultural, entertainment, and civic
16 facilities, services, and activities; community development and redevelopment
17 facilities and activities; gas, electric, petroleum, coal, and other energy
18 collection, recovery, generation, storage, transportation, transmission, and
19 distribution facilities and activities; industrial, manufacturing, and other
20 economic development facilities and activities; antipollution and air, water,
21 ground, and subsurface pollution abatement and control facilities and activities;
22 airport and waterport and related facilities, services, and activities; and
23 facilities, property, and equipment of any nature for the use or occupancy of the
24 state or its political subdivisions, the United States, or any agencies or
25 instrumentalities thereof, or any other private person or entity. Each of the
26 functions described herein shall constitute an "industry" within the meaning of
27 Article VI, Section 21 of the Constitution of Louisiana, and the powers granted
28 in this Subpart to assist such industries, including, without limitation, the loan,
29 grant, or donation of funds are hereby deemed to be the assistance of industry
30 within the meaning of Article VI, Section 21 of the Constitution of Louisiana.

1 (2) The district is authorized to issue obligations to accomplish any of the
2 foregoing authorized public functions or purposes and shall have those powers
3 enumerated in Subsection B of this Section, together with all other powers
4 incidental thereto or necessary for the performance of those enumerated or
5 related thereto.

6 D. For purposes of this Subpart, unless the context clearly states
7 otherwise, the following definitions shall apply:

8 (1) "Cooperative endeavor" means any form of economic development
9 assistance between or among the district and the state, any of its political
10 subdivisions, political corporations, or public benefit corporations, the United
11 States or its agencies, or any public or private association, corporation, or
12 individual. The term "cooperative endeavor" shall include but not be limited
13 to cooperative financing, cooperative development, or any other form of
14 cooperative economic development activity and shall be construed liberally in
15 order to give it the broadest possible application.

16 (2) "Cooperative financing" means any method of financing an economic
17 development project between or among the district and the state or its political
18 subdivisions, political corporations, or public benefit corporations, the United
19 States or its agencies, or any public or private association, corporation, or
20 individual. The methods of financing shall include loans, loan guarantees, land
21 write-downs, grants, lease guarantees, or any form of financial subsidy or
22 incentive. Such loan, grant, donation, and other means of cooperative financing
23 are deemed hereunder to be the assistance of the industries authorized to be
24 assisted by this Subpart under the provisions of Article VI, Section 21 of the
25 Constitution of Louisiana. The term "cooperative financing" shall be construed
26 liberally in order to give it the broadest possible application.

27 (3) "Cooperative development" means any method of cooperative
28 development between or among the district and the state, any of its political
29 subdivisions, political corporations, or public benefit corporations, the United
30 States or its agencies, or any public or private association, corporation, or

1 individual. The methods of cooperative development shall include but not be
2 limited to any number of joint development agreements such as condominiums
3 and cooperative ownership, limited partnerships, and investment syndicates.
4 The term "cooperative development" shall be construed liberally in order to
5 give it the broadest possible application.

6 E. The district is likewise hereby authorized and shall have the authority
7 and power necessary in order to carry out and effectuate the purposes and
8 provisions of this Subpart, including, without limiting the generality of the
9 foregoing, the following specific authority and powers, which shall be in
10 addition to others herein granted:

11 (1) To apply for and to receive and accept for or from any federal
12 agency, the state, or political subdivision of the state or for or from any public
13 or private source any grants, loans, or advances for or in the aid of an economic
14 development cooperative endeavor, project, or projects, to give and accept such
15 equity or security as may be required, and to enter into and carry out a contract
16 or contracts or agreements in connection therewith, provided that public notice
17 is given prior to such actions.

18 (2) To procure insurance against any losses in connection with its
19 property in such amounts and from such insurers as may be necessary and
20 desirable.

21 (3) To sponsor and conduct conferences and studies, to collect and
22 disseminate information, and to issue periodic reports.

23 (4) To assist local and regional businesses in applying for federal
24 research grants and state or federal procurement contracts including
25 dissemination of information on the availability of such grants and contracts.

26 (5) To collect and disseminate information on financial, technical,
27 marketing, management, and other services available to local and regional
28 businesses on a free or for-hire basis from universities, private for profit
29 businesses, and nonprofit organizations, or to provide for such services itself or
30 in cooperation with public or private persons.

