

2018 Regular Session

SENATE BILL NO. 372

BY SENATOR CORTEZ

FLOOD PROTECTION AUTH. Provides for Rural Grant Opportunity Program in the Statewide Flood Control Program. (8/1/18)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 38:90.4(A)(1) and 90.9, and to
3 enact R.S. 38:90.1(12) and (13) and 90.4.1, relative to the Statewide Flood Control
4 Program; to provide for the Rural Grant Opportunity Program within the Statewide
5 Flood Control Program; to provide for requirements, limitations, and eligibility for
6 participation in the rural program; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. The introductory paragraph of R.S. 38:90.4(A)(1) and 90.9 are hereby
9 amended and reenacted and R.S. 38:90.1(12) and (13) and 90.4.1 are hereby enacted to read
10 as follows:

11 §90.1. Definitions

12 As used in this Chapter, unless the context clearly indicates otherwise, the
13 following terms shall have the meanings ascribed to them as follows:

14 * * *

15 **(12) "Rural grant opportunity authority" means a municipality with a**
16 **population of fewer than five thousand people or a parish with a population of**
17 **fewer than twenty-five thousand people located in a rural area.**

1 manner. Information to be provided in the application shall include but not be limited
2 to the following:

3 * * *

4 **§90.4.1. Rural Grant Opportunity Program**

5 **A. Applications for funds in the Rural Grant Opportunity Program may**
6 **be submitted by a rural grant opportunity authority. Applications shall be**
7 **reviewed in accordance with R.S. 38:90.4(B).**

8 **B. Funds for the program shall not exceed twenty-five percent of the**
9 **annual capital outlay appropriation of the legislature for the Statewide Flood**
10 **Control Program. Unencumbered Rural Grant Opportunity Program funds**
11 **shall be available for use in the Statewide Flood Control Program for rural**
12 **authorities who do not qualify for grant program funding.**

13 **C. Information included in the application shall satisfy the requirements**
14 **of R.S. 38:90.4(A)(1) and shall also include, but is not limited to the following:**

15 **(1) A resolution from the authority declaring its financial inability to**
16 **satisfy the local match required pursuant to R.S. 38:90.9(A)(4).**

17 **(2) Financial documentation to support its declaration of financial**
18 **inability in the resolution shall include a sworn affidavit executed by the**
19 **authority's private certified public accountant certifying that, after an**
20 **examination of the authority's financial records, monies are not available out**
21 **of the accumulated unreserved earnings generated by the authority to meet the**
22 **Statewide Flood Control Program's ten percent local match requirement.**

23 **D. If the grant application is approved, the authority shall not be**
24 **required to satisfy the ten percent local match for construction.**

25 **E. Federal matching projects shall not be eligible for funds in**
26 **accordance with this Section.**

27 **F. No special district shall be eligible to participate in the Rural Grant**
28 **Opportunity Program.**

29 * * *

1 §90.9. Statement of sponsorship

2 A. Prior to the commencement of any work, the office shall require the
3 presiding officer of each authority involved in a project to execute a statement of
4 sponsorship. The statement of sponsorship shall include but not be limited to the
5 following:

6 (1) Agreement to furnish all lands, easements, rights-of-way, permits, and
7 spoil disposal areas necessary to construct and maintain the project without cost to
8 the state.

9 (2) Agreement to assume all maintenance and operation costs for the project
10 and all future alterations as may be required without cost to the state.

11 (3) Agreement to accomplish all necessary utility and any other facility
12 relocations, alterations, and maintenance without cost to the state.

13 (4) Agreement to provide at least a ten percent local match for cost of the
14 project; however, the Statewide Flood Control Program may provide funds for the
15 total cost for any modifications to drainage structures located within state highway
16 rights-of-way. Where practical, the local levee board may authorize payment of part
17 or all of the local authority's costs.

18 **B. A sponsoring authority that is an eligible rural grant opportunity**
19 **authority and lacks the financial ability to satisfy the local match required to**
20 **participate in the Statewide Flood Control Program may apply for funds**
21 **pursuant to R.S. 38:90.4.1.**

The original instrument was prepared by Sharon F. Lyles. The following digest, which does not constitute a part of the legislative instrument, was prepared by Laura Gail Sullivan.

DIGEST

SB 372 Reengrossed

2018 Regular Session

Cortez

Present law provides for the Statewide Flood Control Program administered by the office of engineering in the Department of Transportation and Development. The program requires a local match of 10% of the cost of construction from an authority.

Proposed law creates the Rural Grant Opportunity Program to provide a mechanism for a municipality with fewer than 5,000 people or a parish with fewer than 25,000 people located in a rural area ("rural grant opportunity authority" or "authority") without financial ability to provide the local match requirement of the Statewide Flood Control Program to apply for

funds.

Proposed law provides that funds for the Rural Grant Opportunity Program shall not exceed 25% of the annual capital outlay appropriation by the legislature for the Statewide Flood Control Program.

Proposed law requires an authority's application to meet the requirements of R.S. 38:90.4(A)(1) and also to include a resolution declaring its financial inability to meet a 10% local match and documentation to support its declaration.

Proposed law relieves an authority whose grant application is approved from satisfying the 10% local match.

Proposed law makes federal matching projects ineligible for funds under the Rural Grant Opportunity Program. Prohibits special districts from participating in the program.

Effective August 1, 2018.

(Amends R.S. 38:90.4(A)(1)(intro para) and 90.9; adds R.S. 38:90.1(12) and (13) and 90.4.1)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to the engrossed bill

1. Define "Rural grant opportunity authority" to mean a municipality with a population of fewer than 5,000 people or a parish with a population of fewer than 25,000 people located in a rural area.
2. Allow pre-applications for funding of flood-control projects to be submitted by May 1st of each year for funding consideration.
3. Prohibit special districts from participating in the program.