

2020 Regular Session

SENATE BILL NO. 459

BY SENATOR REESE

SPECIAL DISTRICTS. Establishes an Economic Development District for the parish of Vernon. (gov sig)

1 AN ACT

2 To enact Subpart B-49 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes  
3 of 1950, to be comprised of R.S. 33:130.870 through 130.878, relative to economic  
4 development districts; to create the Vernon Parish Economic Development District  
5 in Vernon Parish; to provide for the district boundaries, purpose, and governance; to  
6 provide relative to powers and duties of the district; and to provide for related  
7 matters.

8 Notice of intention to introduce this Act has been published.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Subpart B-49 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised  
11 Statutes of 1950, to be comprised of R.S. 33:130.870 through 130.878, is hereby enacted to  
12 read as follows:

13 SUBPART B-49. VERNON PARISH DEVELOPMENT DISTRICT

14 §130.870. Vernon Parish Development District; creation; territorial  
15 jurisdiction

16 A. The Vernon Parish Development District, hereinafter referred to as  
17 the "district", is hereby constituted and is declared to be a body politic and

1 political subdivision of the state of Louisiana, as defined in Article VI, Section  
2 44 of the Constitution of Louisiana. Pursuant to Article VI, Sections 19 and 21  
3 of the Constitution of Louisiana, the district, acting through its board of  
4 commissioners, the governing authority of the district, is hereby granted all of  
5 the rights, powers, privileges, and immunities granted to political subdivisions  
6 for economic and industrial development purposes, including but not limited to  
7 the power of taxation, the power to incur debt and issue revenue and general  
8 obligation bonds, certificates of indebtedness, bond and certificate anticipation  
9 notes, and refunding bonds, subject to the limitations hereinafter provided.

10 B. The district created pursuant hereto shall be established for the  
11 primary object and purpose of promoting and encouraging the development of  
12 economic and industrial opportunities, stimulating the economy through  
13 renewed commerce and industry, and for the utilization and development of  
14 natural and human resources of the area by providing job opportunities.

15 C. The boundaries of the district shall be coterminous with the  
16 boundaries of Vernon Parish.

17 §130.871. Board of commissioners; members; officers; employees

18 A. The district shall be governed by a board of commissioners consisting  
19 of nine members selected as follows:

20 (1) Three members shall be appointed by the Vernon Parish Chamber  
21 of Commerce.

22 (2) Three members shall be appointed by the governing authority of  
23 Vernon Parish.

24 (3) Three members shall be appointed by the mayor of Leesville.

25 B. Any vacancy in the membership of the board of commissioners,  
26 occurring either by reason of the expiration of the term for which appointed or  
27 by reason of death, resignation, or otherwise, shall be filled by the governing  
28 authority of Vernon Parish.

29 C. Any member of the board of commissioners may be removed by the

1 governing authority of Vernon Parish, but only for cause and on charges  
2 preferred against him in writing and after public hearing; provided that any  
3 member so removed shall have the right to appeal his removal to a court of  
4 competent jurisdiction within ten days of the decision of the governing authority  
5 ordering his removal.

6 D. The members of the board of commissioners shall serve without per  
7 diem or other compensation. The board of commissioners shall have the power  
8 to organize and reorganize executive, clerical, and other departments and to fix  
9 the duties and powers and compensation of all officers, agents, and employees  
10 of the district. The board of commissioners may reimburse any member for  
11 expenses actually incurred in the performance of his duties hereunder.

12 E. Commissioners individually, and members of each commissioner's  
13 immediate family are prohibited from bidding on or entering into any contract,  
14 subcontract, or other transaction that is under the supervision or jurisdiction  
15 of the district.

16 F. Elected officials are prohibited from serving on the board of  
17 commissioners.

18 G. The board of commissioners shall elect from among its own members  
19 a president, a vice president, a secretary, and a treasurer, whose duties shall be  
20 those usual to such offices. At the option of the board of commissioners, the  
21 offices of secretary and treasurer may be held by one person.

22 H. The board of commissioners shall meet in regular session on a  
23 quarterly basis and shall also meet in special session when the president of the  
24 board convenes them or on the written request of four members. No more than  
25 twelve special sessions may be called within any one calendar year. Five  
26 members of the board of commissioners shall constitute a quorum.

27 I. The board of commissioners shall prescribe rules to govern its  
28 meetings, shall maintain suitable offices in the parish of Vernon, and may  
29 contract with and employ attorneys, clerks, engineers, deputy commissioners,

1 superintendents, and other agents and employees and shall fix their  
2 compensation and terms of employment.

3 §130.872. Powers of district

4 The district, acting by and through its board of commissioners, shall  
5 have and exercise all powers of a political subdivision necessary or convenient  
6 for the carrying out of its objects and purposes, including but not limited to  
7 rights and powers set out in this Subpart:

8 (1) To sue and be sued.

9 (2) To adopt, use, and alter at will a corporate seal.

10 (3) To acquire by gift, grant, or purchase any property, including rights  
11 of way; to hold and use any franchise or property, real, personal, or mixed,  
12 tangible or intangible, or any interest therein, necessary or desirable for  
13 carrying out the objects and purposes of the district, including but not limited  
14 to the establishment, maintenance, and operation of industrial parks, ports,  
15 harbors, and terminals.

16 (4) To enter into contracts for the purchase, acquisition, construction,  
17 and improvement of works and facilities necessary in connection with the  
18 purposes of the district.

