

## RÉSUMÉ DIGEST

HB 497

2019 Regular Session

Abramson

Proposed law would have prohibited the owner of a project that received general obligation bond (GOB) funding through the capital outlay budget from selling or otherwise disposing of the project while repayment of the bonds, including debt service, is outstanding without the prior approval of the commissioner of administration and the House Committee on Ways and Means and Senate Committee on Revenue and Fiscal Affairs, hereinafter "legislative committees". Both legislative committees would have been required to approve the sale or disposal of the property by a majority vote.

Proposed law would have required the property owner to obtain an opinion from state bond counsel, at the owner's cost, that the sale would not have affected the tax exempt status of the bonds. Would have further required the property owner to meet any conditions or requirements prior to selling or disposing of the project.

Proposed law would have been applicable to the funding of all projects included in the capital outlay budget for fiscal years commencing on and after July 1, 2019.

(Proposed to add R.S. 39:125.1)

### **VETO MESSAGE:**

"Please be advised that I have vetoed House Bill 497 of the 2019 Regular Session.

House Bill 497 would have required approval by majority vote of both the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs, not only interjecting political decision making into the affairs of non-governmental entities, but also violating Art. II, Sec. 2 of the Louisiana Constitution, which provides for a separation of powers between the branches of state government. Furthermore, each entity that receives capital outlay funding signs a cooperative endeavor agreement that already provides for sufficient protections for protecting taxpayer dollars."