

2018 Regular Session

HOUSE BILL NO. 779

BY REPRESENTATIVE HODGES

FUNDS/FUNDING: Establishes a temporary dedication of a portion of certain revenues available under the Uniform Unclaimed Property Act for purposes of the Comite River Diversion Canal project

1 AN ACT

2 To amend and reenact R.S. 9:165(C) and 165.1(A)(1) and (2) and (P), relative to special

3 treasury funds; to provide with respect to the dedication of monies for deposit into

4 the Unclaimed Property Leverage Fund; to establish the Comite River Diversion

5 Canal Account within the Unclaimed Property Leverage Fund; to authorize the use

6 of monies within the Comite River Diversion Canal Account; to authorize the

7 issuance of unclaimed property bonds for certain purposes within a certain time

8 period; to extend the termination date for issuance of certain bonds or completion of

9 certain projects; to provide for effectiveness; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 9:165(C) and 165.1(A)(1) and (2) and (P), are hereby amended and
12 reenacted to read as follows:

13 §165. Deposit of funds

14 * * *

15 C.(1) The Unclaimed Property Leverage Fund is created as a special fund in

16 the state treasury for the deposit of a portion of the funds received by the

17 administrator under this Chapter. The state treasurer shall deposit into the

18 Unclaimed Property Leverage Fund each fiscal year fifteen million dollars.

19 Beginning July 1, 2018, through and including June 30, 2023, each fiscal year, the

1 state treasurer shall make an additional deposit into the Unclaimed Property
2 Leverage Fund in the amount of twenty million dollars, which monies shall then be
3 deposited and credited to the Comite River Diversion Canal Account.

4 (a) There is hereby created, as a special account in the Unclaimed Property
5 Leverage Fund, the I-49 North Account. The source of monies in the I-49 North
6 Account shall be fifty percent of the funds deposited in the Unclaimed Property
7 Leverage Fund each fiscal year, after satisfying the requirement for the deposit into
8 the Comite River Division Canal Account, any monies appropriated to the fund by
9 the legislature, including federal funds, donations, gifts, or grants, and any other
10 monies as may be provided by law.

11 (b) There is hereby created, as a special account in the Unclaimed Property
12 Leverage Fund, the I-49 South Account. The source of monies in the I-49 South
13 Account shall be fifty percent of the funds deposited in the Unclaimed Property
14 Leverage Fund each fiscal year, after satisfying the requirement for the deposit into
15 the Comite River Division Canal Account, any monies appropriated to the fund by
16 the legislature, including federal funds, donations, gifts, or grants, and any other
17 monies as may be provided by law.

18 (c) There is hereby created, as a special account in the Unclaimed Property
19 Leverage Fund, the Comite River Division Canal Account. The source of monies
20 in the Comite River Division Canal Account shall be an annual deposit of twenty
21 million dollars as provided in this Paragraph, as well as any monies appropriated to
22 the account by the legislature, including federal funds, donations, gifts, or grants, and
23 any other monies as may be provided by law.

24 (2) Monies appropriated from the funds shall be expended only in
25 accordance with the provisions of this Paragraph:

26 (a) For transfer to the State Bond Commission, hereinafter referred to as the
27 "commission", to pay the principal, premium, and interest of unclaimed property
28 bonds issued by the commission pursuant to R.S. 9:165.1 as the bonds become due
29 and payable and to fund such reserves for contingencies, costs, and expenses as may

