

CONFERENCE COMMITTEE REPORT
House Bill No. 1019 By Representative Garofalo

June 2, 2014

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 1019 by Representative Garofalo, recommend the following concerning the Engrossed bill:

1. That Senate Committee Amendments Nos. 1 through 3 proposed by the Senate Committee on Local and Municipal Affairs and adopted by the Senate on May 13, 2014, be adopted.
2. That Senate Committee Amendment No. 4 proposed by the Senate Committee on Local and Municipal Affairs and adopted by the Senate on May 13, 2014, be rejected.
3. That the set of Senate Committee Amendments proposed by the Senate Committee on Revenue and Fiscal Affairs and adopted by the Senate on May 26, 2014, be rejected.
4. That the Senate Floor Amendment proposed by Senator Morrell and adopted by the Senate on May 28, 2014, be adopted.
5. That the following amendment to the Engrossed bill be adopted:

AMENDMENT NO. 1

On page 14, after line 28, insert the following:

"§130.591.10. Exceptions

A. Notwithstanding any other provision of law to the contrary, this Subpart shall not be construed to infringe upon any powers of the St. Bernard Port, Harbor and Terminal District.

B. Further, nothing contained in this Subpart shall be construed to permit the commission to engage in port, harbor, terminal, or other maritime activities within the jurisdiction, authority, and powers of the St. Bernard Port, Harbor and Terminal District pursuant to Chapter 14 of Title 34 of the Louisiana Revised Statutes of 1950, including but not limited to the ownership, operation, and maintenance of infrastructure and facilities related to those activities."

Respectfully submitted,

Representative Austin Badon

Senator Jean-Paul J. Morrell

Representative Ray Garofalo

Senator Edwin R. Murray

Representative Hunter Greene

Senator Neil Riser

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST

House Bill No. 1019 by Representative Garofalo

Keyword and oneliner of the instrument as it left the House

DISTRICTS/ECONOMIC DEVEL: Creates the St. Bernard Parish Economic Development Commission

Report adopts Senate amendments to:

1. Add provisions that provide that proposed law shall not infringe on the powers of the St. Bernard Port Harbor and Terminal District and shall not be construed to permit the commission to engage in port, harbor, terminal, or other maritime actions within the jurisdiction of the district.
2. Add a requirement that contracts or agreements entered into by the commission's board comply with state law and public policy.
3. Add provisions that prohibit any action or work undertaken by the commission's board or any contract or agreement entered into by the board from violating the master plan of the Coastal Protection and Restoration Authority or any statewide drainage and flood control plan administered by the Dept. of Transportation and Development.

Report rejects Senate amendments which would have:

1. Added provisions to grant the commission's board the authority to use other means to acquire property in addition to donation, grant, purchase, exchange, or lease.

Report amends the bill to:

1. None

Digest of the bill as proposed by the Conference Committee

Proposed law creates the St. Bernard Parish Economic Development Commission as a political subdivision of the state for the primary object and purpose of promoting and encouraging industrial development to stimulate the economy through commerce, industry, and research and for the utilization and development of natural and human resources of the area by providing job opportunities. Provides for territorial jurisdiction of the commission throughout the parish. Pursuant to constitutional authority, grants the commission all rights and powers of political subdivisions for economic development purposes.

Proposed law provides that the commission is governed by a board of commissioners comprised as follows:

- (1) Three members appointed by the governing authority of the parish of St. Bernard.
- (2) Two members appointed by the legislative delegation for St. Bernard Parish.

- (3) Two members appointed by the board of directors of the St. Bernard Parish Chamber of Commerce.
- (4) Two members appointed by the St. Bernard Parish Economic Development Foundation.
- (5) One member appointed by the St. Bernard Kiwanis Foundation.
- (6) One member appointed by the St. Bernard Rotary Club.
- (7) One member appointed by the Meraux Foundation.
- (8) One member appointed by the Business and Professional Women's Club.
- (9) One member appointed by the New Orleans Metropolitan Association of Realtors.
- (10) Any three of the ten largest employers in the private sector in St. Bernard Parish as designated by the St. Bernard Economic Development.
- (11) The president of the parish of St. Bernard, the superintendent of the St. Bernard Parish school board, the executive director of the St. Bernard Parish Chamber of Commerce, the director of the St. Bernard Port, Harbor & Terminal District, the chancellor of Nunez Community College, or their respective designees, and the executive director of the St. Bernard Parish Economic Development Foundation.

Provides that board members serve without compensation, but may be reimbursed actual expenses. Permits removal of a member for cause upon favorable vote of 2/3 of the members of the parish governing authority.

