

SENATE BILL NO. 277

BY SENATOR CORTEZ

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AN ACT

To amend and reenact R.S. 48:77(A), the introductory paragraph of 77(C), and (C)(1) and to enact R.S. 39:1367(E)(2)(b)(ix) and R.S. 48:77.1 and 77.2, and to repeal R.S. 48:77(B) and (E), relative to the creation of the Megaprojects Leverage Fund and certain accounts therein; to provide with respect to the dedication of monies to the fund; to provide for the deposit of monies into the fund; to provide for the use of monies so deposited; to provide relative to the issuance of bonds; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

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

§1367. State debt; limitations

* * *

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

* * *

(2)

* * *

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

* * *

(ix) Any bond, note, or other evidence of indebtedness issued for the purpose of financing the projects set forth in R.S. 48:77.1 or any bonds issued to refund such bonds, notes, or evidence of indebtedness.

Section 2. R.S. 48:77(A), the introductory paragraph of 77(C), and (C)(1) are hereby amended and reenacted and R.S. 48:77.1 and 77.2 are hereby enacted to read as follows:

§77. Transportation Trust Fund; dedication and uses of certain monies to the

Construction Subfund **and the Megaprojects Leverage Fund**

A. The avails of the taxes imposed by Chapters 2, 2-A, and 2-B of Subtitle

1 II of Title 47 of the Louisiana Revised Statutes of 1950 from the sale, use, or lease
 2 of motor vehicles that are taxable pursuant to Chapters 2, 2-A, and 2-B of Subtitle
 3 II of Title 47 of the Louisiana Revised Statutes of 1950, after satisfying the
 4 requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative
 5 to the Bond Security and Redemption Fund, shall be deposited into the Construction
 6 Subfund of the Transportation Trust Fund provided for in Article VII, Section
 7 27(B)(2) of the Constitution of Louisiana, referred to in this Section as the
 8 "subfund", **and the Megaprojects Leverage Fund as provided in R.S. 48:77.1**, as
 9 follows:

10 (1) For Fiscal Year 2023-2024, thirty percent of the avails shall be deposited
 11 into the subfund **and the Megaprojects Leverage Fund as provided in R.S.**
 12 **48:77.1(A)**.

13 (2) For Fiscal Year 2024-2025 and each fiscal year thereafter, sixty percent
 14 of the avails shall be deposited into the subfund **and the Megaprojects Leverage**
 15 **Fund as provided in R.S. 48:77.1(A)**.

16 * * *

17 C. The Department of Transportation and Development shall utilize up to
 18 seventy-five percent of the monies deposited into the subfund **or the Megaprojects**
 19 **Leverage Fund** pursuant to Subsection A of this Section as follows:

20 (1) ~~in~~ **For deposit into the Megaprojects Leverage Fund as provided in**
 21 **R.S. 48:77.1, in** conjunction with innovative financing opportunities and on highway
 22 priority program projects classified as mega projects pursuant to the Department of
 23 Transportation and Development's definition of mega projects. The following mega
 24 projects shall be prioritized by the secretary of the Department of Transportation and
 25 Development and constructed in accordance with each project's completed and
 26 federally mandated environmental process and requirements.

27 * * *

28 **§77.1. Megaprojects Leverage Fund**

29 **A. There is hereby created in the state treasury a special fund to be**
 30 **designated and hereafter referred to as the Megaprojects Leverage Fund,**

1 hereinafter referred to as the "fund". The state treasurer shall deposit into the
2 Megaprojects Leverage Fund seventy-five percent of that portion of the avails
3 of the taxes imposed by Chapters 2, 2-A, and 2-B of Subtitle II of Title 47 of the
4 Louisiana Revised Statutes of 1950, from the sale, use, or lease of motor vehicles
5 that are taxable pursuant to Chapters 2, 2-A, and 2-B of Subtitle II of Title 47
6 of the Louisiana Revised Statutes of 1950, provided for in R.S. 48:77(A),
7 provided however that the total deposits into the fund from these avails shall
8 not exceed one hundred sixty million dollars in any fiscal year. Once all projects
9 described in R.S. 48:77(C)(1) have either been completed and issued final
10 acceptance or a request not to proceed with the project has been approved by
11 the Senate Committee on Transportation, Highways and Public Works and the
12 House Committee on Transportation, Highways and Public Works as provided
13 in this Section, and any outstanding debt issued under R.S. 48:77.2 has been
14 either repaid or defeased, there shall be no further deposits into the
15 Megaprojects Leverage Fund.