19 (5) In its own name and on its own behalf, to incur debt and to issue  
20 general obligation bonds, revenue bonds, certificates, notes, and other evidences  
21 of indebtedness and to levy and cause to be collected certain taxes as provided  
22 in this Subpart and as may be provided by general law.

23 (6) To require and issue licenses with respect to its properties and  
24 facilities.

25 (7) To regulate the imposition of fees and rentals charged by the district  
26 for its facilities and services rendered by it.

27 (8) To borrow money and pledge all or part of its revenues, leases, rents,  
28 or other advantages as security for such loans.

29 (9) To appoint officers, agents, and employees, prescribe their duties, and

1 fix their compensation.

2 (10) To engage in public relations, advertising, marketing activities, and  
3 to provide and disseminate information.

4 (11) To engage in government relations, ombudsman activities, and  
5 government liaison.

6 (12) To provide financial and financing assistance.

7 (13) To provide tax abatement.

8 (14) To provide, directly or indirectly, planning and coordination for  
9 economic development and resource utilization, including such functions as  
10 industrial and economic research and industrial programming and solicitation.

11 (15) To provide industrial training, technical assistance, and technology  
12 transfer.

13 (16) To use public and other legal powers to facilitate development.

14 (17) To promote transfer mechanisms to take ideas, from their point of  
15 origin or development, to commercially successful utilization by local  
16 enterprises.

17 (18) To foster entrepreneurial activities in Vernon Parish or in the  
18 region.

19 (19) To promote the development of new products, processes, or services  
20 or new uses for existing products, processes, or services manufactured,  
21 produced, or marketed in Vernon Parish or in the region.

22 (20) To support market research aimed at identifying new markets for  
23 local or regional products and processes, including international markets; to  
24 determine the characteristics, needs, and preferences of those markets; and to  
25 develop new marketing techniques to exploit those markets.

26 (21) To foster and support economic and industrial development and  
27 education in cooperation with private business enterprises, financial  
28 institutions, educational institutions, nonprofit institutions and organizations,  
29 state government and political subdivisions of the state, the federal government,

1 and other organizations or persons concerned with research, development,  
2 education, commercial application, and economic or industrial development in  
3 ways that increase the economic base of Vernon Parish or of the region.

4 (22) To enter a cooperative endeavor agreement with the Vernon Parish  
5 Economic Development Foundation, or any successor thereof, or the Vernon  
6 Parish government or any other eligible entity pursuant to applicable laws to  
7 achieve any of the lawful purposes of the district.

8 (23) For the purposes enumerated in this Subpart, and in order to  
9 achieve any of the lawful purposes of the district, to engage in whatever  
10 activities and projects it deems most appropriate to encourage and to assist  
11 economic growth and development in accordance with and pursuant to  
12 provisions of this Subpart.

13 §130.873. Economic and industrial development

14 A.(1) The district shall have the power to construct, acquire, finance, or  
15 lease facilities, including sites or facilities for industrial, business, or commercial  
16 parks and plants, and including the acquisition of sites and facilities and other  
17 necessary property or appurtenances thereto within or outside the district, and  
18 to acquire, construct, improve, operate, maintain, and provide improvements  
19 and services necessary therefor, including but not limited to roads, street  
20 lighting, bridges, rail facilities, drainage, sewage disposal facilities, solid waste  
21 disposal facilities, waterworks, and other utilities and related properties.  
22 However, in connection with any projects outside the geographic boundaries of  
23 the district, the district must make a determination that such development  
24 provides a substantial benefit to the district or the region or to business and  
25 industry of persons located within the geographic boundaries of the district or  
26 region.

27 (2) The district shall also have the authority to sell, lease, or otherwise  
28 dispose of, by suitable and appropriate contract, to any enterprise locating or  
29 existing within the district all or any part of a site, building, or other property

1 owned by the district. In determining the consideration for any contract to  
2 lease, sell, or otherwise dispose of lands, buildings, or other property of the  
3 district, the board of commissioners may take into consideration the value of the  
4 lands, buildings, or other properties involved as well as the potential value of  
5 the economic impact of the enterprise being induced to locate or expand within  
6 the district. Such economic impact shall include increased employment,  
7 increased use of local labor, wages and salaries to be paid, consumption of local  
8 materials, products, and resources, and special tax revenues to be generated by  
9 the enterprise acquiring or leasing lands, buildings, or other property from the  
10 district. The district shall be empowered to enter into leases.

11 (3) The resolution or ordinance adopted by the board of commissioners  
12 authorizing any lease, sale, or other disposition of lands, buildings, or other  
13 property of the district or any attachment thereto shall set forth, in a general  
14 way, the terms of the authorized lease, sale, or other disposition, and such  
15 resolution or ordinance shall be published as soon as possible in one issue of the  
16 official journal of the district. For a period of thirty days from the date of  
17 publication of any such resolution or ordinance, any interested person may  
18 contest the legality of such resolution or ordinance or the validity of the  
19 authorized lease, sale, or other disposition of district property, after which time  
20 no one shall have any cause of action to contest the legality of the resolution or  
21 ordinance or to draw into question the legality of the authorized lease, sale, or  
22 other disposition of district property for any cause whatsoever, and it shall be  
23 conclusively presumed thereafter that every legal requirement has been  
24 complied with, and no court shall have authority to inquire into such matters  
25 after the lapse of thirty days.