1 **(6) To receive, loan, or expand seed capital or venture capital.**

2 **§130.874. Taxes; borrowing money**

3 **A. The board of commissioners may, when necessary, levy annually an**
4 **ad valorem tax, provided that the amount, term, and purpose of the tax, as set**
5 **out in a proposition submitted to a vote in accordance with the Louisiana**
6 **Election Code, shall be approved by a majority of the qualified electors voting**
7 **in a special election held for that purpose.**

8 **B.(1) The board of commissioners may, subject to approval of a majority**
9 **of the electors voting at an election held for the purpose, levy and collect a sales**
10 **and use tax within the boundaries of the district for such purposes and at such**
11 **rate as provided by the proposition authorizing its levy, not exceeding one**
12 **percent, which tax may exceed the limitation set forth in Article VI, Section**
13 **29(A) of the Constitution of Louisiana.**

14 **(2) The tax shall be levied upon the sale at retail, the use, the lease or**
15 **rental, the consumption, the distribution and storage for use or consumption of**
16 **tangible personal property, and upon the sales of services within the district, all**
17 **as presently defined in R.S. 47:301.**

18 **(3) Except where inapplicable, the procedure established by R.S. 47:301**
19 **through 317 shall be followed in the imposition, collection, and enforcement of**
20 **the tax, and procedural details necessary to supplement those Sections and to**
21 **make them applicable to the tax herein authorized shall be fixed in the**
22 **resolution imposing the tax.**

23 **(4) The tax shall be imposed and collected uniformly throughout the**
24 **district.**

25 **C. In addition to any tax, fee, charge, or assessment otherwise authorized**
26 **by this Subpart, the district may levy or impose any tax, fee, charge, or**
27 **assessment which is approved by a majority of the voters of the district who**
28 **vote at an election held for such purpose.**

29 **D. All funds derived under this Section may be used only for expenses or**
30 **specified purposes of the district. The board of commissioners shall establish**

1 and maintain, in addition to all necessary and normal accounts, the following
2 special accounts:

3 (1) A revolving-loan guarantee fund, to be used to guarantee industrial
4 or business terminal development loans to the extent permitted by the
5 Constitution of Louisiana under the following guidelines:

6 (a) Loan guarantees shall be made only when adequate financing for the
7 project is unavailable through normal lending channels and the project
8 represents a sound business venture that is financially and economically
9 feasible.

10 (b) Loan guarantees shall be used to assist an identifiable business
11 concern to finance plant construction, conversion, or expansion and to finance
12 acquisition of land, existing structures, machinery, or equipment, and to
13 provide operational funds.

14 (c) The terms and rates shall be compatible with loans offered by local
15 lending institutions, and the guarantee shall never exceed forty percent of the
16 cost of the total project. In addition, the district shall attempt to obtain the most
17 favorable security available under the circumstances to protect and ensure the
18 recovery of its commitment under the guarantee.

19 (d) Loan guarantees may be evaluated for the economic impact in terms
20 of the number and types of jobs created or saved.

21 (e) Loan guarantees shall be made to leverage other sources of private
22 and public capital to attain the greatest economic impact possible with the
23 limited funds available.

24 (f) Loan guarantees shall be targeted to industries, manufacturing firms,
25 and wholesale distribution firms and service firms.

26 (g) No project may be considered unless the project will be constructed
27 and maintained by persons at least eighty percent of whom are residents of the
28 parish of Vernon and at least eighty percent of the goods and services for
29 maintenance of the project are obtained from a supplier domiciled within the
30 parish, except where not reasonably possible to do so without substantial added

1 expense, substantial inconvenience, or substantial sacrifice in operational
2 efficiency.

3 (h) The lending or underwriting principals shall have such demonstrated
4 experience, ability, and net worth as would allow for the success, continuation,
5 security, and solvency of the program. Prudent lending and underwriting
6 standards shall be applied in order to comply with the primary objectives of this
7 Section.

8 (2) An economic development operation fund, for the development and
9 attraction of industries to accomplish the following:

10 (a) The operational fund shall be used for operating expenses necessary
11 in creation of industrial and commercial development, in hiring sufficient staff
12 to accomplish the purposes set out in this Subpart, and other related expenses.

13 (b) The operational fund may also be utilized in contracting for services
14 as may be required by the district including but not limited to planning
15 assistance, surveys, land use studies, professional and technical services, and
16 other services necessary to effectuate a unified industrial development plan.

17 (3) An account for the maintenance and operation of a governmental
18 procurement center to provide necessary information to companies and
19 individuals engaged in providing services and goods to accomplish the
20 following:

21 (a) Pinpoint and identify potential buying centers and aid in placing the
22 company on a bidder's list for these centers and assist companies in obtaining
23 specifications for their products or services.

24 (b) Provide trained counselors to assist in acquiring solicitation and bid
25 packages and conduct seminars designed to disseminate other information
26 needed by the target companies and individuals.

27 E. Any tax levied under this Section shall be in addition to all other taxes
28 which the city, parish, or any other political subdivision within the parish of
29 Vernon are now or hereafter authorized to levy and collect.

30 §130.875. Obligations of the district

1 A. The district shall have authority to incur debt for any one or more of
2 its lawful purposes set forth in this Subpart, to issue in its name negotiable
3 bonds, notes, certificates of indebtedness, or other evidences of debt, and to
4 provide for the security and payment thereof.

