

2017 Regular Session

HOUSE BILL NO. 618

BY REPRESENTATIVE GAROFALO

1 AN ACT

2 To amend and reenact R.S. 39:99.27(1), (4), (5), (10), (18), 99.30(A)(introductory  
3 paragraph) and (1), 99.38(A), (B), and (C), 99.41, and 99.42 and to enact R.S.  
4 39:99.27(19) through (28), 99.43, and 99.44, relative to the Louisiana Coastal  
5 Protection and Restoration Financing Corporation; to authorize the financing,  
6 purchasing, owning, and managing payments from the Deepwater Horizon natural  
7 resource damage act and the Resources and Ecosystems Sustainability, Tourist  
8 Opportunities, and Revived Economies of the Gulf Coast States Act; to provide for  
9 terms and conditions associated with the financing, purchasing, owning, and  
10 managing; to direct the Louisiana State Law Institute to redesignate section numbers;  
11 and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 39:99.27(1), (4), (5), (10), (18), 99.30(A)(introductory paragraph)  
14 and (1), 99.38(A), (B), and (C), 99.41, and 99.42 are hereby amended and reenacted and R.S.  
15 39:99.27(19) through (28), 99.43, and 99.44 are hereby enacted to read as follows:

16 §99.27. Definitions

17 As used in this Subpart:

18 (1) "Agreement" means the agreement or agreements, as authorized under  
19 this Subpart, between the state of Louisiana, as the seller, and the corporation, as the  
20 purchaser, of the ~~offshore royalty~~ revenue assets. The sale by the state of the  
21 ~~offshore royalty~~ revenue assets pursuant to any such agreement shall be a true sale  
22 and absolute transfer and not a borrowing, nor a pledge or other security interest for  
23 any borrowing.

24 \* \* \*



1 refund bonds, the net proceeds, after financing costs, of the first issue of which shall  
2 be used by the corporation to pay a portion of the purchase price to the state of  
3 Louisiana to purchase the DWH NRD assets.

4 (22) "DWH NRD payments" means the monies paid or payable for natural  
5 resource damages, pursuant to the consent decree, to the corporation and the  
6 agreement as in effect from time to time.

7 (23) "DWH NRD revenue" means all monies constituting the state of  
8 Louisiana's allocable share of natural resource damages pursuant to the consent  
9 decree.

10 (24) "RESTORE Act" means the Resources and Ecosystems Sustainability,  
11 Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012.

12 (25) "RESTORE assets" means all rights, title, and interest in and to the  
13 portion of the state allocation of civil penalties related to the Deepwater Horizon oil  
14 spill as set forth in the RESTORE Act and the consent decree.

15 (26) "RESTORE bonds" means the bonds, notes, and other obligations  
16 issued by the corporation, exclusive of bonds that the corporation may issue to  
17 refund bonds, the net proceeds, after financing costs, of the first issue of which shall  
18 be used by the corporation to pay a portion of the purchase price to the state of  
19 Louisiana to purchase the RESTORE assets.

20 (27) "RESTORE payments" means the monies paid or payable for civil  
21 penalties, pursuant to the RESTORE Act and the consent decree, to the corporation,  
22 and the agreement as in effect from time to time.

23 (28) "RESTORE revenue" means all monies constituting the state of  
24 Louisiana's allocable share of civil penalties related to the Deepwater Horizon oil  
25 spill as set forth in the RESTORE Act and the consent decree.

26 \* \* \*

27 §99.30. Purposes and powers

28 A. The corporation's purposes are, and it shall have the authority and powers,  
29 to carry out the financing, purchasing, owning, and managing of the Offshore  
30 Royalty Revenues and the Offshore Royalty Revenue Assets, the DWH NRD

1 revenues and the DWH NRD assets, and the RESTORE revenues and the RESTORE  
 2 assets, the corporation being vested, subject to R.S. 39:99.34 and the other provisions  
 3 hereof, with all the powers of a private corporation to effectuate the purposes of the  
 4 corporation including, without limitation, the power to sue and be sued, to make  
 5 contracts, to adopt and use a corporate seal and to alter same, and is further  
 6 particularly authorized and empowered to:

7 (1) Purchase the Offshore Royalty Revenue Assets, the DWH NRD assets,  
 8 and the RESTORE assets, and receive, or authorize the indenture trustee to receive,  
 9 as the same shall become due, the Offshore Royalty Revenue payments, the DWH  
 10 NRD payments, and the RESTORE payments.