26 B. The district shall have the following additional powers, together with  
27 all powers incidental thereto or necessary for the performance of those  
28 hereinafter stated:

29 (1) To acquire, whether by purchase, exchange, gift, or lease, and to

1 construct and improve, maintain, equip, and furnish one or more economic  
2 development projects, including all immovable and movable properties that the  
3 board of commissioners may deem necessary in connection therewith and  
4 whether or not any such project shall be in existence.

5 (2) To lease or to contract for the use to or by others of any or all of its  
6 authorized projects and to charge and collect rent, fees, or charges therefor, and  
7 to terminate any such lease or contractual arrangement upon the failure of the  
8 lessee or contracting party to comply with any of the obligations thereof, all as  
9 may be provided for in the lease or other contractual agreement to which the  
10 district may become a part.

11 (3) To sell, exchange, donate, and convey any or all of its projects upon  
12 such terms and conditions as the board of commissioners may deem advisable,  
13 including the power to receive for any such sale or project the first mortgage  
14 note or notes of the purchaser of a project representing unpaid installments of  
15 the purchase price due by the purchaser to the district whenever the board of  
16 commissioners finds any such actions to be in furtherance of the purposes for  
17 which the district was organized.

18 (4) As security for the payment of the principal of and interest on any  
19 bonds, notes, or other obligations of the district and any agreements made in  
20 connection therewith, to mortgage and pledge any or all of its projects or any  
21 part or parts thereof, whether then owned or thereafter acquired, and to pledge  
22 the revenues and receipts therefrom or from any other source.

23 (5)(a) To enter into any cooperative financing associated with economic  
24 and industrial development between or among the district and the state, any of  
25 its local governmental subdivisions, political corporations, or public benefit  
26 corporations, the United States or its agencies, or any public or private  
27 association, corporation, or individual.

28 (b) To enter into any economic or industrial development project  
29 between or among the district and the state, any of its local governmental



1 subdivisions, political corporations, or public benefit corporations, the United  
2 States or its agencies, or any public or private association, corporation, or  
3 individual. The methods of cooperative development shall include, but not be  
4 limited to any number of joint development agreements and cooperative  
5 ownership, limited partnerships, and investment syndicates not prohibited by  
6 the Constitution of Louisiana. Regardless of the method of financing, the  
7 district shall attempt to obtain the most favorable arrangement available in  
8 order to protect and ensure economic and industrial development.

9 (c) To cooperate with and to engage in cooperative endeavors with other  
10 persons and entities as provided by Article VII, Section 21(H) of the  
11 Constitution of Louisiana to provide a means by which owners of such  
12 properties who expand, restore, improve, and develop them may pay ad  
13 valorem taxes for five years based upon the assessed valuation of the property  
14 for the year prior to the commencement of the expansion, restoration,  
15 improvement, or development.

16 C.(1) In addition to any other authority or powers granted the district,  
17 the district shall have full power and authority to issue obligations and to  
18 provide funds for the furtherance and accomplishment of any authorized public  
19 function. For purposes of this Subpart, "authorized public function" shall mean  
20 and include but not be limited to hospital, medical health, nursery care, nursing  
21 care, clinical, ambulance, laboratory, and related services and facilities; housing  
22 mortgage finance and related services, activities, facilities, and properties;  
23 penitentiary, rehabilitation, incarceration, and other correctional services and  
24 facilities; educational services and facilities and related housing and dormitory  
25 services and facilities; providing, developing, securing, and improving water  
26 storage treatment, supply, and distribution services and facilities; sanitary and  
27 storm sewer and other liquid and solid waste collection, disposal, treatment, and  
28 drainage services and facilities; educational or commercial communication  
29 equipment and facilities; mass transit, commuting and transportation, and

1 parking services, equipment, and facilities; cultural, entertainment, and civic  
2 facilities, services, and activities; community development and redevelopment  
3 facilities and activities; gas, electric, petroleum, coal, and other energy  
4 collection, recovery, generation, storage, transportation, transmission, and  
5 distribution facilities and activities; industrial, manufacturing, and other  
6 economic development facilities and activities; antipollution and air, water,  
7 ground, and subsurface pollution abatement and control facilities and activities;  
8 airport and waterport and related facilities, services, and activities; and  
9 facilities, property, and equipment of any nature for the use or occupancy of the  
10 state or its political subdivisions, the United States, or any agencies or  
11 instrumentalities thereof, or any other private person or entity. Each of the  
12 functions described herein shall constitute an "industry" within the meaning of  
13 Article VI, Section 21 of the Constitution of Louisiana, and the powers granted  
14 in this Subpart to assist such industries, including, without limitation, the loan,  
15 grant, or donation of funds are hereby deemed to be the assistance of industry  
16 within the meaning of Article VI, Section 21 of the Constitution of Louisiana.

17 (2) The district is authorized to issue obligations to accomplish any of the  
18 foregoing authorized public functions or purposes and shall have those powers  
19 enumerated in Subsection B of this Section, together with all other powers  
20 incidental thereto or necessary for the performance of those enumerated or  
21 related thereto.

22 D. For purposes of this Subpart, unless the context clearly states  
23 otherwise, the following definitions shall apply:

24 (1) "Cooperative endeavor" means any form of economic development  
25 assistance between or among the district and the state, any of its political  
26 subdivisions, political corporations, or public benefit corporations, the United  
27 States or its agencies, or any public or private association, corporation, or  
28 individual. The term "cooperative endeavor" shall include but not be limited  
29 to cooperative financing, cooperative development, or any other form of

1 cooperative economic development activity and shall be construed liberally in  
2 order to give it the broadest possible application.

