

## RÉSUMÉ DIGEST

ACT 260 (SB 172)

2022 Regular Session

Reese

Existing law requires bond issuers whose bonds are required by existing 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.

New law retains existing law and applies new law to the approval of bonds.

Prior law provided that if the total costs of issuance exceeded the total approved costs of issuance or the actual costs of issuance in any line item that exceeded the approved costs of issuance by 10% or more, the issuer was required to obtain supplemental approval of the State Bond Commission prior to paying any item in excess of the approved costs of issuance.

New law changes prior law to remove requirement of obtaining supplemental approval if actual cost of issuance exceeds the approved cost of issuance, prior to paying any item in excess of the approved cost of issuance. New 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.

New 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 existing law and the increased costs of issuance can be timely submitted for approval.

Prior law provided for penalties for failure to comply with prior law. New law repeals this provision.

Effective July 1, 2022.

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