5 B.(1) The district may in its own name and behalf incur debt and issue
6 general obligation ad valorem property tax secured bonds under the authority
7 of and subject to the provisions of Article VI, Section 33 of the Constitution of
8 Louisiana, Subpart A of Part III of Chapter 4 of Subtitle II of Title 39 of the
9 Louisiana Revised Statutes of 1950, when approved by a majority of the
10 qualified voters who vote in a special election called and conducted under the
11 authority of the Louisiana Election Code, including Chapter 6-A of Title 18 of
12 the Louisiana Revised Statutes of 1950, as amended. General obligation bonds
13 of the district may be issued for any of the purposes for which the district is
14 created or is authorized to act under any provisions of this Subpart all of which
15 purposes are hereby found and declared to be public purposes and functions of
16 the state of Louisiana, which are delegated to the district.

17 (2) The district may in its own name and behalf issue revenue bonds for
18 the purposes for which the district is created or is authorized to act under any
19 of the provisions of this Subpart, including improvement revenue bonds. The
20 bonds shall be issued in the manner as provided in R.S. 39:991 through 1002
21 and R.S. 39:1011 through 1025. In addition to other authorized methods of
22 issuance of revenue bonds and as separate and distinct authority for the
23 issuance of revenue bonds, in addition to any other procedures and
24 authorization, the district is hereby authorized as follows:

25 (a) Revenue bonds may be issued by the district to accomplish any of the
26 authorized public functions or purposes set forth in this Subpart. All such bonds
27 shall be negotiable instruments and shall be solely the obligations of the district.
28 The bonds shall be authorized and issued by resolution adopted by a majority
29 vote of the board of commissioners of the district and shall be of such series,
30 bear such date or dates, mature at such time or times, bear interest at such rate

1 or rates, be in such denominations, be in such form, either coupon or fully
2 registered without coupons, carry such registration and exchangeability
3 privileges, be payable at such place or places, be subject to such terms of
4 redemption, and be entitled to such priorities on the income, revenue, and
5 receipts of the district as such resolution may provide. The bonds shall be signed
6 by such officers as the district shall determine, and the signatures may be by
7 facsimile.

8 (b) The bonds shall be sold by the board of commissioners of the district
9 in such manner as may be determined by the district to be most beneficial to the
10 district, and the district shall pay all expenses and commissions that it may
11 deem necessary or advantageous in connection with the issuance and sale of the
12 bonds. The bonds may, in the discretion of the district, be additionally secured
13 by a mortgage on all or any part of the projects acquired, constructed,
14 extended, or improved with the proceeds thereof, and the district shall have full
15 discretion to make such provisions as it may see fit for the making and
16 enforcement of the mortgage and provisions to be therein contained.

17 (c) The issuance and sale of the bonds by the district shall be approved
18 by the State Bond Commission. At least seven days prior to the sale of the bonds
19 by the district, the district shall cause to have published a notice of sale in the
20 official journal of the parish of Vernon. This notice of sale shall state if any
21 proposals have been made for the purchase of the bonds and that other
22 proposals will be considered and that the proposal most advantageous to the
23 district will be accepted at the time of the sale. For a period of thirty days from
24 the date of publication of the notice of sale, any person or persons with interest
25 shall have the right to contest the legality of the notice of sale, resolution, or
26 other proceeding authorizing the issuance of the bonds and the legality of the
27 bond issue for any cause, after which time no one shall have any cause or right
28 of action to contest the legality of the resolution or other proceedings or of the
29 bonds authorized thereby for any cause whatsoever. If no suit, action, or
30 proceedings are begun contesting the validity of the bonds and provisions for

1 the payment thereof, the legality thereof, and of all the provisions of the
2 resolution or other proceedings authorizing the issuance of the bonds shall be
3 conclusively presumed, and no court shall have authority to inquire into such
4 matters.

5 (d) The bonds shall have the qualities of negotiable instruments under
6 the commercial laws of the state of Louisiana. All the bonds shall be special and
7 limited obligations of the district. In no event shall any of the bonds constitute
8 an obligation, either general or special, of the general credit of the district or of
9 the state of Louisiana within the meaning of any constitutional or statutory
10 provision whatsoever, and the bonds shall contain a recital to that effect.

11 (3) The district may in its own name and behalf borrow from time to
12 time in the form of certificates of indebtedness. The certificates shall be secured
13 by the dedication and pledge of monies of the district derived from any lawful
14 sources, including fees, lease rentals, service charges, local service agreement
15 payments from one or more other contracting parties, the avails of ad valorem
16 property taxation, or any combination of these sources of income, provided that
17 the term of the certificates shall not exceed ten years and the annual debt
18 service on the amount borrowed shall not exceed the anticipated revenues to be
19 dedicated and pledged to the payment of the certificates of indebtedness, as
20 shall be estimated by the board of commissioners of the district at the time of
21 the adoption of the resolution authorizing the issuance of such certificates. The
22 estimate of the board of commissioners referred to in the authorizing resolution
23 shall be conclusive for all purposes of this Section.