3 (2) "Cooperative financing" means any method of financing an economic  
4 development project between or among the district and the state or its political  
5 subdivisions, political corporations, or public benefit corporations, the United  
6 States or its agencies, or any public or private association, corporation, or  
7 individual. The methods of financing shall include loans, loan guarantees, land  
8 write-downs, grants, lease guarantees, or any form of financial subsidy or  
9 incentive. Such loan, grant, donation, and other means of cooperative financing  
10 are deemed hereunder to be the assistance of the industries authorized to be  
11 assisted by this Subpart under the provisions of Article VI, Section 21 of the  
12 Constitution of Louisiana. The term "cooperative financing" shall be construed  
13 liberally in order to give it the broadest possible application.

14 (3) "Cooperative development" means any method of cooperative  
15 development between or among the district and the state, any of its political  
16 subdivisions, political corporations, or public benefit corporations, the United  
17 States or its agencies, or any public or private association, corporation, or  
18 individual. The methods of cooperative development shall include but not be  
19 limited to any number of joint development agreements such as condominiums  
20 and cooperative ownership, limited partnerships, and investment syndicates.  
21 The term "cooperative development" shall be construed liberally in order to  
22 give it the broadest possible application.

23 E. The district is likewise hereby authorized and shall have the authority  
24 and power necessary in order to carry out and effectuate the purposes and  
25 provisions of this Subpart, including, without limiting the generality of the  
26 foregoing, the following specific authority and powers, which shall be in  
27 addition to others herein granted:

28 (1) To apply for and to receive and accept for or from any federal  
29 agency, the state, or political subdivision of the state or for or from any public

1 or private source any grants, loans, or advances for or in the aid of an economic  
2 development cooperative endeavor, project, or projects, to give and accept such  
3 equity or security as may be required, and to enter into and carry out a contract  
4 or contracts or agreements in connection therewith, provided that public notice  
5 is given prior to such actions.

6 (2) To procure insurance against any losses in connection with its  
7 property in such amounts and from such insurers as may be necessary and  
8 desirable.

9 (3) To sponsor and conduct conferences and studies, to collect and  
10 disseminate information, and to issue periodic reports.

11 (4) To assist local and regional businesses in applying for federal  
12 research grants and state or federal procurement contracts including  
13 dissemination of information on the availability of such grants and contracts.

14 (5) To collect and disseminate information on financial, technical,  
15 marketing, management, and other services available to local and regional  
16 businesses on a free or for-hire basis from universities, private for profit  
17 businesses, and nonprofit organizations, or to provide for such services itself or  
18 in cooperation with public or private persons.

19 (6) To receive, loan, or expand seed capital or venture capital.

20 §130.874. Taxes; borrowing money

21 A. The board of commissioners may, when necessary, levy annually an  
22 ad valorem tax, provided that the amount, term, and purpose of the tax, as set  
23 out in a proposition submitted to a vote in accordance with the Louisiana  
24 Election Code, shall be approved by a majority of the qualified electors voting  
25 in a special election held for that purpose.

26 B.(1) The board of commissioners may, subject to approval of a majority  
27 of the electors voting at an election held for the purpose, levy and collect a sales  
28 and use tax within the boundaries of the district for such purposes and at such  
29 rate as provided by the proposition authorizing its levy, not exceeding one

1 percent, which tax may exceed the limitation set forth in Article VI, Section  
2 29(A) of the Constitution of Louisiana.

3 (2) The tax shall be levied upon the sale at retail, the use, the lease or  
4 rental, the consumption, the distribution and storage for use or consumption of  
5 tangible personal property, and upon the sales of services within the district, all  
6 as presently defined in R.S. 47:301.

7 (3) Except where inapplicable, the procedure established by R.S. 47:301  
8 through 317 shall be followed in the imposition, collection, and enforcement of  
9 the tax, and procedural details necessary to supplement those Sections and to  
10 make them applicable to the tax herein authorized shall be fixed in the  
11 resolution imposing the tax.

12 (4) The tax shall be imposed and collected uniformly throughout the  
13 district.

14 C. In addition to any tax, fee, charge, or assessment otherwise authorized  
15 by this Subpart, the district may levy or impose any tax, fee, charge, or  
16 assessment which is approved by a majority of the voters of the district who  
17 vote at an election held for such purpose.

18 D. All funds derived under this Section may be used only for expenses or  
19 specified purposes of the district. The board of commissioners shall establish  
20 and maintain, in addition to all necessary and normal accounts, the following  
21 special accounts:

22 (1) A revolving-loan guarantee fund, to be used to guarantee industrial  
23 or business terminal development loans to the extent permitted by the  
24 Constitution of Louisiana under the following guidelines:

25 (a) Loan guarantees shall be made only when adequate financing for the  
26 project is unavailable through normal lending channels and the project  
27 represents a sound business venture that is financially and economically  
28 feasible.

29 (b) Loan guarantees shall be used to assist an identifiable business

1 concern to finance plant construction, conversion, or expansion and to finance  
2 acquisition of land, existing structures, machinery, or equipment, and to  
3 provide operational funds.

4 (c) The terms and rates shall be compatible with loans offered by local  
5 lending institutions, and the guarantee shall never exceed forty percent of the  
6 cost of the total project. In addition, the district shall attempt to obtain the most  
7 favorable security available under the circumstances to protect and ensure the  
8 recovery of its commitment under the guarantee.

