

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 384 By Senator LaFleur

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

BONDS. Requires issuers of state municipal securities to comply with certain continuing disclosure rules of the United States Securities and Exchange Commission. (8/1/14)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Clarifies that a continuing disclosure agreement is that to which the public entity is a party.
2. Clarifies that the public entity's auditor review a sample of the entity's filing on EMMA to determine compliance with the continuing disclosure agreement to which the public entity is a party.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

LaFleur (SB 384)

Present law provides for the issuance of bonds, notes, certificates, or other obligations or securities for the repayment of borrowed money, by public entities.

Proposed law retains present law but further provides procedures to provide for compliance with the municipal securities continuing disclosure rule of the United States Securities and Exchange Commission.

Proposed law provides for definitions of "auditor", "continuing disclosure agreement", "EMMA", "issuer", "municipal securities", "obligated person", "public entity", and "SEC rule".

Proposed law provides for recordkeeping by public entities by requiring them to continuously maintain:

- (1) A list of all Louisiana municipal securities for which the public entity is the issuer or an obligated person.
- (2) A copy of all continuing disclosure agreements to which the public entity is a party.
- (3) If, pursuant to a continuing disclosure agreement to which the public entity is a party, the public entity is responsible for filing notices of changes in bond ratings, a list of current ratings for such securities, if any.

Proposed law provides that all records required to be kept by a public entity under this Section shall be subject to inspection by the public entity's auditor.

Proposed law provides that as part of its annual financial audit of a public entity, a public entity's auditor shall:

- (1) Review the public entity's compliance with the recordkeeping requirements of this Section.
- (2) Review a sample of the public entity's filings on EMMA to determine if such filings are in compliance with the continuing disclosure agreements to which the public entity is a party.

Effective August 1, 2014.

(Adds R.S. 39:1438)

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