24 (4) The district may borrow the amount of the anticipated ad valorem
25 tax, not to exceed five mills, authorized by R.S. 33:130.874 for a period not to
26 exceed ten years and may issue certificates of indebtedness therefor and may
27 dedicate the avails of the tax funded for the payment thereof for the period of
28 time the certificates are outstanding.

29 (5) The board of commissioners, as the governing authority of the
30 district, is authorized to adopt all necessary resolutions or ordinances which

1 may be necessary for ordering, holding, canvassing, and promulgating the
2 returns of any election required for the issuance of general obligation bonds, or
3 limited tax secured obligations or for the voting of a property tax millage, which
4 resolutions or ordinances may include covenants for the security and payment
5 of any bonds or other evidence of debt so issued.

6 (6) For a period of thirty days from the date of publication of any
7 resolution or ordinance authorizing the issuance of any bonds, certificates of
8 indebtedness, notes, or other evidence of debt of the district, any interested
9 person may contest the legality of the resolution or ordinance and the validity
10 of the bonds, certificates of indebtedness, notes, or other evidence of debt issued
11 or proposed to be issued thereunder and the security of their payment, after
12 which time no one shall have any cause of action to contest the legality of the
13 resolution or ordinance or to draw into question the legality of the bonds,
14 certificates of indebtedness, notes, or other evidence of debt, the security
15 therefor, or the debts represented thereby for any cause whatever, and it shall
16 be conclusively presumed that every legal requirement has been complied with,
17 and no court shall have authority to inquire into such matters after the lapse of
18 thirty days.

19 (7) The issuance and sale of bonds, certificates of indebtedness, notes, or
20 other evidence of debt by the district shall be subject to approval by the State
21 Bond Commission.

22 (8) The bonds, certificates of indebtedness, notes, or other evidence of
23 debt shall have all the qualities of negotiable instruments under the commercial
24 laws of the state of Louisiana.

25 **§130.876. Securities**

26 Bonds, certificates, or other evidences of indebtedness issued by the
27 district under this Subpart are deemed to be securities of public entities within
28 the meaning of Chapters 13 and 13-A of Title 39 of the Louisiana Revised
29 Statutes of 1950, and shall be subject to defeasance in accordance with the
30 provisions of Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950,

1 and may be refunded in accordance with the provisions of Chapters 14-A and
2 15 of Title 39 of the Louisiana Revised Statutes of 1950, and may also be issued
3 as short-term revenue notes of a public entity under Chapter 15-A of Title 39
4 of the Louisiana Revised Statutes of 1950.

5 **§130.877. Exemption from taxation**

6 The district and all properties at any time owned by the district and the
7 income therefrom and all bonds, certificates, and other evidence of indebtedness
8 issued by the district under this Subpart and the interest or income therefrom
9 shall be exempt from all taxation by the state of Louisiana.

10 **§130.878. General compliances; enhancement**

11 A. Except as otherwise specifically provided by Subsection D of this
12 Section, no provision of this Subpart shall be construed so as to exempt the
13 district from compliance with the provisions of Louisiana laws pertaining to
14 open meetings, public records, fiscal agents, official journals, dual officeholding
15 and employment, public bidding for the purchase of supplies and materials and
16 construction of public works, the Code of Governmental Ethics, the Right to
17 Property in Article I, Section 4 of the Constitution of Louisiana, or the
18 Louisiana Election Code.

19 B. The district shall have the power and right to adopt a program or
20 programs awarding contracts to, and establishing set-aside goals and preference
21 procedures for the benefit of, businesses owned and operated by socially or
22 economically disadvantaged persons in accordance with any of the provisions
23 of R.S. 38:2233 and of Chapter 19 of Title 39 of the Louisiana Revised Statutes
24 of 1950, entitled "Louisiana Minority and Women's Business Enterprise Act".

25 C. The financial records of the district shall be subjected to audit
26 pursuant to R.S. 24:513.

27 D. Records in the custody of the district pertaining to an active
28 negotiation with a person for the purpose of retaining, expanding, or attracting
29 economic or business development in Vernon Parish shall be confidential on the
30 same basis as such records in the custody of the Department of Economic

1 Development as set forth in R.S. 44:22, with the district's executive director
 2 performing the duties and obligations of the secretary of the Department of
 3 Economic Development and with any notice required therein being published
 4 in the official journal of Vernon Parish rather than the official journal of the
 5 state.

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

 PRESIDENT OF THE SENATE

 SPEAKER OF THE HOUSE OF REPRESENTATIVES

 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____