9 (d) Loan guarantees may be evaluated for the economic impact in terms  
10 of the number and types of jobs created or saved.

11 (e) Loan guarantees shall be made to leverage other sources of private  
12 and public capital to attain the greatest economic impact possible with the  
13 limited funds available.

14 (f) Loan guarantees shall be targeted to industries, manufacturing firms,  
15 and wholesale distribution firms and service firms.

16 (g) No project may be considered unless the project will be constructed  
17 and maintained by persons at least eighty percent of whom are residents of the  
18 parish of Vernon and at least eighty percent of the goods and services for  
19 maintenance of the project are obtained from a supplier domiciled within the  
20 parish, except where not reasonably possible to do so without substantial added  
21 expense, substantial inconvenience, or substantial sacrifice in operational  
22 efficiency.

23 (h) The lending or underwriting principals shall have such demonstrated  
24 experience, ability, and net worth as would allow for the success, continuation,  
25 security, and solvency of the program. Prudent lending and underwriting  
26 standards shall be applied in order to comply with the primary objectives of this  
27 Section.

28 (2) An economic development operation fund, for the development and  
29 attraction of industries to accomplish the following:

1           (a) The operational fund shall be used for operating expenses necessary  
2           in creation of industrial and commercial development, in hiring sufficient staff  
3           to accomplish the purposes set out in this Subpart, and other related expenses.

4           (b) The operational fund may also be utilized in contracting for services  
5           as may be required by the district including but not limited to planning  
6           assistance, surveys, land use studies, professional and technical services, and  
7           other services necessary to effectuate a unified industrial development plan.

8           (3) An account for the maintenance and operation of a governmental  
9           procurement center to provide necessary information to companies and  
10           individuals engaged in providing services and goods to accomplish the  
11           following:

12           (a) Pinpoint and identify potential buying centers and aid in placing the  
13           company on a bidder's list for these centers and assist companies in obtaining  
14           specifications for their products or services.

15           (b) Provide trained counselors to assist in acquiring solicitation and bid  
16           packages and conduct seminars designed to disseminate other information  
17           needed by the target companies and individuals.

18           E. Any tax levied under this Section shall be in addition to all other taxes  
19           which the city, parish, or any other political subdivision within the parish of  
20           Vernon are now or hereafter authorized to levy and collect.

21           §130.875. Obligations of the district

22           A. The district shall have authority to incur debt for any one or more of  
23           its lawful purposes set forth in this Subpart, to issue in its name negotiable  
24           bonds, notes, certificates of indebtedness, or other evidences of debt, and to  
25           provide for the security and payment thereof.

26           B.(1) The district may in its own name and behalf incur debt and issue  
27           general obligation ad valorem property tax secured bonds under the authority  
28           of and subject to the provisions of Article VI, Section 33 of the Constitution of  
29           Louisiana, Subpart A of Part III of Chapter 4 of Subtitle II of Title 39 of the

1 Louisiana Revised Statutes of 1950, when approved by a majority of the  
2 qualified voters who vote in a special election called and conducted under the  
3 authority of the Louisiana Election Code, including Chapter 6-A of Title 18 of  
4 the Louisiana Revised Statutes of 1950, as amended. General obligation bonds  
5 of the district may be issued for any of the purposes for which the district is  
6 created or is authorized to act under any provisions of this Subpart all of which  
7 purposes are hereby found and declared to be public purposes and functions of  
8 the state of Louisiana, which are delegated to the district.

9 (2) The district may in its own name and behalf issue revenue bonds for  
10 the purposes for which the district is created or is authorized to act under any  
11 of the provisions of this Subpart, including improvement revenue bonds. The  
12 bonds shall be issued in the manner as provided in R.S. 39:991 through 1002  
13 and R.S. 39:1011 through 1025. In addition to other authorized methods of  
14 issuance of revenue bonds and as separate and distinct authority for the  
15 issuance of revenue bonds, in addition to any other procedures and  
16 authorization, the district is hereby authorized as follows:

17 (a) Revenue bonds may be issued by the district to accomplish any of the  
18 authorized public functions or purposes set forth in this Subpart. All such bonds  
19 shall be negotiable instruments and shall be solely the obligations of the district.  
20 The bonds shall be authorized and issued by resolution adopted by a majority  
21 vote of the board of commissioners of the district and shall be of such series,  
22 bear such date or dates, mature at such time or times, bear interest at such rate  
23 or rates, be in such denominations, be in such form, either coupon or fully  
24 registered without coupons, carry such registration and exchangeability  
25 privileges, be payable at such place or places, be subject to such terms of  
26 redemption, and be entitled to such priorities on the income, revenue, and  
27 receipts of the district as such resolution may provide. The bonds shall be signed  
28 by such officers as the district shall determine, and the signatures may be by  
29 facsimile.