11 \* \* \*

12 §99.38. Issuance of offshore royalty revenue bonds of the corporation

13 A. In order to provide current assets and funds for the Coastal Protection and  
 14 Restoration Fund pursuant to this Subpart for the benefit of the state, the board is  
 15 hereby authorized and empowered to provide by resolution, at one time or from time  
 16 to time, for the issuance of offshore royalty revenue bonds of the corporation in such  
 17 amount or amounts as the board shall determine, subject to the approval of the State  
 18 Bond Commission and the Joint Legislative Committee on the Budget. Such bonds  
 19 shall be payable solely from funds of the corporation, including, without limitation,  
 20 all or any combination of the following sources: (i) Offshore Royalty Revenue  
 21 assets, (ii) the proceeds of the sales of any such bonds, (iii) earnings on funds of the  
 22 corporation or the indenture trustee, (iv) income, and (v) such other funds as may  
 23 become available, as shall be provided by the resolution of the board authorizing any  
 24 such bonds. ~~Bonds~~ Offshore royalty revenue bonds issued under the provisions of  
 25 this Subpart shall not be deemed to nor constitute a debt or obligation of the state of  
 26 Louisiana or a pledge of the full faith or credit of the state, and all bonds shall  
 27 contain on the face thereof a statement to the effect that neither the full faith and  
 28 credit nor the taxing power nor any other asset or revenues of the state or any  
 29 political subdivision thereof is or shall be obligated or pledged to the payment of the  
 30 principal of or the interest on such bonds.

1           B. The offshore royalty revenue bonds of each issue shall be dated, shall bear  
2 interest, which may be includable or excludable in the gross income of the holder for  
3 federal income tax purposes, at such fixed or variable rates, payable at or prior to  
4 maturity, and shall mature at such time or times, as may be determined by the board  
5 and may be redeemable before maturity, at the option of the corporation, at such  
6 price or prices and under such terms and conditions as may be fixed by the board,  
7 subject to approval of the State Bond Commission and the Joint Legislative  
8 Committee on the Budget. The board shall determine the form of the bonds,  
9 including any interest coupons to be attached thereon, and the manner of execution  
10 of the bonds and shall fix the denomination or denominations of the bonds and the  
11 place or places of payment of principal and interest thereof, which may be at any  
12 bank or trust company within or without the state. The bonds may be issued in  
13 coupon or in registered form or both, as the board may determine, and provisions  
14 may be made for the registration of any coupon bonds as to principal alone and as  
15 to both principal and interest and for the reconversion of any bonds registered as to  
16 both principal and interest into coupon bonds. The board may sell such bonds in  
17 such manner, either at public or at private sale, and for such price as it may  
18 determine to be in the best interests of the corporation, subject to approval of the  
19 State Bond Commission and the Joint Legislative Committee on the Budget. The  
20 proceeds of such bonds shall be disbursed for the purposes for which such bonds  
21 were issued under such restrictions, if any, as the laws of the state of Louisiana and  
22 the resolution authorizing the issuance of such bond or the trust indenture may  
23 provide. The corporation may also provide for temporary bonds and for the  
24 replacement of any bond that shall become mutilated or shall be destroyed or lost.  
25 Such bonds may be issued without any other proceedings or the happening of any  
26 other conditions or things than the proceedings, conditions and things that are  
27 specified and required by this Subpart.

28           C. ~~Bonds~~ Offshore royalty revenue bonds of the corporation shall not be  
29 invalid because of any irregularity or defect in the proceedings or in the issuance and  
30 sale thereof and shall be incontestable in the hands of a bona fide purchaser or

holder. The corporation, after authorizing the issuance of bonds by resolution, shall publish once in a newspaper of general circulation in the parish in which the corporation is domiciled, a notice of intention to issue the bonds. The notice shall include a description of the bonds and the security therefor. Within thirty days after the publication, any person in interest may contest the legality of the resolution, any provisions of the bonds to be issued pursuant to it, the provisions securing the bonds, and the validity of all other provisions and proceedings relating to the authorization and issuance of the bonds. If no action or proceeding is instituted within the thirty days, no person may contest the validity of the bonds, the provisions of the resolution pursuant to which the bonds were issued, the security of the bonds, or the validity of any other provisions or proceedings relating to their authorization and issuance, and the bonds shall be presumed conclusively to be legal. Thereafter no court shall have authority to inquire into such matters.

