

2018 Regular Session

HOUSE BILL NO. 872

BY REPRESENTATIVE JIMMY HARRIS

INDUSTRIAL DEVELOPMENT: Provides relative to industrial development boards in certain municipalities

1 AN ACT

2 To enact R.S. 51:1157.4, relative to industrial development boards in certain municipalities;
3 to provide relative to the powers and duties of the boards, including the power to
4 enter into contracts; to authorize the governing authority of the respective
5 municipality to establish a contract approval process with respect to contracts entered
6 into by the boards; to provide limitations; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 51:1157.4 is hereby enacted to read as follows:

9 §1157.4. Industrial development boards; certain municipalities; contract approval

10 A. Notwithstanding any other provision of law to the contrary, the governing
11 authority of any municipality with a population in excess of three hundred thousand
12 persons according to the latest federal decennial census, may establish, by ordinance,
13 a process for the approval of contracts of the industrial development board for the
14 respective municipality. Any such ordinance shall provide for the types of contracts
15 that shall be subject to the approval process and may include contracts for the
16 purchase, lease, rental, or sale of movable and immovable property and contracts
17 relative to the granting of tax incentives and the issuance of bonds.

18 B. If the provisions of any ordinance relative to the approval of contracts for
19 the issuance of bonds by the board conflict with any provisions of this Chapter, the
20 provisions of this Chapter shall prevail.

1 C. The provisions of this Section shall not be construed to authorize the
2 governing authority of any municipality to nullify any contract entered into by the
3 board prior to the effective date of this Section.

4 Section 2. This Act shall become effective upon signature by the governor or, if not
5 signed by the governor, upon expiration of the time for bills to become law without signature
6 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
7 vetoed by the governor and subsequently approved by the legislature, this Act shall become
8 effective on the day following such approval.

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)]

HB 872 Engrossed

2018 Regular Session

Jimmy Harris

Abstract: Authorizes the governing authority of certain municipalities to establish a contract approval process with respect to contracts entered into by industrial development boards of the respective municipalities.

Present law provides that when not less than three persons, each of whom are qualified electors of a municipality or the parish, file with the governing body thereof an application in writing seeking permission to apply for the incorporation of an industrial development board of such municipality or parish, the governing body shall consider such application.

Present law provides that if the governing body by resolution finds and determines that it is wise, expedient, necessary, or advisable that the corporation be formed and authorized, the persons making such application shall proceed to incorporate in accordance with the provisions of present law (Title 12 of the La. R.S. of 1950). Provides that no corporation may be formed unless such application first has been filed with the governing body of the municipality or parish, and such governing body adopts a resolution as provided in present law. Provides further relative to articles of incorporation and provides relative to the governance and powers and duties of the board, including the authority to issue bonds. Provides with respect to the authority of the State Bond Commission to approve the bonds issued by the board.

Proposed law retains present law.

Proposed law authorizes the governing authority of municipalities with a population in excess of 300,000 persons to establish, by ordinance, a contract approval process with respect to contracts entered into by the industrial development board for the respective municipality. Requires that the ordinance provide for the types of contracts that will be subject to the approval process. Provides that if any ordinance relative to the approval of contracts for the issuance of bonds by the board conflicts with the provisions of present law, the provisions of present law will prevail.

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

(Adds R.S. 51:1157.4)