1           **(b) The bonds shall be sold by the board of commissioners of the district**  
2           **in such manner as may be determined by the district to be most beneficial to the**  
3           **district, and the district shall pay all expenses and commissions that it may**  
4           **deem necessary or advantageous in connection with the issuance and sale of the**  
5           **bonds. The bonds may, in the discretion of the district, be additionally secured**  
6           **by a mortgage on all or any part of the projects acquired, constructed,**  
7           **extended, or improved with the proceeds thereof, and the district shall have full**  
8           **discretion to make such provisions as it may see fit for the making and**  
9           **enforcement of the mortgage and provisions to be therein contained.**

10           **(c) The issuance and sale of the bonds by the district shall be approved**  
11           **by the State Bond Commission. At least seven days prior to the sale of the bonds**  
12           **by the district, the district shall cause to have published a notice of sale in the**  
13           **official journal of the parish of Vernon. This notice of sale shall state if any**  
14           **proposals have been made for the purchase of the bonds and that other**  
15           **proposals will be considered and that the proposal most advantageous to the**  
16           **district will be accepted at the time of the sale. For a period of thirty days from**  
17           **the date of publication of the notice of sale, any person or persons with interest**  
18           **shall have the right to contest the legality of the notice of sale, resolution, or**  
19           **other proceeding authorizing the issuance of the bonds and the legality of the**  
20           **bond issue for any cause, after which time no one shall have any cause or right**  
21           **of action to contest the legality of the resolution or other proceedings or of the**  
22           **bonds authorized thereby for any cause whatsoever. If no suit, action, or**  
23           **proceedings are begun contesting the validity of the bonds and provisions for**  
24           **the payment thereof, the legality thereof, and of all the provisions of the**  
25           **resolution or other proceedings authorizing the issuance of the bonds shall be**  
26           **conclusively presumed, and no court shall have authority to inquire into such**  
27           **matters.**

28           **(d) The bonds shall have the qualities of negotiable instruments under**  
29           **the commercial laws of the state of Louisiana. All the bonds shall be special and**

1 limited obligations of the district. In no event shall any of the bonds constitute  
2 an obligation, either general or special, of the general credit of the district or of  
3 the state of Louisiana within the meaning of any constitutional or statutory  
4 provision whatsoever, and the bonds shall contain a recital to that effect.

5 (3) The district may in its own name and behalf borrow from time to  
6 time in the form of certificates of indebtedness. The certificates shall be secured  
7 by the dedication and pledge of monies of the district derived from any lawful  
8 sources, including fees, lease rentals, service charges, local service agreement  
9 payments from one or more other contracting parties, the avails of ad valorem  
10 property taxation, or any combination of these sources of income, provided that  
11 the term of the certificates shall not exceed ten years and the annual debt  
12 service on the amount borrowed shall not exceed the anticipated revenues to be  
13 dedicated and pledged to the payment of the certificates of indebtedness, as  
14 shall be estimated by the board of commissioners of the district at the time of  
15 the adoption of the resolution authorizing the issuance of such certificates. The  
16 estimate of the board of commissioners referred to in the authorizing resolution  
17 shall be conclusive for all purposes of this Section.

18 (4) The district may borrow the amount of the anticipated ad valorem  
19 tax, not to exceed five mills, authorized by R.S. 33:130.874 for a period not to  
20 exceed ten years and may issue certificates of indebtedness therefor and may  
21 dedicate the avails of the tax funded for the payment thereof for the period of  
22 time the certificates are outstanding.

23 (5) The board of commissioners, as the governing authority of the  
24 district, is authorized to adopt all necessary resolutions or ordinances which  
25 may be necessary for ordering, holding, canvassing, and promulgating the  
26 returns of any election required for the issuance of general obligation bonds, or  
27 limited tax secured obligations or for the voting of a property tax millage, which  
28 resolutions or ordinances may include covenants for the security and payment  
29 of any bonds or other evidence of debt so issued.

1           **(6) For a period of thirty days from the date of publication of any**  
2           **resolution or ordinance authorizing the issuance of any bonds, certificates of**  
3           **indebtedness, notes, or other evidence of debt of the district, any interested**  
4           **person may contest the legality of the resolution or ordinance and the validity**  
5           **of the bonds, certificates of indebtedness, notes, or other evidence of debt issued**  
6           **or proposed to be issued thereunder and the security of their payment, after**  
7           **which time no one shall have any cause of action to contest the legality of the**  
8           **resolution or ordinance or to draw into question the legality of the bonds,**  
9           **certificates of indebtedness, notes, or other evidence of debt, the security**  
10           **therefor, or the debts represented thereby for any cause whatever, and it shall**  
11           **be conclusively presumed that every legal requirement has been complied with,**  
12           **and no court shall have authority to inquire into such matters after the lapse of**  
13           **thirty days.**

14           **(7) The issuance and sale of bonds, certificates of indebtedness, notes, or**  
15           **other evidence of debt by the district shall be subject to approval by the State**  
16           **Bond Commission.**

17           **(8) The bonds, certificates of indebtedness, notes, or other evidence of**  
18           **debt shall have all the qualities of negotiable instruments under the commercial**  
19           **laws of the state of Louisiana.**

20           **§130.876. Securities**

21           **Bonds, certificates, or other evidences of indebtedness issued by the**  
22           **district under this Subpart are deemed to be securities of public entities within**  
23           **the meaning of Chapters 13 and 13-A of Title 39 of the Louisiana Revised**  
24           **Statutes of 1950, and shall be subject to defeasance in accordance with the**  
25           **provisions of Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950,**  
26           **and may be refunded in accordance with the provisions of Chapters 14-A and**  
27           **15 of Title 39 of the Louisiana Revised Statutes of 1950, and may also be issued**  
28           **as short-term revenue notes of a public entity under Chapter 15-A of Title 39**  
29           **of the Louisiana Revised Statutes of 1950.**