\* \* \*

§99.41. ~~Bonds exempt from taxation~~ DWH NRD revenue

~~The bonds, their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free and exempt from taxation by the state of Louisiana and by any other political subdivision of the state.~~

A. Sale of DWH NRD assets

(1) The State Bond Commission, subject to approval of the Joint Legislative Committee on the Budget and subject to approval by a majority vote of the legislature if the legislature is in session and by mail ballot if during the interim, is authorized to sell and convey to the corporation, from time to time, a portion of the state allocation, up to one hundred percent thereof from and after such date, and, in particular, to execute and deliver an agreement on the closing date. The agreement shall provide, among other matters, that the purchase price payable by the corporation to the state for the DWH NRD assets sold, up to one hundred percent of the state allocation from and after such date, shall consist of the net proceeds, after financing costs, of the first issue of DWH NRD bonds and the residual interests to be paid and transferred semiannually pursuant to the provisions of this Subpart.

1           (2) Any sale of DWH NRD assets hereunder shall be treated as a true sale  
2           and absolute conveyance and transfer of the property, and all of the rights, title, and  
3           interest in and to such property, so conveyed and transferred, and not as a pledge or  
4           any other security interest or lien for borrowing. The characterization of such a sale  
5           as an absolute transfer by the parties and herein shall not be negated or adversely  
6           affected if less than all of the state allocation is conveyed and transferred, nor by the  
7           state's acquisition of residual interests or a subordinate interest in the DWH NRD  
8           assets, nor by any characterization of the corporation or its bonds for purposes of  
9           accounting, taxation, or securities regulation, nor by any other factor whatsoever.

10           B. Ownership of DWH NRD assets and DWH NRD payments

11           On and after the effective date of each sale of DWH NRD assets, the state of  
12           Louisiana shall have no right, title, or interest in or to the DWH NRD assets sold and  
13           conveyed; and the DWH NRD payments shall be property of the corporation and not  
14           of the state, and shall be owned, received, held, and disbursed by the corporation or  
15           the indenture trustee and not the state or the state treasury. On or before the closing  
16           date and the effective date of any subsequent sale, the state, through the attorney  
17           general, shall notify the necessary parties as provided for in the consent decree that  
18           the DWH NRD assets have been sold and conveyed to the corporation, irrevocably  
19           instruct such necessary parties as provided for in the consent decree that, subsequent  
20           to the closing date or other effective date, the DWH NRD payments are to be paid  
21           directly to the corporation or to the indenture trustee or other designee for the  
22           account of the corporation, and take such other actions necessary and appropriate to  
23           effectuate such notice and instruction.

24           C. Issuance of DWH NRD bonds of the corporation

25           (1)(a) In order to provide current assets and funds for the Coastal Protection  
26           and Restoration Fund pursuant to this Subpart for the benefit of the state, the board  
27           is hereby authorized and empowered to provide by resolution, at one time or from  
28           time to time, for the issuance of DWH NRD bonds of the corporation in such amount  
29           or amounts as the board shall determine, subject to the approval of the State Bond  
30           Commission and the Joint Legislative Committee on the Budget.

1           **(b) Such bonds shall be payable solely from funds of the corporation,**  
2           **including, without limitation, all or any combination of the following sources:**

3           **(i) DWH NRD assets.**

4           **(ii) The proceeds of the sales of any such bonds.**

5           **(iii) Earnings on funds of the corporation or the indenture trustee.**

6           **(iv) Income.**

7           **(v) Such other funds as may become available, as shall be provided by the**  
8           **resolution of the board authorizing any such bonds.**

9           **(c) DWH NRD bonds issued under the provisions of this Subpart shall not**  
10           **be deemed to nor constitute a debt or obligation of the state of Louisiana or a pledge**  
11           **of the full faith or credit of the state, and all bonds shall contain on the face thereof**  
12           **a statement to the effect that neither the full faith and credit nor the taxing power nor**  
13           **any other asset or revenues of the state or any political subdivision thereof is or shall**  
14           **be obligated or pledged to the payment of the principal of or the interest on such**  
15           **bonds.**