16 (1)(a) There is hereby created as a special account in the fund to be
17 designated and referred to in this Section as the I-10 Calcasieu River Bridge and
18 I-10 Improvements Account. The source of monies in this account shall be
19 twenty-five percent of the monies deposited in the fund each fiscal year, any
20 monies appropriated to the account by the legislature, including federal funds,
21 donations, gifts, or grants, and any other monies as may be provided by law.
22 Except as provided in Subparagraph (b) of this Paragraph, once the project
23 described in R.S. 48:77(C)(1)(a) has been completed and issued final acceptance,
24 and any outstanding debt related to that project issued under R.S. 48:77.2 has
25 been either repaid or defeased, the I-10 Calcasieu River Bridge and I-10
26 Improvements Account shall receive no further deposits, and monies that would
27 have been deposited into that account shall be divided equally between accounts
28 within the fund that are still eligible to receive deposits.

29 (b) If, prior to the issuance of any bonds for such project pursuant to the
30 provisions of this Section, the secretary of the Department of Transportation

1 and Development determines that it is not in the best interests of the state to
2 proceed with the project described in R.S. 48:77(C)(1)(a), he shall submit a
3 request for approval not to proceed with the project to the Senate Committee
4 on Transportation, Highways and Public Works and the House Committee on
5 Transportation, Highways and Public Works. Upon approval by both
6 committees of the secretary's request not to proceed with the project, deposits
7 into the account shall cease and any monies that would have been deposited into
8 the account shall be divided equally between accounts within the fund that are
9 still eligible to receive deposits. Within thirty days of approval by the
10 committees as provided in this Subparagraph, the state treasurer shall also
11 divide equally and transfer into accounts within the fund that are still eligible
12 to receive deposits the unexpended and unencumbered balance in the account
13 created pursuant to this Paragraph.

14 (2)(a) There is hereby created as a special account in the fund to be
15 designated and referred to in this Section as the I-49 South Leverage Fund
16 Account. The source of monies in this account shall be twenty-five percent of the
17 monies deposited in the fund each fiscal year, any monies appropriated to the
18 account by the legislature, including federal funds, donations, gifts, or grants,
19 and any other monies as may be provided by law. Except as provided in
20 Subparagraph (b) of this Paragraph, once the project described in R.S.
21 48:77(C)(1)(b) has been completed and issued final acceptance, and any
22 outstanding debt related to that project issued under R.S. 48:77.2 has been
23 either repaid or defeased, the I-49 South Leverage Fund Account shall receive
24 no further deposits, and monies that would have been deposited into that
25 account shall be divided equally between accounts within the fund that are still
26 eligible to receive deposits.

27 (b) If, prior to the issuance of any bonds for such project pursuant to the
28 provisions of this Section, the secretary of the Department of Transportation
29 and Development determines that it is not in the best interests of the state to
30 proceed with the project described in R.S. 48:77(C)(1)(b), he shall submit a

1 request for approval not to proceed with the project to the Senate Committee
2 on Transportation, Highways and Public Works and the House Committee on
3 Transportation, Highways and Public Works. Upon approval by both
4 committees of the secretary's request not to proceed with the project, deposits
5 into the account shall cease and any monies that would have been deposited into
6 the account shall be divided equally between accounts within the fund that are
7 still eligible to receive deposits. Within thirty days of approval by the
8 committees as provided in this Subparagraph, the state treasurer shall also
9 divide equally and transfer into accounts within the fund that are still eligible
10 to receive deposits the unexpended and unencumbered balance in the account
11 created pursuant to this Paragraph.

