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MAR 22 2002
Opinion Number 02-0045

Mr. Ricky Babin
Assistant District Attorney
Parish of Ascension
23rd Judicial District Court
430 South Burnside, Suite A
Gonzales, LA 70737

90-A-1 Public Funds & Contracts
Art. 7, Section 14 of the Louisiana Constitution
La. R.S. 33:9020, et seq.

Parish of Ascension has authority for cooperative economic development; however, the pursuit of economic development must be in accordance with the constitution and laws of this state.

Dear Mr. Babin:

We received your request for an opinion on behalf of the Parish of Ascension regarding the legality of the parish entering into a cooperative endeavor agreement with the Louisiana Airport Authority. Ascension Parish is considering contributing \$25,000.00 to the Louisiana Airport Authority to study the development of an international airport in a nearby parish.

Article 7, Section 14 (C) of the Louisiana Constitution authorizes the state and its political subdivisions to engage in cooperative endeavors for a public purpose with governmental agencies, public or private corporations and/or individuals. Our office has consistently opined that such cooperative endeavors, to be legally permissible, must be made pursuant to a valid legal obligation; must be for a public purpose; and, it must result in a public benefit that is proportionate to its cost. See Atty. Gen. Op. Nos. 01-0441 and 01-86. Article 7, Section 14 (C) is not an exception to the otherwise general prohibition against the donation of public funds. Thus, even if the state or one of its political subdivisions cooperate for a public purpose, it still may not give away its assets merely for a public purpose. *City of Port Allen v. Louisiana Municipal Risk Management Agency, Inc.* 439 So.2d 399 (La. 1983).

Based upon the information provided in the request, it is our understanding that the Parish of Ascension is considering such an endeavor for the sake of economic development. While we recognize that the parish has authority for cooperative economic development through La. R.S. 33:9020 et seq., the pursuit of economic development must be in accordance with the constitution and laws of this state. See Atty. Gen. Op. No. 93-22. La. R.S. 33:9021 (6) identifies the purpose of cooperative economic development as an aid to local governmental subdivisions in alleviating the conditions of unemployment, underemployment, and other forms of economic distress. We have no information identifying what benefit the Parish of Ascension will receive through such a cooperative endeavor agreement, however, if the agreement identifies

Opinion Number 02-0045
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Page -2-

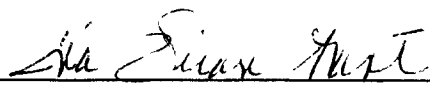
the specific benefit the parish will receive and such benefit is commensurate with its cost, the parish may do so.

If you have questions, please contact our office.

With kindest regards,

Very truly yours,

RICHARD P. IEYOUNG

BY: 
TINA VICARI GRANT
Assistant Attorney General

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