

2020 Regular Session

HOUSE BILL NO. 592

BY REPRESENTATIVE MAGEE

COASTAL RESOURCES: Allows the Coastal Protection and Restoration Authority to incur debt or issue bonds

1 AN ACT

2 To amend and reenact R.S. 49:214.2(10) and 214.6.2(D)(7) and to enact R.S.
3 39:1367(E)(2)(b)(viii) and R.S. 49:214.5.4(G)(10) and (J), relative to coastal
4 protection and restoration; to authorize the Coastal Protection and Restoration
5 Authority to issue bonds and incur debt; to allow repayment of such debt from the
6 Coastal Protection and Restoration Fund; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:1367(E)(2)(b)(viii) is hereby enacted to read as follows:

9 §1367. State debt; limitations

10 * * *

11 E. As used in this Section, the following terms shall have the following
12 meanings ascribed to them unless the context clearly indicates otherwise:

13 * * *

14 (2)

15 * * *

16 (b) "Net state tax supported debt" shall not mean:

17 * * *

18 (viii) Any bond, note, or other evidence of indebtedness issued by the
19 Coastal Protection and Restoration Authority or the Coastal Protection and
20 Restoration Authority Financing Corporation.

1 Section 2. R.S. 49:214.2(10) and 214.6.2(D)(7) are hereby amended and reenacted
2 and R.S. 49:214.5.4(G)(10) and (J) are hereby enacted to read as follows:

3 §214.2. Definitions

4 As used in this Part, the following terms shall have the meanings ascribed to
5 them below:

6 * * *

7 (10) "Infrastructure" means ~~publicly owned~~ facilities or systems in the
8 coastal area that are negatively impacted by coastal land loss or rising seas, and that
9 serve a critical public purpose and are consistent with the priorities stated in the
10 master plan and the eligible uses of the Gulf of Mexico Energy Security Act of 2006.
11 The term shall not include levee, hurricane protection, or coastal restoration systems.

12 * * *

13 §214.5.4. Funding and resource allocation

14 * * *

15 G. The money in the Coastal Protection and Restoration Fund is subject to
16 appropriations by the legislature for the purposes of integrated coastal protection.
17 The money in the fund may be used only for those projects and programs which are
18 consistent with the statement of intent, R.S. 49:214.1, and the annual plan as it
19 pertains to the integrated coastal protection and may include but not be limited to the
20 following purposes:

21 * * *

22 (10) Payment of debt service or other payment obligations required in
23 connection with bonds or other debt obligations of the Coastal Protection and
24 Restoration Authority.

25 * * *

26 J. The authority is authorized to create one or more construction or project
27 funds within the Coastal Protection and Restoration Fund into which may be
28 deposited the proceeds of any bonds or other debt obligations of the authority. Such
29 construction or project funds may be maintained by the authority or any fiduciary

1 appointed in connection with the authority only for the purpose or purposes for
2 which such bonds or other debt obligations are issued. Funds held in any such
3 construction or project fund shall not be subject to the other requirements of this
4 Section.

5 * * *

6 §214.6.2. Functions and responsibilities; coastal activities

7 * * *

8 D. The authority may:

9 * * *

10 (7) Take any other action necessary to administer any plans, projects,
11 policies, or programs consistent with the master plan or any annual plan, including
12 but not limited to issuing bonds or incurring other debt obligations, provided that
13 such bonds or other debt obligations shall be subject to the approval of and sold by
14 the State Bond Commission in accordance with the provisions of R.S. 39:1403.

15 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 592 Engrossed

2020 Regular Session

Magee

Abstract: Authorizes the Coastal Protection and Restoration Authority to incur debt and issue bonds. Also authorizes the creation of construction or project funds for the deposit of the proceeds of bonds or other debt obligations of the authority.

Present law defines "net state tax supported debt" to include the debt obligations issued by the state or any entity of the state and lists general obligation bonds, debt secured by capital leases, debt secured by statewide tax revenues, any funds advanced by a political subdivision, and bonds secured by self-supported revenues.

Present law further defines what is not "net state tax supported debt". Proposed law includes indebtedness of the Coastal Protection and Restoration Authority (CPRA) in the list of what is not "net state tax supported debt".

Present law for purposes of coastal projects defines "infrastructure" as publicly owned facilities or systems that serve a critical public purpose but are negatively impacted by coastal land loss. Proposed law removes the "publicly owned" limitation.

Present law provides relative to the purposes for which the monies in the Coastal Protection and Restoration Fund can be used. Proposed law adds the payment of debt services or other debt payment obligations of the CPRA.

Proposed law further authorizes the creation of construction or project funds within the Coastal Protection and Restoration Fund. Proceeds of bonds or other debt obligations may be deposited to those funds and held only for the purpose for which the obligations were issued.

Present law provides generally for the functions and responsibilities of the CPRA. Proposed law includes issuing bonds or incurring other debt obligations provided that the issuance of such debt obligations is approved by the State Bond Commission.

(Amends R.S. 49:214.2(10) and 214.6.2(D)(7); Adds R.S. 39:1367(E)(2)(b)(viii) and R.S. 49:214.5.4(G)(10) and (J))