1 be required by the resolution authorizing the issuance of such bonds as well as pay
2 amounts of ongoing expenses associated with the administration, maintenance, or
3 evaluation of the bonds issued for Interstate 49 North ~~and~~, Interstate 49 South, and
4 the Comite River Diversion Canal project. Proceeds of the bonds, except monies
5 needed to fund reserves and pay costs of issuance, and to the extent not needed to
6 pay debt service or other amounts due under the resolution authorizing the bonds,
7 shall be expended utilizing any or all powers granted to the commission including
8 the funding or securitization of revenue bonds. Monies from the I-49 North Account
9 shall be used exclusively to match federal funds to be used by the Department of
10 Transportation and Development for the costs for and associated with the
11 construction of Interstate 49 North from Interstate 20 in the city of Shreveport to the
12 Louisiana/Arkansas border. Monies from the I-49 South Account shall be used
13 exclusively to match federal funds to be used by the Department of Transportation
14 and Development for the costs for and associated with the construction of Interstate
15 49 South from Interstate 10 in the city of Lafayette to the West Bank Expressway in
16 the city of New Orleans. Monies from the Comite River Diversion Canal Account
17 shall be used exclusively to match federal funds to be used by the Department of
18 Transportation and Development for the costs for and associated with the
19 construction of the Comite River Diversion Canal project.

20 (b) For transfer to the Department of Transportation and Development:

21 (i) Funds from the I-49 North Account to be used exclusively to match
22 federal funds to be used for the costs for and associated with the construction of
23 Interstate 49 North from Interstate 20 in the city of Shreveport to the
24 Louisiana/Arkansas border; provided, however, that the monies in the fund shall first
25 be applied to that portion of the project from I-220 to the Louisiana/Arkansas border;
26 and

27 (ii) Funds from the I-49 South Account to be used exclusively to match
28 federal funds to be used for the costs for and associated with the construction of

1 Interstate 49 South from Interstate 10 in the city of Lafayette to the West Bank
2 Expressway in the city of New Orleans.

3 (iii) Funds from the Comite River Diversion Canal Account shall be used
4 exclusively to match federal funds to be used for the costs for and associated with
5 the construction of the Comite River Diversion Canal project.

6 (3) All unexpended and unencumbered monies in the Unclaimed Property
7 Leverage Fund, the I-49 North Account, ~~and the I-49 South Account,~~ and the Comite
8 River Diversion Canal Account at the end of the fiscal year shall remain in the
9 ~~Unclaimed Property Leverage Fund, the I-49 North Account, and the I-49 South~~
10 ~~Account~~ the respective fund or account and interest earned on the investment of
11 these monies shall be credited to the ~~Unclaimed Property Leverage Fund, the I-49~~
12 ~~North Account, and the I-49 South Account~~ fund or account from which the
13 investment was derived.

14 §165.1. Bonds; unclaimed property bonds; completion of I-49; the Comite River
15 Diversion Canal project

16 A.(1) Without reference to any provision of the Constitution of Louisiana
17 and the laws of Louisiana, and as a grant of power in addition to any other general
18 or special law, the State Bond Commission, hereinafter "commission", is hereby
19 authorized to issue unclaimed property bonds, hereinafter referred to as "unclaimed
20 property bonds" or "bonds", for the I-49 Project and the Comite River Diversion
21 Canal project and pledge for the payment of the principal and interest of the
22 unclaimed property bonds monies deposited or to be deposited into the Unclaimed
23 Property Leverage Fund, which pledge shall be subject to the appropriation of funds
24 by the legislature. The commission is further authorized, in its discretion, to pledge
25 all or any part of any gift, grant, donation, or other sum of money, aid, or assistance
26 from the United States, the state, or any political subdivision, thereof, unless
27 otherwise restricted by the terms thereof, all or any part of the proceeds of bonds,
28 credit agreements, instruments, or other money of the commission, from whatever
29 source derived, for the further securing of the payment of the principal and interest

1 of the bonds, including any monies provided to the commission from the Department
2 of Transportation and Development. Any bonds shall be payable solely from
3 revenues and bond proceeds, pending their disbursement and investment income
4 thereon.

5 (2) The unclaimed property receipts which have been deposited into the
6 Unclaimed Property Leverage Fund shall be applied to pay or provide for the
7 payment of debt service and all related costs and expenses associated therewith on
8 unclaimed property bonds issued by the commission. At no time prior to July 1,
9 2018, and subsequent to June 30, 2025, shall bond payments securitized by
10 unclaimed property receipts in the Unclaimed Property Leverage Fund exceed fifteen
11 million dollars per year. For the period beginning July 1, 2018, through and
12 including June 30, 2025, this limitation on bond payments shall not exceed thirty-
13 five million dollars per year.

