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The original instrument was prepared by Martha Hess. The following digest, which does not constitute a part of the legislative instrument, was prepared by Curry J. Lann.

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SB 172 Engrossed

DIGEST  
2022 Regular Session

Reese

Present law requires bond issuers whose bonds are required by present law to be sold or approved by the State Bond Commission, to present a written report of the estimated costs of issuance prior to the sale or approval of the bonds.

Proposed law retains present law and applies proposed law to the approval of bonds.

Present law provides that if the total costs of issuance exceed the total approved costs of issuance or the actual costs of issuance in any line item that exceed the approved costs of issuance by 10% or more, the issuer shall obtain supplemental approval of the State Bond Commission prior to paying any item in excess of the approved costs of issuance.

Proposed law changes present law to remove requirement of obtaining supplemental approval if actual cost of issuance exceed the approved cost of issuance, prior to paying any item in excess of the approved cost of issuance. Proposed law provides that if the total cost of issuance or the actual costs of issuance in any line item exceed the approved costs of issuance by 10% or more, the issuer shall provide a written explanation to the State Bond Commission and may be required to appear at a meeting of the State Bond Commission for further explanation.

Proposed law requires increased costs of issuance to be resubmitted to the State Bond Commission for approval prior to closing if the issuer is advised of an increase pursuant to present law and the increased costs of issuance can be timely submitted for approval.

Present law provides for penalties for failure to comply with present law. Proposed law repeals this provision.

Effective July 1, 2022.

(Amends R.S. 39:1405.4(A) and (E); repeals R.S. 39:1405.4(H))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Adds provision requiring increased costs of issuance to be resubmitted to the State Bond Commission for approval if the increased costs of issuance can be timely

submitted for approval.