16           **(2) The DWH NRD bonds of each issue shall be dated, shall bear interest,**  
17           **which may be includable or excludable in the gross income of the holder for federal**  
18           **income tax purposes, at such fixed or variable rates, payable at or prior to maturity,**  
19           **and shall mature at such time or times, as may be determined by the board and may**  
20           **be redeemable before maturity, at the option of the corporation, at such price or**  
21           **prices and under such terms and conditions as may be fixed by the board, subject to**  
22           **approval of the State Bond Commission and the Joint Legislative Committee on the**  
23           **Budget. The board shall determine the form of the bonds, including any interest**  
24           **coupons to be attached thereon, and the manner of execution of the bonds and shall**  
25           **fix the denomination or denominations of the bonds and the place or places of**  
26           **payment of principal and interest thereof, which may be at any bank or trust**  
27           **company within or without the state. The bonds may be issued in coupon or in**  
28           **registered form, or both, as the board may determine, and provisions may be made**  
29           **for the registration of any coupon bonds as to principal alone and as to both principal**  
30           **and interest and for the reconversion of any bonds registered as to both principal and**

1 interest into coupon bonds. The board may sell such bonds in such manner, either at  
2 public or at private sale, and for such price as it may determine to be in the best  
3 interests of the corporation, subject to approval of the State Bond Commission and  
4 the Joint Legislative Committee on the Budget. The proceeds of such bonds shall be  
5 disbursed for the purposes for which such bonds were issued under such restrictions,  
6 if any, as the laws of the state of Louisiana, any applicable federal laws, and the  
7 resolution authorizing the issuance of such bond or the trust indenture may provide.  
8 The corporation may also provide for temporary bonds and for the replacement of  
9 any bond that shall become mutilated or shall be destroyed or lost. Such bonds may  
10 be issued without any other proceedings or the happening of any other conditions or  
11 things than the proceedings, conditions, and things that are specified and required by  
12 this Subpart.

13 (3) DWH NRD bonds of the corporation shall not be invalid because of any  
14 irregularity or defect in the proceedings or in the issuance and sale thereof and shall  
15 be incontestable in the hands of a bona fide purchaser or holder. The corporation,  
16 after authorizing the issuance of bonds by resolution, shall publish once in a  
17 newspaper of general circulation in the parish in which the corporation is domiciled,  
18 a notice of intention to issue the bonds. The notice shall include a description of the  
19 bonds and the security therefor. Within thirty days after the publication, any person  
20 in interest may contest the legality of the resolution, any provisions of the bonds to  
21 be issued pursuant to it, the provisions securing the bonds, and the validity of all  
22 other provisions and proceedings relating to the authorization and issuance of the  
23 bonds. If no action or proceeding is instituted within the thirty days, no person may  
24 contest the validity of the bonds, the provisions of the resolution pursuant to which  
25 the bonds were issued, the security of the bonds, or the validity of any other  
26 provisions or proceedings relating to their authorization and issuance, and the bonds  
27 shall be presumed conclusively to be legal. Thereafter no court shall have authority  
28 to inquire into such matters.

29 (4) Neither the members of the board, its staff, nor any other person or  
30 persons executing the bonds shall be subject to any personal liability or

1            responsibility by reason of the issuance thereof, and shall have the indemnification  
 2            rights provided in R.S. 13:5108.1 with respect to such issuance.

3            D. Pledge and agreement

4            The state covenants and agrees with the corporation, and the holders of the  
 5            bonds in which the corporation has included such pledge and agreement, that the  
 6            state will do the following:

7            (1) Irrevocably direct the necessary parties as provided for in the consent  
 8            decree to transfer all conveyed DWH NRD payments directly to the corporation or  
 9            its assignee.

10           (2) Enforce the corporation's rights to receive the DWH NRD payments to  
 11           the full extent permitted by the law.

12           (3) Not amend the state law in any manner that would materially impair the  
 13           rights of the holders.

14           (4) Not limit or alter the rights of the corporation to fulfill the terms of its  
 15           agreements with such holders.

16           (5) Not in any way impair the rights and remedies of such holders or the  
 17           security for such bonds until such bonds, together with the interest thereon and all  
 18           costs and expenses in connection with any action or proceeding by or on behalf of  
 19           such holders, are fully paid and discharged.

20           ~~§99.42. Bond and other proceeds received by the state~~ RESTORE revenue

21           ~~All proceeds and monies received by the state, whether received as purchase~~  
 22           ~~price for Offshore Royalty Revenue assets sold or as the residual interests or in any~~  
 23           ~~other way pursuant to this Subpart, shall be deposited in and credited to the Coastal~~  
 24           ~~Protection and Restoration Fund.~~

25           A. Sale of RESTORE assets

26           (1) The State Bond Commission, subject to approval of the Joint Legislative  
 27           Committee on the Budget and subject to approval by a majority vote of the  
 28           legislature if the legislature is in session and by mail ballot during the interim, is  
 29           authorized to sell and convey to the corporation, from time to time, a portion of the  
 30           state allocation, up to one hundred percent thereof from and after such date, and, in

1 particular, to execute and deliver an agreement on the closing date. The agreement  
2 shall provide, among other matters, that the purchase price payable by the  
3 corporation to the state for the RESTORE assets sold, up to one hundred percent of  
4 the state allocation from and after such date, shall consist of the net proceeds, after  
5 financing costs, of the first issue of RESTORE bonds and the residual interests to be  
6 paid and transferred semiannually pursuant to the provisions of this Subpart.

