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The original instrument was prepared by Tom Wade. The following digest, which does not constitute a part of the legislative instrument, was prepared by Thomas L. Tyler.

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Holden (SB 80)

DIGEST

Proposed law authorizes the State Bond Commission to issue Grant Anticipation Revenue Vehicles (GARVEE) to finance the accelerated construction of certain state transportation projects.

Proposed law provides for the pledge of certain federal highway funds received by the state as security for the bonds.

Proposed law provides that such bonds shall be issued by the State Bond Commission but only after the issuance has been approved by the Joint Legislative Committee on the Budget. The JLCB also approves expenditures of the proceeds held by trustee banks. Further provides that the aggregate amount of principal and interest on all bonds issued under this authority shall not exceed 10% of annual federal highway funds.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 48:27)Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Requires JLCB approval of expenditures of the proceeds of bonds held by trustee banks.
2. Removes the requirement that the proceeds of the bonds be appropriated to DOTD.
3. Clarifies that the pledge of federal transportation funds by a political subdivision is limited by the terms of such federal aid.

Senate Floor Amendments to engrossed bill.

1. Limits applicability to state transportation projects.
2. Removes from definition of federal transportation funds those funds paid to any political subdivision of the state by the U.S. Dept. of Transportation.
3. Clarifies that the aggregate amount of principal and interest on all bonds issued not exceed 10% of the annual obligatory authority to the Department of Transportation and Development of federal transportation funds.