14 * * *

15 P.(1) The provisions of this Section shall become null, void, and of no effect
16 on the date that all bonds issued by the commission are paid or deemed paid in full
17 and are no longer considered outstanding, or the Interstate 49 project ~~is~~ and the
18 Comite River Diversion Canal project are deemed completed by the Department of
19 Transportation and Development, whichever is later.

20 (2) If bonds for ~~this project~~ these projects are not sold by December 31,
21 ~~2013, 2021,~~ the provisions of this Section shall become, null, void, and of no effect
22 on January 1, ~~2014~~ 2025.

23 Section 2. This Act shall become effective on July 1, 2018.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 779 Original

2018 Regular Session

Hodges

Abstract: Increases annual deposits into the Unclaimed Property Leverage Fund by \$20 million per year for five years beginning July 1, 2018, for purposes of the Comite

River Diversion Canal project and establishes the Comite River Diversion Canal Account within the fund.

Present law establishes the Unclaimed Property Leverage Fund as a special fund in the state treasury and requires that \$15 million per year be deposited into the fund from revenues derived from the sale of certain unclaimed property returned to the state.

Proposed law changes present law by increasing the deposit into the Unclaimed Property Leverage Fund from \$15 million to \$35 million per year from July 1, 2018, through June 30, 2023, to provide for an annual deposit of \$20 million into the Comite River Diversion Canal Account which is established under proposed law.

Present law establishes within the Unclaimed Property Leverage Fund accounts for the I-49 North and I-49 South projects, into each of which is deposited 50% of the monies deposited into the Unclaimed Property Leverage Fund each year.

Proposed law retains present law.

Proposed law establishes the Comite River Diversion Canal Account within the Unclaimed Property Leverage Fund. The source of monies in this account shall include an annual deposit of \$20 million into the Unclaimed Property Leverage Fund from monies available pursuant to the Uniform Unclaimed Property Act each fiscal year, plus any other monies appropriated by the legislature, including federal funds, donations, gifts, or grants, and any other monies as may be provided by law.

Present law authorizes that monies in the I-49 North and I-49 South Accounts be transferred to the State Bond Commission to pay the principal, premium, and interest of unclaimed property bonds issued by the commission to fund the I-49 North and I-49 South projects. Monies in the account may also be used by the Dept. of Transportation and Development (DOTD) to match federal funds to be used for support of those projects.

Proposed law retains present law and establishes the same authority for use of monies in the Comite River Diversion Canal Account to service unclaimed property bonds issued by the commission to fund the Comite River Diversion Canal project, as well as for use by DOTD to match federal funds to be used for support of the project.

Present law authorizes the issuance of "unclaimed property bonds" by the State Bond Commission for purposes of the I-49 North and I-49 South projects. Bond payments are limited to \$15 million per year.

Proposed law retains present law and adds authority for the sale of unclaimed property bonds for purposes of the Comite River Diversion Canal project and temporarily increases the annual limit on amounts available for bond payments from \$15 million to \$35 million per year from July 1, 2018, through and including June 30, 2025.

Present law provides that if bonds for the I-49 North and I-49 South projects are not sold by Dec. 31, 2013, the provisions of present law become, null, void, and of no effect on Jan. 1, 2014.

Proposed law changes present law by adding the sale of bonds for the Comite River Diversion Canal project as a requirement for the continuation of proposed law and by extending the deadline for the sale of bonds from Dec. 31, 2013 to Dec. 31, 2014, and by extending the present law sunset of authority to issue bonds under from Jan. 1, 2014 to Jan. 1, 2025.

Effective July 1, 2018.

(Amends R.S. 9:165(C) and 165.1(A)(1) and (2) and (P))