12 (3)(a) There is hereby created as a special account in the fund to be
13 designated and referred to in this Section as the Mississippi River Bridge at
14 Baton Rouge and Connections Account. The source of monies in this account
15 shall be twenty-five percent of the monies deposited in the fund each fiscal year,
16 any monies appropriated to the account by the legislature, including federal
17 funds, donations, gifts, or grants, and any other monies as may be provided by
18 law. Except as provided in Subparagraph (b) of this Paragraph, once the
19 project described in R.S. 48:77(C)(1)(c) and the LA Highway 1 and LA
20 Highway 30 connectors have all been completed and issued final acceptance,
21 and any outstanding debt related to those projects issued under R.S. 48:77.2 has
22 been either repaid or defeased, the Mississippi River Bridge at Baton Rouge and
23 Connections Account shall receive no further deposits, and monies that would
24 have been deposited into that account shall be divided equally between accounts
25 within the fund that are still eligible to receive deposits.

26 (b) If, prior to the issuance of any bonds for such project pursuant to the
27 provisions of this Section, the secretary of the Department of Transportation
28 and Development determines that it is not in the best interests of the state to
29 proceed with the project described in R.S. 48:77(C)(1)(c), he shall submit a
30 request for approval not to proceed with the project to the Senate Committee

1 on Transportation, Highways and Public Works and the House Committee on
2 Transportation, Highways and Public Works. Upon approval by both
3 committees of the secretary's request not to proceed with the project, deposits
4 into the account shall cease and any monies that would have been deposited into
5 the account shall be divided equally between accounts within the fund that are
6 still eligible to receive deposits. Within thirty days of approval by the
7 committees as provided in this Subparagraph, the state treasurer shall also
8 divide equally and transfer into accounts within the fund that are still eligible
9 to receive deposits the unexpended and unencumbered balance in the account
10 created pursuant to this Paragraph.

11 (4)(a) There is hereby created as a special account in the fund to be
12 designated and referred to in this Section as the I-49 North Leverage Fund
13 Account. The source of monies in this account shall be twenty-five percent of the
14 monies deposited in the fund each fiscal year, any monies appropriated to the
15 account by the legislature, including federal funds, donations, gifts, or grants,
16 and any other monies as may be provided by law. Except as provided in
17 Subparagraph (b) of this Paragraph, once the project described in R.S.
18 48:77(C)(1)(d) has been completed and issued final acceptance, and any
19 outstanding debt related to that project issued under R.S. 48:77.2 has been
20 either repaid or defeased, the I-49 North Leverage Fund Account shall receive
21 no further deposits, and monies that would have been deposited into that
22 account shall be divided equally between accounts within the fund that are still
23 eligible to receive deposits.

24 (b) If, prior to the issuance of any bonds for such project pursuant to the
25 provisions of this Section, the secretary of the Department of Transportation
26 and Development determines that it is not in the best interests of the state to
27 proceed with the project described in R.S. 48:77(C)(1)(d), he shall submit a
28 request for approval not to proceed with the project to the Senate Committee
29 on Transportation, Highways and Public Works and the House Committee on
30 Transportation, Highways and Public Works. Upon approval by both

1 committees of the secretary's request not to proceed with the project, deposits
2 into the account shall cease and any monies that would have been deposited into
3 the account shall be divided equally between accounts within the fund that are
4 still eligible to receive deposits. Within thirty days of approval by the
5 committees as provided in this Subparagraph, the state treasurer shall also
6 divide equally and transfer into accounts within the fund that are still eligible
7 to receive deposits the unexpended and unencumbered balance in the account
8 created pursuant to this Paragraph.

9 B. Monies in the fund shall be invested by the treasurer in the same
10 manner as the state general fund, and interest earnings shall be deposited into
11 the fund. All unexpended and unencumbered monies remaining in the fund at
12 the end of each fiscal year shall remain in the fund.

13 C. Monies in the fund shall be appropriated and expended only in
14 accordance with this Subsection:

15 (1) For transfer to the State Bond Commission, hereinafter referred to
16 as the "commission", to pay the costs of the principal, premium, and interest of
17 motor vehicle sales and use tax bonds issued by the commission pursuant to R.S.
18 48:77.2 as the bonds become due and payable; to fund such reserves for
19 contingencies, costs, and expenses related to bonds issued pursuant to R.S.
20 48:77.2, as may be required by the resolution authorizing the issuance of such
21 bonds; and to pay amounts of ongoing expenses associated with the
22 administration, maintenance, or evaluation of bonds issued pursuant to R.S.
23 48:77.2, as follows:

24 (a) Funds from the I-10 Calcasieu River Bridge and I-10 Improvements
25 Account shall be used exclusively for costs of debt, the proceeds of which are to
26 be used for the planning, preconstruction, construction, and procurement
27 activities related to the project described in R.S. 48:77(C)(1)(a).