1           **§130.877. Exemption from taxation**

2           **The district and all properties at any time owned by the district and the**  
3           **income therefrom and all bonds, certificates, and other evidence of indebtedness**  
4           **issued by the district under this Subpart and the interest or income therefrom**  
5           **shall be exempt from all taxation by the state of Louisiana.**

6           **§130.878. General compliances; enhancement**

7           **A. Except as otherwise specifically provided by Subsection D of this**  
8           **Section, no provision of this Subpart shall be construed so as to exempt the**  
9           **district from compliance with the provisions of Louisiana laws pertaining to**  
10           **open meetings, public records, fiscal agents, official journals, dual officeholding**  
11           **and employment, public bidding for the purchase of supplies and materials and**  
12           **construction of public works, the Code of Governmental Ethics, the Right to**  
13           **Property in Article I, Section 4 of the Constitution of Louisiana, or the**  
14           **Louisiana Election Code.**

15           **B. The district shall have the power and right to adopt a program or**  
16           **programs awarding contracts to, and establishing set-aside goals and preference**  
17           **procedures for the benefit of, businesses owned and operated by socially or**  
18           **economically disadvantaged persons in accordance with any of the provisions**  
19           **of R.S. 38:2233 and of Chapter 19 of Title 39 of the Louisiana Revised Statutes**  
20           **of 1950, entitled "Louisiana Minority and Women's Business Enterprise Act".**

21           **C. The financial records of the district shall be subjected to audit**  
22           **pursuant to R.S. 24:513.**

23           **D. Records in the custody of the district pertaining to an active**  
24           **negotiation with a person for the purpose of retaining, expanding, or attracting**  
25           **economic or business development in Vernon Parish shall be confidential on the**  
26           **same basis as such records in the custody of the Department of Economic**  
27           **Development as set forth in R.S. 44:22, with the district's executive director**  
28           **performing the duties and obligations of the secretary of the Department of**  
29           **Economic Development and with any notice required therein being published**

1           in the official journal of Vernon Parish rather than the official journal of the  
 2           state.

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

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The original instrument was prepared by James Benton. The following digest, which does not constitute a part of the legislative instrument, was prepared by Jerry G. Jones.

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## DIGEST

SB 459 Reengrossed

2020 Regular Session

Reese

Proposed law creates the Vernon Parish Development District (district) as a body politic and political subdivision of the state of Louisiana. Provides that the district, acting through its board of commissioners, the governing authority of the district, is granted all of the rights, powers, privileges, and immunities granted to political subdivisions for economic and industrial development purposes, including but not limited to the power of taxation, the power to incur debt and issue revenue and general obligation bonds.

Proposed law provides that the district is established for the primary object and purpose of promoting and encouraging the development of economic and industrial opportunities, stimulating the economy through renewed commerce and industry, and for the utilization and development of natural and human resources of the area by providing job opportunities.

Proposed law provides that the boundaries of the district will be coterminous with the boundaries of Vernon Parish.

Proposed law provides that the district will be governed by a board of commissioners consisting of nine members selected as provided for in proposed law. All members shall be qualified voters and taxpayers within the limits of the district during their term of office.

Proposed law provides that the district, acting by and through its board of commissioners, shall have and exercise all powers of a political subdivision necessary or convenient for the carrying out of its objects and purposes, including but not limited to:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire by gift, grant, or purchase, any property, including rights of way; to hold and use any franchise or property, real, personal, or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the objects and purposes of the district, including but not limited to the establishment, maintenance, and operation of industrial parks, ports, harbors, and terminals.
- (4) To enter into contracts for the purchase, acquisition, construction, and improvement of works and facilities necessary in connection with the purposes of the district.

- (5) 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 certain taxes.
- (6) To require and issue licenses with respect to its properties and facilities.
- (7) To regulate the imposition of fees and rentals charged by the district for its facilities and services rendered by it.
- (8) To borrow money and pledge all or part of its revenues, leases, rents, or other advantages as security for such loans.
- (9) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.
- (10) To engage in public relations, advertising, marketing activities, and to provide and disseminate information.
- (11) To engage in government relations, ombudsman activities, and government liaison.
- (12) To provide financial and financing assistance.
- (13) To provide tax abatement.
- (14) To provide, directly or indirectly, planning and coordination for economic development and resource utilization, including such functions as industrial and economic research and industrial programming and solicitation.
- (15) To provide industrial training, technical assistance, and technology transfer.
- (16) To use public and other legal powers to facilitate development.
- (17) To promote transfer mechanisms to take ideas, from their point of origin or development, to commercially successful utilization by local enterprises.
- (18) To foster entrepreneurial activities in Vernon Parish or in the region.
- (19) To promote the development of new products, processes, or services or new uses for existing products, processes, or services manufactured, produced or marketed in Vernon Parish or in the region.
- (20) To support market research aimed at identifying new markets for local or regional products and processes, including international markets; to determine the characteristics, needs and preferences of those markets; and to develop new marketing techniques to exploit those markets.
- (21) To foster and support economic and industrial development and education in cooperation with private business enterprises, financial institutions, educational institutions, nonprofit institutions and organizations, state government and political subdivisions of the state, the federal government, and other organizations or persons concerned with research, development, education, commercial application, and economic or industrial development in ways that increase the economic base of Vernon Parish or of the region.
- (22) The governing authority of the district may enter a cooperative endeavor agreement with the Vernon Parish Economic Development Foundation or any successor thereof, or the Vernon Parish government or any other eligible entity pursuant to applicable laws to achieve any of the lawful purposes of the district.

