

**Senate Bill 242 – The “New Orleans Visitor Tax” — Violates the Louisiana
Constitution and Impairs the City’s Ability to Fulfill its Mandate to the Citizens of
Louisiana**

In 1925 the City of New Orleans established the first Vieux Carré Commission, recognizing that its priceless and irreplaceable asset – the French Quarter – needed a dedicated team of professionals to ensure its continued vitality and preserve the environment for future generations of Louisianians. By municipal ordinance, the City created the Commission to preserve the Vieux Carre. However, this Commission lacked any statutory authority to effectuate preservation of these structures in the Vieux Carré. Recognizing this impairment and the historical and architectural importance of the Vieux Carré, **the citizens of this State on November 3, 1936, amended the Louisiana Constitution**¹ and conferred upon the Vieux Carre² the highest honor and authority the Civil Law provides – Constitutionally mandated protection and preservation. Furthermore, the people of the State voted to mandate that protection of the French Quarter was a public purpose, that is – “for the benefit of the people of the City of New Orleans and the State of Louisiana.”³

The Louisiana Supreme Court, in *City of New Orleans v. Pergament* affirmed the strength and validity of the Constitutional mandate to protect the French Quarter. Therefore, the highest Court of this State has already made it clear that as to the French Quarter – and any actions that are directed to exploiting or changing its unique

¹ See Article XIV, § 22(A), Louisiana Constitution of 1921, as amended.

² The Vieux Carre section of the city is defined by the amendment to comprise ‘all that area within the City Limits of the City of New Orleans contained within the following boundaries: The River, Uptown side of Esplanade Avenue, the River side of Rampart Street, and the lower side of Iberville Street.’

³ La. Const. art. XIV, § 22(A) (1921) . The Louisiana Constitution of 1974 retained the authority in Article VI, § 17.5 Accordingly, the specific provisions of section 22(A) are retained as **constitutional authority**.

character – is governed by the Constitutional mandate that requires its preservation be considered sacrosanct:

to preserve the antiquity of the whole French and Spanish quarter, the “tout ensemble”, so to speak, by **defending this relic against iconoclasm or vandalism. ... The preservation of the Vieux Carre as it was originally is a benefit to the inhabitants of New Orleans generally, not only for the sentimental value of this show place but for its commercial value as well, because it attracts tourists and conventions to the city, and is in fact a justification for the slogan, America’s most interesting city.** [emphasis added].

The “tout ensemble” has been held to describe the concept that preservation efforts must be directed not only at the antiquity of the buildings of the French and Spanish quarter, but also at the **sum total effect of the Vieux Carré, buildings plus environment.**⁴

The Citizens of the State of Louisiana found that the French Quarter was so precious to them, that it deserved a Constitutional Amendment to provide for its preservation. The citizens obviously wanted the French Quarter to be there, in its preserved, clean, safe and hospitable form, for future generations of Louisianians – generation after generation from Shreveport to Lafayette – to see the unique portion of the City of New Orleans that has single-handedly helped define the culture and history of Louisiana ...

Nevertheless, **Senate Bill 242 – The “New Orleans Visitor Tax” - ignores the Citizens of the State, who voted to require the French Quarter be safeguarded; the effects of Senate Bill 242 actually conflict with the Constitution of this State and furthermore attempts to add insult to crippling injuries that the Tourism Industry has already identified. In fact, the proponents of the “Visitor Tax”, in particular the**

⁴ See *City of New Orleans v. Pergament*, 198 La. 852, 5 So. 2d 129 (1941). [emphasis added].

Convention Visitor's Bureau, along with the City, hired a top-dollar consulting group to analyze New Orleans' marketability and positioning and their report revealed three mandates:

- **"New Orleans has few repeat visitors. Only 16 percent of visitors have come to New Orleans more than once"**
- **"Crime ... [is a barrier] to success.**
- **"The French Quarter needs attention. Fixing the basics - safety and cleanliness - is critical. ... code enforcement has been lax and resources for maintenance and preservation have been inadequate."**

Despite knowing that the French Quarter doesn't even possess the *basics*, none of the 14 Million Dollars SB 242 proposes to generate is designated to help address the situation that millions of additional tourists can only make worse. The New Orleans Police Department has testified in Court cases that are a *direct result* of the City's inadequate funding of essential civil services, that they were unaware of a noise enforcement program. As a result, residents throughout the City go without sleep and have to result to private litigation to have their problems resolved, flooding the Civil District Court with lawsuits that could have been cured with a simple visit by the Police Department.

The New Orleans Convention Visitors Bureau spends up to 4.5 Million taxpayer dollars – half the amount allocated by the citizens of this state to the organization already for “tourism marketing” – on salaries for its CEO and multiple Vice-Presidents and other executives. There is no guarantee that the tax money generated by this bill would actually go to “tourism marketing”, for which the tax payers are already providing Millions of dollars.

Despite the fact that the proponents of this bill, including the CVB, know that the French Quarter is perhaps the biggest draw for additional tourists, they propose none of these tax dollars go to helping the *already* desperate situation of code enforcement and basic maintenance and cleanliness of this small portion of the City that the majority of these additional tourists will be concentrated in. The State Constitution makes it a public purpose to protect and preserve the French Quarter for future generations. No stronger mandate could exist. So why isn't this proposed 14 Million dollars to be generated annually going to the City, to pay additional staff to inspect and issue citations within the French Quarter, provide for infrastructure and otherwise address simply 'the basics'? **The City went so far as to say that maintenance of the French Quarter is *not* adequate.** Nonetheless, the CVB and participating interests, are paying themselves millions of taxpayer dollars already, and have concocted this bill to generate more. More appalling is the CVB's recent refusal to make documents reflecting the expenditure of public funds available to the public. This is further indication that this entity is disregarding the welfare of the public in order to line its own pockets.

For this reason alone, lawmakers would arguably be violating the Constitution and betraying the citizens of this State by providing more dollars to this organization, conceivably to get more people in the quarter, knowing that there is no transparency or accountability. Furthermore, the CVB intends to ignore its own study and has refused to commit to spending any of these additional tax dollars on having adequate maintenance, preservation and safety. This bill is a total reversal of priorities and must not be approved. Approving this bill would overwhelm the French Quarter and irreparably damage what the State is mandated to protect.

This master plan also highlighted "crime" as a barrier to the success of the City. Just like the French Quarter, the Constitution mandates that lawmakers provide for the

safety of their citizenry. How can we possibly, knowing that our own citizens aren't safe, market to unknown millions of additional people, enticing them into our City, that we have already stated is riddled with crime?? The only logical conclusion is that some of this money goes to helping train the existing police force, and provide for better law enforcement and code enforcement, or the tourism industry can market to as many people as it chooses, in vain, because no one is going to visit an unsafe, unclean City.