
DIGEST

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HB 1052 Engrossed

2022 Regular Session

Landry

Abstract: Establishes the Hazard Mitigation Revolving Loan Fund to be administered by the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), for the purpose of providing financial assistance to local government hazard mitigation projects.

Proposed law provides the purpose of the fund, what monies may be deposited into the fund, and how interest earned and extra money at the end of each fiscal year shall be credited.

Proposed law provides definitions of "administrator", "eligible recipient", "federal law", "office".

Proposed law specifies that the fund may be used to make loans, for mitigation efforts, for administering the fund, to earn interest, and any other use consistent with the federal grant program.

Proposed law provides the types of projects and activities that loans may be used for, including projects that address natural hazards, zoning and land use planning, and implementation of current building code standards relevant to disasters and natural hazards.

Proposed law requires GOHSEP to establish application procedures and eligibility criteria for loans from the fund.

Proposed law authorizes a political subdivision that receives proceeds from the fund to use the money for the purpose of offering loans to private property owners to use for hazard mitigation projects for buildings. Requires each private property owner applying for a loan pursuant to the provisions of proposed law to demonstrate on the loan application both a need for the loan and the ability to repay the loan, if required. Authorizes repayment of a loans to private property owners provided pursuant to proposed law to be collected in the same manner as property taxes.

Proposed law authorizes political subdivisions that provide loans to private property owners pursuant to proposed law to establish a graduated loan forgiveness program for private property owners. If such a loan forgiveness program is established, proposed law requires it to provide for both of the following, at a minimum:

- (1) Full loan forgiveness for households with income less than 80% of the median income for the area in which the property is located.
- (2) Forgiveness of up to 50% of the loan for households with income between 80% and 100% of the median income for the area in which the property is located.

(Adds R.S. 29:726.7)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Add provision requiring GOHSEP to establish application procedures and eligibility criteria for loans from the fund.
2. Add provisions relative to use of loan proceeds by political subdivisions for offering loans to private property owners to use for hazard mitigation projects for buildings.
3. Make technical changes.