

RÉSUMÉ DIGEST

ACT 301 (HB 230)

2018 Regular Session

Berthelot

Existing law authorizes political subdivisions to invest in certain obligations. Further provides that monies may be invested in bonds, debentures, notes, or other indebtedness issued by a state other than La. or any such state's political subdivisions or by domestic U.S. corporations, provided that certain conditions are met.

Existing law provides that one such condition is, prior to purchase of any such indebtedness and at all times during which such indebtedness is owned, the purchasing La. political subdivision shall retain the services of an investment adviser registered with the U.S. Securities and Exchange Commission or a trust company that has offices in La., that is regulated by the Office of Financial Institutions or the applicable federal agency, and that owes a fiduciary duty to act solely in the best interest of the political subdivision. New law allows the purchasing La. political subdivision the option of satisfying existing law requirements by retaining the services of a trust department of an institution that is insured by the Federal Deposit Insurance Corp., that exercises trust powers in La., and that has a main office or a bank branch in La.

Effective upon signature of governor (May 15, 2018).

(Amends R.S. 33:2955(A)(1)(k)(iii) and (l)(iii))