

Relative to the New Orleans City Park Taxing District, provides relative to procedures for approval of the use of state sales tax increments for tax increment financing and of related agreements, as follows:

Existing law creates the New Orleans City Park Taxing District with boundaries the same as those of New Orleans City Park and governed by a four-member board of commissioners to provide for cooperative economic development between the city of New Orleans, the New Orleans City Park Improvement Association, and the district in order to provide for the renovation, restoration, and development of New Orleans City Park.

Existing law grants the district all the powers of a political subdivision and special taxing district which are necessary or convenient for the carrying out of its objects. Existing law authorizes the district to implement tax increment financing as provided in existing law (R.S. 33:9038.34) relative to sales tax increment financing, and particularly provisions for creation of a special economic development trust fund. Specifies that any tax or portion of tax which has previously been dedicated to another purpose may be used as such a tax increment only if approved by a majority of the voters of the taxing authority levying the tax voting on the proposition in an election held for such purpose.

New law provides for certain changes in procedures relative to approval of the dedication of state sales tax increments for economic development projects affecting the district. Existing law (R.S. 33:9038.34(A)(6)), in part, requires that, prior to the dedication of any state sales tax increments to pay revenue bonds for a local economic development project, the secretary of Dept. of Economic Development (DED) shall submit the proposed project to the Joint Legislative Committee on the Budget for approval and shall include a written evaluation and determination by DED, with input from and certification by the Dept. of Revenue, of the anticipated increase in state sales tax revenues to be collected within the state over such revenues that were collected within the state in the year immediately prior to the year the project is submitted to the committee that would be a direct result of the project (the tax increment).

New law requires that the commissioner of administration (instead of DED) submit the project to the Joint Legislative Committee on the Budget for approval. Removes requirement that the submittal include a written evaluation and determination by DED. Requires instead that the submittal include a written evaluation and determination by the division of administration and certification by the Dept. of Revenue of the tax increment. New law further requires the Joint Legislative Committee on the Budget, in determining whether to approve the dedication of state sales tax increments, to take into account whether the city of New Orleans has agreed to dedicate city sales tax for a local economic development project(s) in the district, including the length of time for and the amount of any such dedication.

Existing law requires approval by the State Bond Commission of any cooperative endeavor agreement or other agreement providing for the expenditure of funds collected by the state as state sales tax increments and dedicated to a project or for the payment of revenue bonds therefor.

Existing law (R.S. 33:9029.2) provides that the state through the commissioner of administration may enter into cooperative endeavor agreements with political subdivisions or other agencies or persons to achieve a public purpose, including but not limited to enhancing or maintaining the economic well-being of the state, which agreement may or may not contemplate the issuance of bonds. Otherwise provides with respect to such agreements. Requires that certain such cooperative endeavor agreements be approved by the State Bond Commission prior to execution. Existing law (R.S. 33:9029.2(A)(2)) requires submission of the approval application to the State Bond Commission by the secretary of the DED and provides for the content of such applications. Existing law (R.S. 33:9029.2(B)) makes provisions of Part XVI of Chapter 32 of Title 13 of the La. Revised Statutes of 1950 (relative to suits to determine the validity of governmental bonds) applicable to certain such cooperative endeavors and provides that such suits may be filed by DED as though such agreements constituted the issuance of bonds of a governmental unit.

New law makes existing law (R.S. 33:9029.2) applicable to agreements of the district to dedicate state sales tax increments; however, excepts such agreements from provisions of R.S. 33:9029.2(A)(2) and (B) that provide for DED to submit an application to the committee or file a suit and provides instead that the district (instead of DED) shall submit any application to the State Bond Commission and may file suit to determine the validity of any cooperative endeavor agreement.

Effective upon signature of governor (June 5, 2012).

(Amends R.S. 33:9038.59(G))