

SENATE BILL NO. 423

BY SENATOR WHITE AND REPRESENTATIVE EDMONDS

1 AN ACT

2 To enact Part IX-A of Chapter 6 of Title 33 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 33:3076 through 3080, relative to government within East Baton  
4 Rouge Parish; to provide for the continued collection of tax revenue to fund essential  
5 public services within the city of St. George; to authorize the parish to continue  
6 collection of a previously approved two percent sales and use tax and to continue  
7 providing essential public services within the corporate limits of the city of St.  
8 George pursuant to intergovernmental agreement; to create a St. George Transition  
9 District as a taxing district to provide monies for essential public services within the  
10 municipality; to provide for the board of directors of the district; to provide for the  
11 duties, powers, and responsibilities of the district; to authorize the district to levy and  
12 collect a sales and use tax not to exceed two percent; to provide time limits for the  
13 continuation of such taxes; to authorize contracts, intergovernmental agreements, and  
14 cooperative endeavors; and to provide for related matters.

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

16 Be it enacted by the Legislature of Louisiana:

17 Section 1. Part IX-A of Chapter 6 of Title 33 of the Louisiana Revised Statutes of  
18 1950, comprised of R.S. 33:3076 through 3080, is hereby enacted to read as follows:

19 **Part IX-A. St. George - Transition District**

20 **§3076. Legislative findings; purpose**

21 **The legislature hereby finds and determines that in the event the lawsuit**  
22 **challenging the incorporation of the city of St. George within East Baton Rouge**  
23 **Parish is unsuccessful, a state of emergency will exist in the municipality until**

1 cash flow can be developed through the levy and collection of municipal sales  
2 and use taxes to fund the expenses of municipal government. As a result of the  
3 foregoing, the legislature determines it essential and necessary to authorize the  
4 continuation of the parish tax within the area incorporated, to authorize the  
5 continuation of the provision of services by the parish within the area  
6 incorporated, and to create a financial assistance district and provide for it a  
7 source of revenue in order that it may engage in cooperative endeavors, enter  
8 into contracts for the provision of essential public services, and raise revenue  
9 to assist the municipality in funding the delivery of essential public services to  
10 its citizens and to assist the municipality in preventing cash flow difficulties.

11 **§3077. Definitions**

12 Whenever used in this Act, unless a different meaning clearly appears  
13 in the context, the following terms, whether used in the singular or plural, shall  
14 be given the following interpretations:

15 (1) "Board" means the board of directors of the district or any successor  
16 thereto.

17 (2) "District" means the St. George Transition District or any successor  
18 thereto.

19 (3) "Mayor-president" means the mayor-president of the city of Baton  
20 Rouge and parish of East Baton Rouge.

21 (4) "Municipality" means the city of St. George in East Baton Rouge  
22 Parish.

23 (5) "Municipal tax" means the two percent sales and use tax levied by  
24 the city of St. George as provided in R.S. 33:3079(D)(5).

25 (6) "Parish" means East Baton Rouge Parish.

26 (7) "Parish tax" means the two percent sales and use tax levied in the  
27 unincorporated areas of the parish.

28 **§3078. Continued levy of tax by East Baton Rouge Parish**

29 Notwithstanding any law to the contrary, in the event the city of St.  
30 George, as approved by the voters on October 12, 2019, is incorporated, the

1 parish may continue to levy and collect the parish tax within the corporate  
 2 limits of the municipality pursuant to an intergovernmental agreement between  
 3 the parish and municipality for the purpose of providing essential public  
 4 services to, or funding essential public services for, the citizens within St.  
 5 George until the St. George Transition District levies and collects a two percent  
 6 sale and use tax, the municipality levies and collects a two percent sales and use  
 7 tax, the end of the quarter following the election to impose the municipal tax if  
 8 the proposition is not approved by the electorate, or twelve months after the  
 9 incorporation becomes final, whichever occurs first.

10 §3079. St. George Transition District; sales tax

11 A. In furtherance of the purposes of this Part, and only in the event the  
 12 city of St. George is incorporated, the St. George Transition District is hereby  
 13 created as a special taxing district whose boundaries are coterminous with the  
 14 municipality, and it shall be a body politic and corporate and a political  
 15 subdivision of the state with all of the powers of a political subdivision and with  
 16 such further powers and functions as are set forth in this Section. It is hereby  
 17 determined that the creation of the district and the carrying out of its public  
 18 purpose is in all respects a public and governmental purpose for the  
 19 improvement of the health, safety, welfare, comfort, and security of the people  
 20 of the municipality, and that such purposes are public purposes, and that the  
 21 district will be performing an essential governmental function and meeting a  
 22 public obligation in the exercise of the powers conferred upon it by this Section.

23 B.(1) The district shall be administered and governed by a board of  
 24 directors of five persons composed of:

25 (a) The mayor-president or his designee who shall be a registered voter  
 26 and living in the district.

27 (b) One member, who shall be a registered voter and living in the  
 28 district, appointed by the senator representing Senate District No. 6.

29 (c) One member, who shall be a registered voter and living in the  
 30 district, appointed by the member of the House of Representatives representing

1 House District No. 66.

2 (d) The chairman and vice chairman for the petition for incorporation  
3 of St. George or their designees.

4 (2) The appointed members shall be selected on the basis of their  
5 experience in management and relevant knowledge and ability to act effectively  
6 for the best interests of the municipality.

7 (3) The board shall elect one of its members as chairman and another  
8 as treasurer. The board shall appoint a secretary and such other officers as are  
9 considered necessary who need not be directors of the district.

