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ATTORNEY GENERAL

State of Louisiana
DEPARTMENT OF JUSTICE
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BATON ROUGE
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January 10, 2014
Opinion 13-0222

Mr. Jacques Cousin
Assistant District Attorney
Courthouse Bldg, Suite 200
300 Iberia Street
New Iberia, LA 70560-4583

90-A-1 PUBLIC FUNDS & CONTRACTS

La. Const. art. VII, Sec. 14

Pursuant to Article VII, Section 14 of the Louisiana Constitution, the Iberia Parish Airport Authority may not use public funds to purchase one share of stock in a private cooperative.

Dear Mr. Cousin:

Your request for an Attorney General's Opinion has been assigned to me for research and reply. You have asked for our opinion as to whether the Iberia Parish Airport Authority, a subdivision of the Iberia Parish Government, may purchase one share of stock in Cajun Sugar Cooperative, Inc., a private cooperative established for the operation of a sugar mill.

Article VII, Section 14 provides the following with respect to the purchase of private stock:

Prohibited Uses. Except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private. Neither the state nor a political subdivision shall subscribe to or purchase the stock of a corporation or association or for any private enterprise.

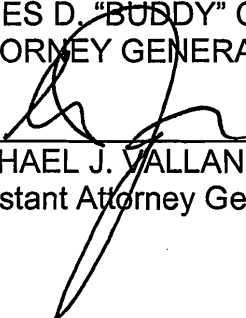
As expressed by the Louisiana Supreme Court in the *Public Housing Administration v. Housing Authority of City of Bogalusa*, 242 La. 519 (La. 1962), the constitutional prohibition against the subscription to or purchase of the stock "clearly bans any participation by the State or its political subdivisions in the ownership and operation of a private enterprise...". See also Attorney General Opinion Nos. 77-1324 and 11-0298A. Accordingly, it is the opinion of this office that the Iberia Parish Airport Authority may not use public funds to purchase one share of stock in Cajun Sugar Cooperative, Inc.

We trust this adequately responds to your request. If you should have any questions about the response contained herein, please feel free to contact our office.

Yours very truly,

JAMES D. "BUDDY" CALDWELL
ATTORNEY GENERAL

BY:



MICHAEL J. VALLAN
Assistant Attorney General

JDC/MJV/chb