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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

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DIGEST

SB 172 Original

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.

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))