

## RÉSUMÉ DIGEST

ACT 320 (SB 459)

2020 Regular Session

Reese

New law creates the Vernon Parish Development District (district) as a body politic and political subdivision of the state. Provides that the district, acting through its board of commissioners, the governing authority of the district, is 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.

Provides that the district is established for the primary object and purpose of promoting and encouraging the development of economic and industrial opportunities, stimulating the economy through renewed commerce and industry, and for the utilization and development of natural and human resources of the area by providing job opportunities.

Provides that the boundaries of the district will be coterminous with the boundaries of Vernon Parish.

Provides that the district will be governed by a board of commissioners consisting of nine members selected as provided for in new law. All members shall be qualified voters and taxpayers within the limits of the district during their term of office.

New law provides that the district, acting by and through its board, shall have and exercise all powers of a political subdivision necessary or convenient for the carrying out of its objects and purposes, including but not limited to:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire by gift, grant, or purchase, any property, including rights of way; to hold and use any franchise or property, real, personal, or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the objects and purposes of the district, including but not limited to the establishment, maintenance, and operation of industrial parks, ports, harbors, and terminals.
- (4) To enter into contracts for the purchase, acquisition, construction, and improvement of works and facilities necessary in connection with the purposes of the district.
- (5) In its own name and on its own behalf to incur debt and to issue general obligation bonds, revenue bonds, certificates, notes, and other evidences of indebtedness and to levy and cause to be collected certain taxes.
- (6) To require and issue licenses with respect to its properties and facilities.
- (7) To regulate the imposition of fees and rentals charged by the district for its facilities and services rendered by it.
- (8) To borrow money and pledge all or part of its revenues, leases, rents, or other advantages as security for such loans.
- (9) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.
- (10) To engage in public relations, advertising, marketing activities, and to provide and disseminate information.
- (11) To engage in government relations, ombudsman activities, and government liaison.
- (12) To provide financial and financing assistance.
- (13) To provide tax abatement.

- (14) To provide, directly or indirectly, planning and coordination for economic development and resource utilization, including such functions as industrial and economic research and industrial programming and solicitation.
- (15) To provide industrial training, technical assistance, and technology transfer.
- (16) To use public and other legal powers to facilitate development.
- (17) To promote transfer mechanisms to take ideas, from their point of origin or development, to commercially successful utilization by local enterprises.
- (18) To foster entrepreneurial activities in Vernon Parish or in the region.
- (19) To promote the development of new products, processes, or services or new uses for existing products, processes, or services manufactured, produced or marketed in Vernon Parish or in the region.
- (20) To support market research aimed at identifying new markets for local or regional products and processes, including international markets; to determine the characteristics, needs, and preferences of those markets; and to develop new marketing techniques to exploit those markets.
- (21) To foster and support economic and industrial development and education in cooperation with private business enterprises, financial institutions, educational institutions, nonprofit institutions and organizations, state government and political subdivisions of the state, the federal government, and other organizations or persons concerned with research, development, education, commercial application, and economic or industrial development in ways that increase the economic base of Vernon Parish or of the region.
- (22) The board may enter a cooperative endeavor agreement with the Vernon Parish Economic Development Foundation or any successor thereof, or the Vernon Parish government or any other eligible entity pursuant to applicable laws to achieve any of the lawful purposes of the district.
- (23) For purposes enumerated in new law and in order to achieve any of the lawful purposes of the district, the district may engage in whatever activities and projects it deems most appropriate to encourage and to assist economic growth and development.

Provides that the district shall have the power to construct, acquire, finance, or lease facilities, including sites or facilities for industrial, business or commercial parks and plants, and including the acquisition of sites and facilities and other necessary property or appurtenances thereto within or outside the district, and to acquire, construct, improve, operate, maintain, and provide improvements and services necessary therefor, including but not limited to roads, street lighting, bridges, rail facilities, drainage, sewage disposal facilities, solid waste disposal facilities, waterworks, and other utilities and related properties. However, in connection with any projects outside the geographic boundaries of the district, the district must make a determination that such development provides a substantial benefit to the district, the region, or to business and industry of persons located within the geographic boundaries of the district or region.