7 (2) Any sale of RESTORE assets hereunder shall be treated as a true sale and  
8 absolute conveyance and transfer of the property, and all of the rights, title, and  
9 interest in and to such property, so conveyed and transferred, and not as a pledge or  
10 any other security interest or lien for borrowing. The characterization of such a sale  
11 as an absolute transfer by the parties and herein shall not be negated or adversely  
12 affected if less than all of the state allocation is conveyed and transferred, nor by the  
13 state's acquisition of residual interests or a subordinate interest in the RESTORE  
14 assets, nor by any characterization of the corporation or its bonds for purposes of  
15 accounting, taxation, or securities regulation, nor by any other factor whatsoever.

16 B. Ownership of RESTORE assets and RESTORE payments

17 On and after the effective date of each sale of RESTORE assets, the state of  
18 Louisiana shall have no right, title, or interest in or to the RESTORE assets sold and  
19 conveyed; and, subject to compliance with the RESTORE Act and other applicable  
20 state or federal laws, the RESTORE payments shall be property of the corporation  
21 and not of the state, and shall be owned, received, held, and disbursed by the  
22 corporation or the indenture trustee and not the state or the state treasury. On or  
23 before the closing date and the effective date of any subsequent sale, the state,  
24 through the attorney general, shall notify the necessary parties as provided for in the  
25 consent decree that the RESTORE assets have been sold and conveyed to the  
26 corporation, irrevocably instruct such necessary parties as provided for in the consent  
27 decree that, subsequent to the closing date or other effective date and in compliance  
28 with the RESTORE Act and other applicable state or federal laws, the RESTORE  
29 payments are to be paid directly to the corporation or to the indenture trustee or other  
30 designee for the account of the corporation or as authorized by the RESTORE Act

1 and any agreement reached by the state and the corporation to ensure such  
 2 compliance, and take such other actions necessary and appropriate to effectuate such  
 3 notice and instruction.

4 C. Issuance of RESTORE bonds of the corporation

5 (1)(a) In order to provide current assets and funds for the Coastal Protection  
 6 and Restoration Fund pursuant to this Subpart for the benefit of the state, the board  
 7 is hereby authorized and empowered to provide by resolution, at one time or from  
 8 time to time, for the issuance of RESTORE bonds of the corporation in such amount  
 9 or amounts as the board shall determine, subject to the approval of the State Bond  
 10 Commission and the Joint Legislative Committee on the Budget. Such bonds shall  
 11 be payable solely from funds of the corporation, including, without limitation, all or  
 12 any combination of the following sources:

13 (i) RESTORE assets.

14 (ii) Proceeds of the sales of any such bonds.

15 (iii) Earnings on funds of the corporation or the indenture trustee.

16 (iv) Income.

17 (v) Such other funds as may become available, as shall be provided by the  
 18 resolution of the board authorizing any such bonds.

19 (b) Bonds issued under the provisions of this Subpart shall not be deemed  
 20 to nor constitute a debt or obligation of the state of Louisiana or a pledge of the full  
 21 faith or credit of the state, and all bonds shall contain on the face thereof a statement  
 22 to the effect that neither the full faith and credit nor the taxing power nor any other  
 23 asset or revenues of the state or any political subdivision thereof is or shall be  
 24 obligated or pledged to the payment of the principal of or the interest on such bonds.

