2022 Regular Session

SENATE BILL NO. 172

BY SENATOR REESE

AN ACT

To amend and reenact R.S. 39:1405.4(A) and (E), and to repeal R.S. 39:1405.4(H), relative to the costs of issuance and reporting requirements for bonds approved or sold by the State Bond Commission; to remove penalty provisions; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:1405.4(A) and (E) are hereby amended and reenacted to read as follows:

§1405.4. Costs of issuance and reporting requirements

A. Bonds, notes, or other issuances of indebtedness of any issuer required by the constitution or laws of Louisiana to be sold or approved by the State Bond Commission, shall not be sold or approved unless and until the estimated costs of issuance have been presented to the issuer in a written report compiled by bond counsel in a public sale of securities or by bond counsel with the assistance of the underwriter in a private sale of securities.

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E. (1) If the total actual costs of issuance exceed the total approved costs of issuance or the actual costs of issuance in any line item exceed the approved costs of issuance by a variance of ten percent or more, the issuer shall obtain supplemental approval of provide a written explanation to the State Bond Commission prior to paying any individual item in excess of the approved costs of issuance and may be required to appear at a meeting thereof for purposes of further explanation.

(2) If the issuer is advised of an increase pursuant to Paragraph (1) of this Subsection and the increased costs of issuance can be timely submitted for approval, the increased costs of issuance shall be resubmitted to the State Bond Commission for approval prior to closing.

Coding: Words which are struck through are deletions from existing law; words in boldface type and underscored are additions.
Section 2. R.S. 39:1405.4(H) is hereby repealed.

Section 3. This Act shall become effective on July 1, 2022; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval by the legislature or July 1, 2022, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________

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