Proposed law authorizes the commission to exercise all powers of a political subdivision necessary or convenient for the carrying out of its objects and purposes, including but not limited to the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire by donation, grant, purchase, or lease all property including servitudes or rights of use and to hold and use any franchise or property necessary or desirable for carrying out the objects and purposes of the commission including but not limited to the establishment, maintenance, and operation of industrial parks.
- (4) To receive by grant, donation, or otherwise any sum of money, or property, aid, or assistance from the U.S., the state, or any political subdivision thereof, or any person, firm, or corporation.
- (5) To enter into contracts for the purchase, acquisition, construction, maintenance, and improvement of works and facilities necessary in connection with the purposes of the commission.
- (6) 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 ad valorem taxes as provided in proposed law and general law.
- (7) To require and issue licenses with respect to its properties and facilities.
- (8) To regulate fees and rentals for facilities and services.
- (9) To mortgage property and borrow money and pledges to secure loans.
- (10) To sell immovable property after notice required by law.

Proposed law provides that the commission shall not be deemed to be an instrumentality of the state for purposes of the state civil service provisions of the state constitution.

Proposed law authorizes the commission to construct and acquire industrial parks and industrial plant buildings. Also authorizes the commission to acquire, construct, improve, operate, and maintain improvements and services necessary therefor.

Proposed law authorizes the commission to sell, lease, or otherwise dispose of, by suitable and appropriate contract, to any enterprise locating or existing within the jurisdiction of the commission all or any part of a site, building, or other property owned by the commission. In determining the consideration for sale of property, authorizes the board to consider its value and the potential economic impact. Prohibits the board from disposing of any property of the commission for less than the fair market value without the prior approval of the State Bond Commission.

Proposed law authorizes the commission to enter into leases having a term, including all renewal terms, not to exceed 50 years in the aggregate, with provision for rate adjustments. Requires that the resolution or ordinance authorizing any lease, sale, or other disposition of property to set forth, in a general way, the terms of the disposition. Requires publication of any such resolution or ordinance in the official journal of the commission. Provides for a 30-day period to contest any such resolution or ordinance.

Proposed law provides that the commission shall have the following additional powers and powers incidental thereto:

- (1) To acquire and to construct and improve, maintain, equip, and furnish economic development projects.
- (2) To lease or to contract for the use of any or all of its authorized projects and to charge and collect rent, fees, or charges therefor.
- (3) To sell, exchange, donate, and convey any or all of its projects.
- (4) To mortgage and pledge any or all of its projects and to pledge the revenues and receipts therefrom or from any other source.
- (5) To enter into any cooperative financing of an economic development project or cooperative development.

Proposed law authorizes the board, subject to voter approval, to levy annually an ad valorem tax not to exceed five mills. Provides that all funds from the tax may be used for any expenses or purposes of the commission.

Proposed law provides for special accounts to be maintained by the board:

- (1) A revolving loan guarantee fund. Provides for loan guarantees to be made by the commission.
- (2) An economic development operation fund. Provides for its users.
- (3) An account for operation of a governmental procurement center. Provides relative to the center.

Proposed law authorizes the commission, subject to voter approval, to incur debt and issue general obligation ad valorem property tax secured bonds for any commission purpose. Authorizes the commission to issue revenue bonds for commission purposes. Further authorizes the commission to borrow from time to time in the form of certificates of indebtedness. Requires that such certificates be secured by the dedication and pledge of monies of the commission derived from any lawful sources, provided that the term of such certificates shall not exceed 10 years. Provides that the annual debt service on the amount borrowed shall not exceed the anticipated revenues to be dedicated and pledged to the payment of the certificates of indebtedness, as shall be estimated by the board. Authorizes

the commission to borrow the amount of the anticipated ad valorem tax, not to exceed five mills for a period not to exceed 10 years and to issue certificates of indebtedness therefor and dedicate the avails of the tax funded for the payment thereof for the period of time the certificates are outstanding.

Proposed law exempts the commission, its properties, and income therefrom, and its bonds and interest and income therefrom from state taxation.

Proposed law provides that proposed law shall not be construed to exempt the commission from compliance with La. 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 in Const. Art. I, §4, and the La. Election Code.

Proposed law grants the commission the power and right to adopt a program(s) 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 in accordance with present law (R.S. 38:2233 and the La. Minority and Women's Business Enterprise Act). Requires that the commission present a financial statement to the legislative auditor pursuant to present law (R.S. 24:513).

Proposed law provides that proposed law shall not infringe on any powers of the St. Bernard Port Harbor and Terminal District and shall not be construed to permit the commission to engage in port, harbor, terminal, or other maritime activities within the jurisdiction of the district.

Proposed law prohibits any action or work undertaken by the commission's board or any contract or agreement entered into by the board from violating the master plan of the Coastal Protection and Restoration Authority or any statewide drainage and flood control plan administered by Dept. of Transportation and Development.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 33:130.591.1-130.591.10)