10 (4)(a) A majority of the directors shall constitute a quorum, and a  
11 majority vote of the directors constituting the quorum shall be necessary for  
12 any action taken by the district. No vacancy on the board shall impair the right  
13 of a quorum to exercise all of the rights and perform all of the duties of the  
14 district.

15 (b) Any vacancy which occurs prior to expiration of the term for which  
16 a member of the board has been appointed shall be filled for the remainder of  
17 the unexpired term in the same manner as the original appointment. Board  
18 members shall be eligible for reappointment.

19 (c) Notwithstanding the provision of Subparagraph (b) of this Paragraph  
20 to the contrary, if the appointing authority fails to make an appointment within  
21 twenty days of the date of a vacancy, the remaining appointed members may  
22 appoint an individual who signed the petition to incorporate the city of St.  
23 George for the remainder of the unexpired term.

24 (5) The board shall fix the place or places at which meetings shall be  
25 held. The domicile of the district shall be within the parish.

26 (6) The members of the board shall serve without salary or per diem  
27 allowance.

28 (7) The members of the board shall be subject to and shall file disclosure  
29 statements in the manner required by R.S. 42:1124.2.

30 C. The district shall have all of the rights and powers necessary to carry

1 out and effectuate the purposes and provisions of this Part. The district and the  
2 members of its board of directors shall be subject to all criminal and civil laws  
3 applicable to public bodies and public officials and to the laws pertaining to  
4 open meetings, public records, official journals, dual office holding and  
5 employment, and the Code of Governmental Ethics. Without limiting the  
6 generality of the foregoing, the district shall have the following rights and  
7 powers:

8 (1) To adopt bylaws and prescribe rules for the regulation of its affairs  
9 and the conduct of its business.

10 (2) To adopt an official seal and alter the same at its pleasure.

11 (3) To maintain an office within the parish at such place as it may  
12 designate.

13 (4) To sue and be sued.

14 (5) To receive, administer, and comply with the conditions and  
15 requirements respecting any gift, grant, or donation of any property or money.

16 (6) To apply and contract for assistance from the United States or other  
17 public or private sources, whether in the form of a grant or loan or otherwise.

18 (7) To make and execute contracts, intergovernmental agreements, and  
19 other instruments necessary in the exercise of the powers and functions of the  
20 district under this Part, including contracts with persons, firms, corporations,  
21 and others.

22 (8) To pledge or assign any contracts or rights of the district.

23 (9) To employ such personnel as may be required in the judgment of the  
24 board and to fix and pay their compensation from funds available to the district  
25 therefor.

26 (10) To transfer, grant, or donate all or any portion of its revenues to the  
27 municipality in order to assist the municipality in funding the delivery of  
28 essential public services to its citizens, reducing or eliminating its cash flow  
29 deficits or remedying cash flow shortfalls, paying obligations in connection  
30 therewith, or any combination of these.

1           (11) To accept the mortgage, pledge, hypothecation, assignment, grant,  
2           or donation of any properties of the municipality.

3           (12) To invest its monies in accordance with R.S. 33:2955.

4           (13) To enter into cooperative endeavor agreements or contracts for the  
5           provision of staff and meeting facilities and for the provision of such assistance  
6           and such essential public services as the district may require in carrying out the  
7           intents and purposes of this Part.

8           (14) To incur debt.

9           (15) To exercise any and all other powers necessary to accomplish the  
10          purposes set forth in this Part.

11          D.(1) In order to provide funds for the purpose of assisting the  
12          municipality to fund the delivery of essential public services to its citizens,  
13          reduce or eliminate its cash flow deficit or remedy cash flow shortfalls, pay  
14          obligations in connection therewith, or any combination of these, the district is  
15          hereby authorized to levy and collect a sales and use tax not to exceed two  
16          percent. However, the district shall not levy or collect a tax if the rate thereof,  
17          when combined with the rate of the municipal sales and use taxes collected  
18          within the municipality, exceeds two percent.

19          (2) The tax shall be imposed by the district without the need of an  
20          election and shall be levied upon the sale at retail, the use, the lease or rental,  
21          the distribution, the consumption, and the storage for use or consumption of  
22          tangible personal property, and on sales of services in the state, as presently  
23          defined in and as provided by Chapter 2 of Subtitle II of Title 47 of the  
24          Louisiana Revised Statutes of 1950, subject to the tax exemptions provided in  
25          Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950.  
26          Notwithstanding any provision of law to the contrary, the levy of the tax shall  
27          be effective and the tax shall be payable beginning on such date as shall be  
28          provided by the district.

29          (3) The proceeds of the tax shall be irrevocably pledged and dedicated  
30          and shall be transferred in such amounts as may be determined by the district

1 to assist the municipality in funding the delivery of essential public services to  
2 its citizens, reducing or eliminating its cash flow deficit, remedying cash flow  
3 shortfalls, paying obligations in connection therewith, or any combination of  
4 these.

5 (4) The district shall contract with the parish for the collection of the tax  
6 under such terms and conditions applicable to other entities within the parish.

7 (5) The provisions of this Section shall be void, the district shall cease  
8 existence, and any sales and use taxes levied by the district shall expire at such  
9 time as the municipality levies and collects a two percent sales and use tax, the  
10 end of the quarter following the election to impose the municipal tax if the  
11 proposition is not approved by the electorate, or twelve months after the  
12 incorporation becomes final, whichever occurs first.

13 §3080. Liberal construction

14 This Part does and shall be construed to provide a complete method for  
15 the doing of the things authorized by this Part. The provisions of this Part shall  
16 be liberally construed for the accomplishment of its purposes.

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

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_