

Regular Session, 2014

HOUSE BILL NO. 489

BY REPRESENTATIVE WESLEY BISHOP

PROPERTY/ABANDONED: (Constitutional Amendment) Authorizes the donation or sale of certain property in the Lower Ninth Ward of the city of New Orleans by the city

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 14(B) of the Constitution of Louisiana, to authorize
3 the governing authority of the city of New Orleans to donate or sell at a fixed price
4 certain property; to provide for submission of the proposed amendment to the
5 electors; and to provide for related matters.

6 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
7 elected to each house concurring, that there shall be submitted to the electors of the state of
8 Louisiana, for their approval or rejection in the manner provided by law, a proposal to
9 amend Article VII, Section 14(B) of the Constitution of Louisiana, to read as follows:

10 §14. Donation, Loan, or Pledge of Public Credit

11 Section 14.

12 * * *

13 (B) Authorized Uses. Nothing in this Section shall prevent (1) the use of
14 public funds for programs of social welfare for the aid and support of the needy;
15 (2) contributions of public funds to pension and insurance programs for the benefit
16 of public employees; (3) the pledge of public funds, credit, property, or things of
17 value for public purposes with respect to the issuance of bonds or other evidences of
18 indebtedness to meet public obligations as provided by law; (4) the return of
19 property, including mineral rights, to a former owner from whom the property had
20 previously been expropriated, or purchased under threat of expropriation, when the
21 legislature by law declares that the public and necessary purpose which originally

1 supported the expropriation has ceased to exist and orders the return of the property
2 to the former owner under such terms and conditions as specified by the legislature;
3 (5) acquisition of stock by any institution of higher education in exchange for any
4 intellectual property; (6) the donation of abandoned or blighted housing property by
5 the governing authority of a municipality or a parish to a nonprofit organization
6 which is recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4)
7 nonprofit organization and which agrees to renovate and maintain such property until
8 conveyance of the property by such organization; (7) the deduction of any tax,
9 interest, penalty, or other charges forming the basis of tax liens on blighted property
10 so that they may be subordinated and waived in favor of any purchaser who is not
11 a member of the immediate family of the blighted property owner or which is not
12 any entity in which the owner has a substantial economic interest, but only in
13 connection with a property renovation plan approved by an administrative hearing
14 officer appointed by the parish or municipal government where the property is
15 located; (8) the deduction of past due taxes, interest, and penalties in favor of an
16 owner of a blighted property, but only when the owner sells the property at less than
17 the appraised value to facilitate the blighted property renovation plan approved by
18 the parish or municipal government and only after the renovation is completed such
19 deduction being canceled, null and void, and to no effect in the event ownership of
20 the property in the future reverts back to the owner or any member of his immediate
21 family; (9) the donation by the state of asphalt which has been removed from state
22 roads and highways to the governing authority of the parish or municipality where
23 the asphalt was removed, or if not needed by such governing authority, then to any
24 other parish or municipal governing authority, but only pursuant to a cooperative
25 endeavor agreement between the state and the governing authority receiving the
26 donated property; (10) the investment in stocks of a portion of the Rockefeller
27 Wildlife Refuge Trust and Protection Fund, created under the provisions of R.S.
28 56:797, and the Russell Sage or Marsh Island Refuge Fund, created under the
29 provisions of R.S. 56:798, such portion not to exceed thirty-five percent of each

1 fund; (11) the investment in stocks of a portion of the state-funded permanently
 2 endowed funds of a public or private college or university, not to exceed thirty-five
 3 percent of the public funds endowed; ~~or~~ (12) the investment in equities of a portion
 4 of the Medicaid Trust Fund for the Elderly created under the provisions of R.S.
 5 46:2691 et seq., such portion not to exceed thirty-five percent of the fund; or (13) the
 6 donation or sale, at a price that the legislature may set, of property located in the
 7 Lower Ninth Ward of the city of New Orleans by the governing authority of the city
 8 of New Orleans to qualified purchasers as provided by law.

9 * * *

10 Section 2. Be it further resolved that this proposed amendment shall be submitted
 11 to the electors of the state of Louisiana at the statewide election to be held on November 4,
 12 2014.

13 Section 3. Be it further resolved that on the official ballot to be used at the election,
 14 there shall be printed a proposition, upon which the electors of the state shall be permitted
 15 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
 16 follows:

17 Do you support an amendment to authorize the governing authority of the
 18 city of New Orleans to donate or sell at a price fixed by the legislature
 19 property located in the Lower Ninth Ward of the city of New Orleans?
 20 (Amends Article VII, Section (14)(B))

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)]

Wesley Bishop

HB No. 489

Abstract: Authorizes donation or sale of certain property in the Lower Ninth Ward of the city of New Orleans.

Present constitution prohibits the loan, pledge of donation of funds, credit, property, or things of value of the state or a political subdivision except as specifically provided in the constitution.

Present constitution authorizes the donation of abandoned or blighted housing property by the governing authority of a municipality or a parish to a nonprofit organization which is

recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4) nonprofit organization and which agrees to renovate and maintain such property until conveyance of the property by such organization.

Proposed constitution authorizes the governing authority of the city of New Orleans to donate or sell, at a price set by the legislature, property located in the Lower Ninth Ward of the city of New Orleans to qualified purchasers as provided by law.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 4, 2014.

(Amends Const. Art. VII §14(B))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the original bill.

1. Adds provision authorizing sale of property at a price that the legislature may set.

Committee Amendments Proposed by House Committee on Civil Law and Procedure to the engrossed bill.

1. Clarified ballot language to provide that the governing authority of the city of New Orleans may sell blighted or abandoned property at a price set by the legislature.

House Floor Amendments to the reengrossed bill.

1. Removes provision restricting property that may be donated or sold pursuant to proposed constitutional amendment to abandoned or blighted property.
2. Changes authorized recipients of property from residents of the Lower Ninth Ward to qualified purchasers.