28 (b) Funds from the I-49 South Leverage Fund Account shall be used
29 exclusively for costs of debt, the proceeds of which are to be used for the
30 planning, preconstruction, construction, and procurement activities related to

1 the project described in R.S. 48:77(C)(1)(b).

2 (c) Funds from the Mississippi River Bridge at Baton Rouge and
3 Connections Account shall be used exclusively for costs of debt, the proceeds of
4 which are to be used for the planning, preconstruction, construction, and
5 procurement activities related to the LA Highway 1 and LA Highway 30
6 connectors and the project described in R.S. 48:77(C)(1)(c).

7 (d) Funds from the I-49 North Leverage Fund Account shall be used
8 exclusively for costs of debt, the proceeds of which are to be used for the
9 planning, preconstruction, construction, and procurement activities related to
10 the project described in R.S. 48:77(C)(1)(d).

11 (2) For transfer to the Construction Subfund of the Transportation Trust
12 Fund:

13 (a) Funds from the I-10 Calcasieu River Bridge and I-10 Improvements
14 Account shall be used exclusively for costs of planning, preconstruction,
15 construction, and procurement activities related to the project described in R.S.
16 48:77(C)(1)(a).

17 (b) Funds from the I-49 South Leverage Fund Account shall be used
18 exclusively for costs of planning, preconstruction, construction, and
19 procurement activities related to the project described in R.S. 48:77(C)(1)(b).

20 (c) Funds from the Mississippi River Bridge at Baton Rouge and
21 Connections Account shall be used exclusively for costs of planning,
22 preconstruction, construction, and procurement activities related to the LA
23 Highway 1 and LA Highway 30 connectors and the project described in R.S.
24 48:77(C)(1)(c).

25 (d) Funds from the I-49 North Leverage Fund Account shall be used
26 exclusively for costs of planning, preconstruction, construction, and
27 procurement activities related to the project described in R.S. 48:77(C)(1)(d).

28 D. Prior to the Department of Transportation and Development entering
29 into a public-private partnership with respect to a megaproject as provided in
30 this Section, the department shall obtain approval from the Joint Legislative

1 Committee on the Budget. This requirement shall not apply to any public-
2 private partnership for which the solicitation process began prior to August 1,
3 2022.

4 §77.2. Bonds

5 A.(1) Without reference to any provision of the Constitution of Louisiana
6 and the laws of this state, and as a grant of power in addition to any other
7 general or special law, the State Bond Commission, referred to in this Section
8 as "the commission", is hereby authorized to issue motor vehicle sales and use
9 tax bonds, referred to in this Section as "motor vehicle sales and use tax bonds"
10 or "bonds", and pledge for the payment of the principal and interest such
11 portion of the motor vehicle sales and use tax as is to be deposited into the
12 Megaprojects Leverage Fund pursuant to R.S. 48:77.1. Such bonds shall only
13 be issued for individual projects and secured by funds held or to be received in
14 a corresponding specific account provided for in R.S. 48:77.1. Proceeds of any
15 such bonds, except monies needed to fund reserves and pay costs of issuance,
16 and to the extent not needed to pay debt service or other amounts due under the
17 resolution authorizing the bonds, shall be deposited in the Construction
18 Subfund of the Transportation Trust Fund and expended only in accordance
19 with R.S. 48:77.1. The commission is further authorized, in its discretion, to
20 pledge all or any part of any gift, grant, donation, or other sum of money, aid,
21 or assistance from the United States, the state, or any political subdivision,
22 thereof, unless otherwise restricted by the terms thereof, all or any part of the
23 proceeds of bonds, credit agreements, instruments, or other money of the
24 commission, from whatever source derived, for the further securing of the
25 payment of the principal and interest of the bonds, including any monies
26 provided to the commission from the Department of Transportation and
27 Development. Any bonds shall be payable solely from revenues and bond
28 proceeds, pending their disbursement, and investment income thereon. Such
29 bonds are deemed to be "revenue bonds" as permitted under Article VII,
30 Section 6(C) of the Louisiana Constitution of 1974, as amended.

