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## DIGEST

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HB 50 Original

2020 First Extraordinary Session

Ivey

**Abstract:** Authorizes local governmental subdivisions to enter into cooperative endeavor agreements that provide for payments in lieu of ad valorem taxes with owners of non-residential immovable property.

Present constitution authorizes the imposition of ad valorem property taxes by local governments, school boards, and other special districts.

Present constitution establishes a list of exclusive ad valorem tax exemptions.

Proposed law authorizes local governmental subdivisions to enter into cooperative endeavor agreements for payments in lieu of ad valorem taxes with an owner of non-residential immovable property located within the parish.

Proposed law provides that cooperative endeavor agreements may be entered into by any local taxing authority after approval as evidenced by a resolution adopted by the taxing authority or by letter of approval of the sheriff.

Proposed law requires that a public hearing be conducted by a taxing authority before adoption of any resolution approving a cooperative endeavor agreement providing for payments in lieu of taxes.

Proposed law requires notice of the hearing be published no later than fourteen days prior to the hearing to inform the public where a copy of the proposed cooperative endeavor agreement may be obtained and the time and place of the hearing.

Proposed law provides that any cooperative endeavor agreement only apply to the taxing authorities that are parties to the agreement and that nonparticipating taxing authority are not bound by the agreement.

Proposed law authorizes taxing authorities in a parish to form a standing PILOT advisory committee for the parish that will advise taxing authorities on proposed terms of any cooperative endeavor agreement for payments in lieu of taxes.

Proposed law provides that the parish standing advisory committee shall include the following members:

- (1) The parish president or mayor-president for the parish or their designee.

- (2) The sheriff or the sheriff's designee.
- (3) The school board president or the school board president's designee.
- (4) The assessor for the parish or the assessor's designee.
- (5) Three residents of the parish appointed at-large by the parish president.

Proposed law authorizes each parish standing advisory committee to establish its own processes, procedures, and criteria to evaluate proposed cooperative endeavor agreements for payments in lieu of taxes.

Proposed law provides that before entering into a cooperative endeavor agreement providing for payments in lieu of taxes, a taxing authority shall submit a request to the parish standing advisory committee which shall respond to the taxing authority within 30 days from the date the request is received and that the findings and advice of the advisory committee are not binding.

Proposed law provides that if no advisory committee is established in a parish, taxing authorities may negotiate cooperative endeavor agreements as permitted by law.

Proposed law requires that any property subject to a cooperative endeavor agreement that provides for payments in lieu of taxes remain on the assessment rolls for the parish or parishes where the property is located.

Proposed law provides that matters relating to the payment and collection of payments in lieu of taxes shall be set forth in the cooperative endeavor agreement.

Proposed law authorizes the filing of a suit to determine the validity of a cooperative endeavor agreement entered into pursuant to proposed law in the district court having jurisdiction for any party to the agreement.

Effective if and when the proposed addition of Article VII, Section 21(O) of the Constitution of Louisiana contained in the Act which originated as HB No. 38 of the 2020 First E.S. is adopted at the statewide election to be held on November 3, 2020, and becomes effective.

(Amends R.S. 33:9021(8) and (10), and 9022(1); Adds R.S. 33:2759)