- (23) For purposes enumerated in proposed law and in order to achieve any of the lawful purposes of the district, the district may engage in whatever activities and projects it deems most appropriate to encourage and to assist economic growth and development.

Proposed law provides that the district shall have the power to construct, acquire, finance, or lease facilities, including sites or facilities for industrial, business or commercial parks and plants, and including the acquisition of sites and facilities and other necessary property or appurtenances thereto within or outside the district, and to acquire, construct, improve, operate, maintain, and provide improvements and services necessary therefor, including but not limited to roads, street lighting, bridges, rail facilities, drainage, sewage disposal facilities, solid waste disposal facilities, waterworks, and other utilities and related properties. However, in connection with any projects outside the geographic boundaries of the district, the district must make a determination that such development provides a substantial benefit to the district, the region or to business and industry of persons located within the geographic boundaries of the district or region.

Proposed law provides that the district will also have the authority to sell, lease, or otherwise dispose of, by suitable and appropriate contract, to any enterprise locating or existing within the district all or any part of a site, building, or other property owned by the district. In determining the consideration for any contract to lease, sell, or otherwise dispose of lands, buildings, or other property of the district, the board of commissioners may take into consideration the value of the lands, buildings, or other properties involved as well as the potential value of the economic impact of the enterprise being induced to locate or expand within the district. Such economic impact shall include increased employment, increased use of local labor, wages and salaries to be paid, consumption of local materials, products, and resources, and special tax revenues to be generated by the enterprise acquiring or leasing lands, buildings, or other property from the district. The district shall be empowered to enter into leases.

Proposed law provides that the board of commissioners may, when necessary, levy annually an ad valorem tax, provided that the amount, term, and purpose of the tax, as set out in a proposition submitted to a vote in accordance with the Louisiana Election Code, is approved by a majority of the qualified electors voting in a special election held for that purpose.

Proposed law provides that the board of commissioners may, subject to approval of a majority of the electors voting at an election held for the purpose, levy and collect a sales and use tax within the boundaries of the district for such purposes and at such rate as provided by the proposition authorizing its levy, not exceeding one percent, which tax may exceed the limitation set forth in the Constitution of Louisiana.

Proposed law provides that the tax will be levied upon the sale at retail, the use, the lease or rental, the consumption, the distribution and storage for use or consumption of tangible personal property, and upon the sales of services within the district, all as presently defined in present law.

Proposed law provides that the district will have authority to incur debt for any one or more of its lawful purposes set forth in proposed law, to issue in its name negotiable bonds, notes, certificates of indebtedness, or other evidences of debt and to provide for the security and payment thereof.

Proposed law provides that the district may in its own name and behalf incur debt and issue general obligation ad valorem property tax secured bonds when approved by a majority of the qualified voters who vote in a special election called and conducted under the authority of the Louisiana Election Code. General obligation bonds of the district may be issued for any of the purposes for which the district is created or is authorized to act under any provisions of this Subpart all of which purposes are hereby found and declared to be public purposes and functions of the state of Louisiana, which are delegated to the district.

Proposed law provides that the district may in its own name and behalf issue revenue bonds for the purposes for which the district is created or is authorized to act, including improvement revenue bonds.

Proposed law provides that Revenue bonds may be issued by the district to accomplish any of the authorized public functions or purposes set in proposed law. All such bonds are negotiable instruments and shall be solely the obligations of the district. Such bonds shall be authorized and issued by resolution adopted by a majority vote of the board of commissioners of the district and are of such series, bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denominations, be in such form, either coupon or fully registered without coupons, carry such registration and exchangeability privileges, be payable at such place or places, be subject to such terms of redemption, and be entitled to such priorities on the income, revenue, and receipts of the district as the resolution may provide. The bonds shall be signed by such officers as the district shall determine, and such signatures may be by facsimile.

Proposed law provides that such bonds will be sold by the board of commissioners of the district in such manner as may be determined by the district to be most beneficial to the district and the district shall pay all expenses and commissions that it may deem necessary or advantageous in connection with the issuance and sale of such bonds. Such bonds may, in the discretion of the district, be additionally secured by a mortgage on all or any part of the projects acquired, constructed, extended, or improved with the proceeds thereof, and the district shall have full discretion to make such provisions as it may see fit for the making and enforcement of such mortgage and provisions to be therein contained.

Proposed law provides that bonds, certificates, or other evidences of indebtedness issued by the district are deemed to be securities of public entities, and shall be subject to defeasance, and may be refunded, and may also be issued as short-term revenue notes of a public entity.

Proposed law provides that the district and all properties at any time owned by the district and the income therefrom and all bonds, certificates, and other evidence of indebtedness issued by the district under proposed law and the interest or income therefrom will be exempt from all taxation by the state of Louisiana.

Proposed law provides that the district will be subject to the provisions of Louisiana 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 and the Louisiana Election Code. Proposed law provides an exception for the records in the custody of the district pertaining to an active negotiation with a person for the purpose of retaining, expanding, or attracting economic or business development in Vernon Parish which shall be confidential.

Proposed law provides that the district will have the power and right to adopt a program or programs 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.

Proposed law provides that the financial records of the district shall be subjected to audit by the legislative auditor.

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

(Adds R.S. 33:130.870-878)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill



1. Removed authority to expropriate.
2. Technical.