1 **(2) In accordance with the provisions of Article VII, Section 9(A)(6) of**
2 **the Louisiana Constitution of 1974, as amended, there is hereby established a**
3 **special fund to be designated and hereafter referred to as the Motor Vehicle**
4 **Sales and Use Tax Bond Fund, with appropriate subaccounts to be established,**
5 **for the purpose of providing for the securitization of any bonds which may be**
6 **issued pursuant to the provisions of this Section which shall include**
7 **requirements for reserves and credit enhancement devices, all as may be**
8 **provided in any resolution, trust agreement, indenture, or other instrument**
9 **pursuant to which such bonds were issued. The Motor Vehicle Sales and Use**
10 **Tax Bond Fund shall be administered by a trustee as designated by the State**
11 **Bond Commission. The source of monies for the Motor Vehicle Sales and Use**
12 **Tax Bond Fund shall be such portion of the avails of the taxes imposed by**
13 **Chapters 2, 2-A, and 2-B of Subtitle II of Title 47 of the Louisiana Revised**
14 **Statutes of 1950 from the sale, use, or lease of motor vehicles that are taxable**
15 **referred to in this Section as "motor vehicle sales and use tax receipts"**
16 **pursuant to Chapters 2, 2-A, and 2-B of Subtitle II of Title 47 of the Louisiana**
17 **Revised Statutes of 1950 as may be transferred to the State Bond Commission**
18 **pursuant to R.S. 48:77.1. All such transferred funds shall be classified and set**
19 **aside in the separately identifiable fund or account outside of the state treasury**
20 **and named above, but maintained by the state treasury, and such revenues shall**
21 **be assigned and pledged to the trustee under the documents pursuant to which**
22 **the bonds were issued for the benefit of the holders of the bonds.**

23 **(3) The motor vehicle sales and use tax receipts which have been**
24 **transferred to the State Bond Commission pursuant to R.S. 48:77.1 and this**
25 **Section shall be applied to pay or provide for the payment of debt service and**
26 **all related costs and expenses associated therewith on motor vehicle sales and**
27 **use tax bonds issued by the commission for specific projects as set forth in R.S.**
28 **48:77.1.**

29 **(4) The resolution or resolutions under which motor vehicle sales and use**
30 **tax bonds are authorized to be issued may contain any or all of the following:**

1 (a) Provisions respecting custody of the proceeds from the sale of the
2 bonds, including any requirements that such proceeds be held separate from or
3 not be commingled with other funds of the state.

4 (b) Provisions for the investment and reinvestment of motor vehicle sales
5 and use tax bond proceeds until used to pay the costs of the projects for which
6 the bonds were issued or the costs of financing the bonds, and for the disposition
7 of any excess bond proceeds or investment earnings thereon.

8 (c) Provisions for the execution of reimbursement agreements or similar
9 agreements in connection with credit facilities, including but not limited to
10 letters of credit or policies of bond insurance, remarketing agreements, and
11 credit enhancement devices, for the purpose of moderating interest rate
12 fluctuations.

13 (d) Provisions for the collection, custody, investment, reinvestment, and
14 use of the pledged revenues or other receipts, funds, or monies pledged therefor
15 and transferred or to be transferred pursuant to this Section.

16 (e) Provisions regarding the establishment and maintenance of reserves,
17 sinking funds, and any other funds, and accounts as shall be approved by the
18 commission in such amounts as may be established by the commission, and the
19 regulation and disposition thereof, including requirements that any such funds
20 and accounts be held, separate from or not be commingled with other funds.

21 (f) Covenants for the establishment of pledged revenue coverage
22 requirements for the motor vehicle sales and use tax bonds.

23 (g) Provisions for the issuance of additional motor vehicle sales and use
24 tax bonds on a parity or subordinate basis with motor vehicle sales and use tax
25 bonds theretofore issued, including establishment of coverage requirements
26 with respect thereto for the projects permitted in R.S. 48:77(C).