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

Provides that the board may, when necessary, levy annually an ad valorem tax, provided that the amount, term, and purpose of the tax, as set out in a proposition submitted to a vote in accordance with the Louisiana Election Code, is approved by a majority of the qualified electors voting in a special election held for that purpose.

Provides that the board may, subject to approval of a majority of the electors voting at an election held for the purpose, levy and collect a sales and use tax within the boundaries of the district for such purposes and at such rate as provided by the proposition authorizing its levy, not exceeding one percent, which tax may exceed the limitation set forth in the Constitution of Louisiana.

Provides that the tax will be levied upon the sale at retail, the use, the lease or rental, the consumption, the distribution and storage for use or consumption of tangible personal property, and upon the sales of services within the district, all as presently defined in prior law.

Provides that the district will have authority to incur debt for any one or more of its lawful purposes set forth in new law, to issue in its name negotiable bonds, notes, certificates of indebtedness, or other evidences of debt and to provide for the security and payment thereof.

Provides that the district may in its own name and behalf incur debt and issue general obligation ad valorem property tax secured bonds when approved by a majority of the qualified voters who vote in a special election called and conducted under the authority of the Louisiana Election Code. General obligation bonds of the district may be issued for any of the purposes for which the district is created or is authorized to act under any provisions of this Subpart all of which purposes are hereby found and declared to be public purposes and functions of the state, which are delegated to the district.

Provides that the district may in its own name and behalf issue revenue bonds for the purposes for which the district is created or is authorized to act, including improvement revenue bonds.

Provides that revenue bonds may be issued by the district to accomplish any of the authorized public functions or purposes set in new law. All such bonds are negotiable instruments and shall be solely the obligations of the district. Such bonds shall be authorized and issued by resolution adopted by a majority vote of the board and are of such series, bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denominations, be in such form, either coupon or fully registered without coupons, carry such registration and exchangeability privileges, be payable at such place or places, be subject to such terms of redemption, and be entitled to such priorities on the income, revenue, and receipts of the district as the resolution may provide. The bonds shall be signed by such officers as the district shall determine, and such signatures may be by facsimile.

Provides that such bonds will be sold by the board in such manner as may be determined by the district to be most beneficial to the district and the district shall pay all expenses and commissions that it may deem necessary or advantageous in connection with the issuance and sale of such bonds. Such bonds may, in the discretion of the district, be additionally secured by a mortgage on all or any part of the projects acquired, constructed, extended, or improved with the proceeds thereof, and the district shall have full discretion to make such provisions as it may see fit for the making and enforcement of such mortgage and provisions to be therein contained.

Provides that bonds, certificates, or other evidences of indebtedness issued by the district are deemed to be securities of public entities, and shall be subject to defeasance, and may be refunded, and may also be issued as short-term revenue notes of a public entity.

Provides that the district and all properties at any time owned by the district and the income therefrom and all bonds, certificates, and other evidence of indebtedness issued by the district under new law and the interest or income therefrom will be exempt from all taxation by the state.

Provides that the district will be subject to the state laws pertaining to open meetings, public records, fiscal agents, official journals, dual officeholding and employment, public bidding for the purchase of supplies and materials, and construction of public works, the Code of

Governmental Ethics, the Right to Property and the Louisiana Election Code. Provides an exception for the records in the custody of the district pertaining to an active negotiation with a person for the purpose of retaining, expanding, or attracting economic or business development in Vernon Parish which shall be confidential.

Provides that the district will have the power and right to adopt a program or programs awarding contracts to, and establishing set-aside goals and preference procedures for the benefit of, businesses owned and operated by socially or economically disadvantaged persons.

Provides that the financial records of the district shall be subjected to audit by the legislative auditor.

Effective upon signature of the governor (June 12, 2020).

(Adds R.S. 33:130.870-878)