

SENATE BILL NO. 673

BY SENATORS ERDEY, AMEDEE AND WHITE

VETOED
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Veto Message

AN ACT

To enact R.S. 47:322.21.1, relative to the disposition of certain sales tax collections in Livingston Parish; to establish the Juban Crossing Economic Development District Fund as a special fund in the state treasury; to provide for the deposit of certain monies into the fund; to provide for the uses of monies in the fund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:322.21.1 is hereby enacted to read as follows:

§322.21.1. Disposition of certain collections in the Juban Crossing Economic Development District of Livingston Parish

A. The avails of the tax imposed by R.S. 47:321 and as defined by R.S. 47:301 in the Juban Crossing Economic Development District within the parish of Livingston shall be credited to the Bond Security and Redemption Fund, and after a sufficient amount is allocated from that fund to pay all the obligations secured by the full faith and credit of the state which become due and payable within any fiscal year, the treasurer shall pay the remainder of such funds into a special fund which is hereby established in the state treasury and designated as the Juban Crossing Economic Development District Fund, hereinafter referred to as the "fund". The Juban Crossing Economic Development District shall mean and specifically refers to the special district with boundaries defined and created by Livingston Parish Ordinance No. 07-24 pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950.

B. The monies in the Juban Crossing Economic Development District

1 Fund shall be subject to an annual appropriation by the legislature. All
2 unexpended and unencumbered monies in the fund at the end of the fiscal year
3 shall remain in the fund. The monies in the fund shall be invested by the state
4 treasurer in the same manner as monies in the state general fund, and interest
5 earned on the investment of monies shall be credited to the fund.

6 C. The monies in the fund shall be used for the Juban Crossing
7 Economic Development District's infrastructure including but not limited to
8 costs of construction, on- and off-site preparation costs, public improvements
9 within the economic development district which are essential to the preparation
10 for use in accordance with the district's development plans, and any other
11 improvements as provided by R.S. 33:9038.36. The monies in the fund may also
12 be pledged to secure the repayment of bonds, notes, or other evidences of
13 indebtedness, including any renewals, extensions, or refundings thereof, issued
14 by the Juban Crossing Economic Development District in order to provide
15 funds for the purposes as provided in this Subsection, including necessary and
16 incidental expenses in connection with the issuance of the obligations, the
17 payment of principal and interest on the obligations of the Juban Crossing
18 Economic Development District, the establishment of reserves to secure such
19 obligations, and all other purposes and expenditures of the district incident to
20 and necessary or convenient to carry out its public functions and any credit
21 enhancement for said obligations.

22 D. If the monies in the fund are pledged by the Juban Crossing
23 Economic Development District to secure the repayment of bonds, notes or
24 other evidence of indebtedness, deposits to the fund shall cease after all bonds,
25 notes, and other evidences of indebtedness of the district, including refunding
26 bonds are paid in full as to both principal and interest, and the fund shall cease
27 to exist.

28 E. The amount of the state's funding commitment herein shall not
29 exceed a total of forty-five million dollars.

30 F. The Department of Revenue shall determine the amount of the avails

1 of the tax imposed by R.S. 47:321 and as defined by R.S. 47:301 from within the
 2 geographic boundaries of the Juban Crossing Economic Development District
 3 and shall report the amount to the state treasury. As compensation for its
 4 obligations hereunder, the Department of Revenue is authorized and directed
 5 to withhold from said avails each month an amount equal to one percent of such
 6 avails, not to exceed in the aggregate ten thousand dollars within any fiscal year.

7 Section 2. This Act shall become effective on July 1, 2012; if vetoed by the governor
 8 and subsequently approved by the legislature, this Act shall become effective on July 1,
 9 2012, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

"Senate Bill No. 673 by Senator Erdey diverts dollars away from the State General Fund to a local real estate development at the Juban Crossing Economic Development District.

There is an existing process through which a project can receive a State match for local tax increment financing revenues committed to the project. If the Louisiana Department of Economic Development (LED) determines that providing a State match for a project will result in a positive return on investment to the State, LED may submit the project for approval to the Joint Legislative Committee on the Budget.

For these reasons, I have vetoed Senate Bill No. 673 and have returned it to the Senate. I encourage the author and the supporters of the Juban Crossing project to continue to work with LED."