27 (h) Provisions or covenants of like or different character from the
28 foregoing that are determined in such proceedings as necessary, convenient, or
29 desirable in order to better secure the motor vehicle sales and use tax bonds, or
30 will tend to make the motor vehicle sales and use tax bonds more marketable,

1 and that are in the best interests of the state, including, without limitation,
2 cooperative endeavor agreements with the division of administration on behalf
3 of the state with respect to replenishment of any reserve funds for the bonds,
4 which cooperative endeavor agreements are authorized to be executed by the
5 commission and the division of administration if deemed necessary and
6 desirable by these parties to enhance the creditworthiness of the bonds.

7 B. Bonds issued under the provisions of this Section shall not be deemed
8 to constitute a pledge of the full faith and credit of the state or of any
9 governmental unit thereof. All such bonds shall contain a statement on their
10 face substantially to the effect that neither the full faith and credit of the state
11 nor the full faith and credit of any public entity of the state are pledged to the
12 payment of the principal of or the interest on such bonds. The issuance of bonds
13 under the provisions of this Section shall not directly, indirectly, or contingently
14 obligate the state or any governmental unit of the state to levy any taxes
15 whatever therefor or to make any appropriation for their payment, other than
16 obligations to make payments by the state or any public entity to the
17 commission arising out of contracts including, but not limited to the bonds, the
18 bond resolution, and trust indentures authorized under this Section.

19 C. Bonds shall be authorized by a resolution of the commission and shall
20 be of such series, bear such date or dates, mature at such time or times, bear
21 interest at such rate or rates, including but not limited to fixed, variable, or zero
22 rates, be payable at such time or times, be in such denominations, be in such
23 form, carry such registration and exchangeability privilege, be payable in such
24 medium of payment and at such place or places, be subject to such terms of
25 redemption prior to maturity at such price or prices as determined by the
26 commission, and be entitled to such priority on the revenues as such resolution
27 or resolutions may provide.

28 D. Bonds shall be sold by the commission at public sale by competitive
29 bid or negotiated private sale and at such price as the commission may
30 determine to be in the best interest of the state.

1 E. The issuance of motor vehicle sales and use tax bonds shall not be
2 subject to any limitations, requirements, or conditions contained in any other
3 law, and bonds may be issued without obtaining the consent of the state or any
4 political subdivision, or of any agency, commission, or instrumentality thereof.
5 Bonds issued pursuant to this Section shall not be included in the calculation of
6 "net state tax supported debt" as defined in R.S. 39:1367. The bonds shall be
7 issued in compliance with the provisions of this Section.

8 F. For a period of thirty days after the date of publication of a notice of
9 intent to issue bonds in the official journal of the state authorizing the issuance
10 of bonds pursuant to this Section, any person in interest shall have the right to
11 contest the legality of the resolution and the legality of the bond issue for any
12 cause, but after that time no one shall have any cause or right of action to
13 contest the legality of the resolution or of the bonds or the security therefor for
14 any cause whatsoever. If no suit, action, or proceeding is begun contesting the
15 validity of the resolution, the bonds or the security therefor within this
16 prescribed thirty-day period, the commission is authorized to issue the bonds
17 and to provide for the payment thereof, the legality thereof, and of all of the
18 provisions of the resolution authorizing the issuance of the bonds shall be
19 conclusively presumed to be legal and shall be incontestable. Any notice of
20 intent so published shall set forth in reasonable detail the purpose of the bonds,
21 the security therefor, and the parameters of amount, duration, and interest
22 rates. The commission may designate any paper of general circulation in its
23 geographical jurisdiction to publish the notice of intent or may utilize electronic
24 media available to the general public. Any suit to determine the validity of
25 bonds issued by the commission shall be brought only in accordance with the
26 provisions of R.S. 13:5121 et seq.

27 G. All bonds issued pursuant to this Section shall have all the qualities
28 of negotiable instruments under the commercial laws of the state.