25 (2) The RESTORE bonds of each issue shall be dated, shall bear interest,  
 26 which may be includable or excludable in the gross income of the holder for federal  
 27 income tax purposes, at such fixed or variable rates, payable at or prior to maturity,  
 28 and shall mature at such time or times, as may be determined by the board and may  
 29 be redeemable before maturity, at the option of the corporation, at such price or  
 30 prices and under such terms and conditions as may be fixed by the board, subject to

1 approval of the State Bond Commission and the Joint Legislative Committee on the  
2 Budget. The board shall determine the form of the bonds, including any interest  
3 coupons to be attached thereon, and the manner of execution of the bonds and shall  
4 fix the denomination or denominations of the bonds and the place or places of  
5 payment of principal and interest thereof, which may be at any bank or trust  
6 company within or without the state. The bonds may be issued in coupon or in  
7 registered form or both, as the board may determine, and provisions may be made  
8 for the registration of any coupon bonds as to principal alone and as to both principal  
9 and interest and for the reconversion of any bonds registered as to both principal and  
10 interest into coupon bonds. The board may sell such bonds in such manner, either  
11 at public or at private sale, and for such price as it may determine to be in the best  
12 interests of the corporation, subject to approval of the State Bond Commission and  
13 the Joint Legislative Committee on the Budget. The proceeds of such bonds shall  
14 be disbursed for the purposes for which such bonds were issued under such  
15 restrictions, if any, as the laws of the state of Louisiana, any applicable federal laws,  
16 and the resolution authorizing the issuance of such bond or the trust indenture may  
17 provide. The corporation may also provide for temporary bonds and for the  
18 replacement of any bond that shall become mutilated or shall be destroyed or lost.  
19 Such bonds may be issued without any other proceedings or the happening of any  
20 other conditions or things than the proceedings, conditions and things that are  
21 specified and required by this Subpart.

22 (3) RESTORE bonds of the corporation shall not be invalid because of any  
23 irregularity or defect in the proceedings or in the issuance and sale thereof and shall  
24 be incontestable in the hands of a bona fide purchaser or holder. The corporation,  
25 after authorizing the issuance of bonds by resolution, shall publish once in a  
26 newspaper of general circulation in the parish in which the corporation is domiciled,  
27 a notice of intention to issue the bonds. The notice shall include a description of the  
28 bonds and the security therefor. Within thirty days after the publication, any person  
29 in interest may contest the legality of the resolution, any provisions of the bonds to  
30 be issued pursuant to it, the provisions securing the bonds, and the validity of all

1 other provisions and proceedings relating to the authorization and issuance of the  
2 bonds. If no action or proceeding is instituted within the thirty days, no person may  
3 contest the validity of the bonds, the provisions of the resolution pursuant to which  
4 the bonds were issued, the security of the bonds, or the validity of any other  
5 provisions or proceedings relating to their authorization and issuance, and the bonds  
6 shall be presumed conclusively to be legal. Thereafter no court shall have authority  
7 to inquire into such matters.

8 (4) Neither the members of the board, its staff, nor any other person or  
9 persons executing the bonds shall be subject to any personal liability or  
10 responsibility by reason of the issuance thereof, and shall have the indemnification  
11 rights provided in R.S. 13:5108.1 with respect to such issuance.

12 D. Pledge and agreement

13 The state covenants and agrees with the corporation, and the holders of the  
14 bonds in which the corporation has included such pledge and agreement, that the  
15 state will:

16 (1) Irrevocably direct the necessary parties as provided for in the RESTORE  
17 Act and the consent decree to transfer all conveyed RESTORE payments directly to  
18 the corporation or its assignee.

19 (2) Enforce the corporation's rights to receive the RESTORE payments to the  
20 full extent permitted by the law.

21 (3) Not amend the state law in any manner that would materially impair the  
22 rights of the holders.

23 (4) Not limit or alter the rights of the corporation to fulfill the terms of its  
24 agreements with such holders.

25 (5) Not in any way impair the rights and remedies of such holders or the  
26 security for such bonds until such bonds, together with the interest thereon and all  
27 costs and expenses in connection with any action or proceeding by or on behalf of  
28 such holders, are fully paid and discharged.

1           ~~§99.41.~~ §99.43. Bonds exempt from taxation

2                   The bonds, their transfer and the income therefrom, including any profit  
3           made on the sale thereof, shall at all times be free and exempt from taxation by the  
4           state of Louisiana and by any other political subdivision of the state.

5           ~~§99.42~~ §99.44. Bond and other proceeds received by the state

6                   All proceeds and monies received by the state, whether received as purchase  
7           price for ~~Offshore Royalty Revenue~~ assets sold or as the residual interests or in any  
8           other way pursuant to this Subpart, shall be deposited in and credited to the Coastal  
9           Protection and Restoration Fund.

10           Section 2. The Louisiana State Law Institute is hereby authorized and directed to  
11           redesignate the existing R.S. 39:99.43 and 99.44 as R.S. 39:99.45 and 99.46.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_