29 H. Any pledge of revenues or other monies made by the commission shall
30 be valid and binding from the time when the pledge is made. The revenues or

1 monies so pledged and thereafter received by the commission shall immediately
2 be subject to the lien of such pledge without any physical delivery thereof or
3 further act, and the lien of any such pledge shall be valid and binding as against
4 all parties having claims of any kind in tort, contract, or otherwise against the
5 commission irrespective of whether such parties have notice thereof. Any trust
6 agreement or other instrument by which a pledge is created need not be filed or
7 recorded except in the official records of the commission.

8 I. Neither the members of the commission nor any person executing the
9 bonds shall be liable personally for the bonds or be subject to any personal
10 liability or accountability by reason of the issuance thereof.

11 J. Bonds of the commission, their transfer, and the income therefrom
12 shall at all times be exempt from all taxation by the state or any political
13 subdivision thereof, and may or may not be exempt for federal income tax
14 purposes. The bonds issued pursuant to this Section shall be and are hereby
15 declared to be legal and authorized investments for banks, savings banks, trust
16 companies, building and loan associations, insurance companies, fiduciaries,
17 trustees, and guardians. Such bonds shall be eligible to secure the deposit of any
18 and all public funds of the state and any and all public funds of municipalities,
19 parishes, school districts, or other political corporations or subdivisions of the
20 state. Such bonds shall be lawful and sufficient security for the deposits to the
21 extent of their value. When any bonds shall have been issued hereunder, neither
22 the legislature, the commission, nor any other entity may discontinue or
23 decrease the revenues pledged to the payment of the bonds authorized pursuant
24 to this Section or permit to be discontinued or decreased the revenues in
25 anticipation of the collection of which such bonds have been issued, or in any
26 way make any change in the allocation and dedication of the revenues which
27 would diminish the amount of the revenues to be received by the commission,
28 until all of such bonds shall have been retired as to principal and interest, and
29 there is hereby vested in the holders from time to time of such bonds a contract
30 right in the provisions of this Section.

1 K. The commission may provide by resolution for the issuance of
2 refunding bonds pursuant to R.S. 39:1444 et seq.

3 L. The holders of any bonds issued pursuant to this Section shall have
4 such rights and remedies as may be provided in the resolution or trust
5 agreement authorizing the issuance of the bonds, including but not limited to
6 the appointment of a trustee for the bondholders and any other available civil
7 action to compel compliance with the terms and provisions of the bonds and the
8 resolution or trust agreement.

9 M. Subject to the agreements with the holders of bonds, all proceeds of
10 bonds and all revenues pledged under a resolution or trust agreement
11 authorizing or securing such bonds shall be deposited and held in trust in a fund
12 or funds separate and apart from all other funds of the state. Subject to the
13 resolution or trust agreement, the trustee shall hold the same for the benefit of
14 the holders of the bonds for the application and disposition thereof solely to the
15 respective uses and purposes provided in such resolution or trust agreement.

16 N. The commission is authorized to employ all professionals it deems
17 necessary in the issuance of its bonds.

18 O. The commission is authorized to enter into any and all agreements or
19 contracts, execute any and all instruments, and do and perform any and all acts
20 necessary, convenient, or desirable for the issuance of the bonds or to carry out
21 any power expressly given in this Section.

22 P. The commission shall be deemed to be a public entity for purposes of
23 Chapters 13, 13-A, 14, 14-A, 14-B, and 15-A of Title 39 of the Louisiana Revised
24 Statutes of 1950, as amended, which statutes shall apply to bonds of the
25 commission, provided that in the event of a conflict with the provisions of this
26 Section, the provisions of this Section shall control.

27 Q. The provisions of this Section shall become null, void, and of no effect
28 on the date that all bonds issued by the commission pursuant to this Section are
29 paid or deemed paid in full and are no longer considered outstanding or the
30 projects permitted in R.S. 48:77(C) are deemed completed by the Department

1 of Transportation and Development, whichever is later.

2 R. Notwithstanding any other provision of law to the contrary, any
3 revenues deposited in the bond fund that are pledged to the repayment of any
4 bonds issued in accordance with this Section may be collected and disbursed in
5 accordance with the documents pursuant to which such bonds were issued.

6 Section 3. R.S. 48:77(B) and (E) are hereby repealed.

7 Section 4. This Act shall become effective upon signature by the governor or, if not
8 signed by the governor, upon expiration of the time for bills to become law without signature
9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
11 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____