AN ACT

To amend and reenact R.S. 9:165(C)(2)(introductory paragraph) and (a) and to enact R.S. 9:165.1 and 165.2, relative to issuance of bonds; to authorize the State Bond Commission to issue bonds secured by monies deposited into the Unclaimed Property Leverage Fund for completion of I-49; to provide for the use of the proceeds of the bonds; to provide for certain requirements and limitations on the issuance of bonds; to provide for a procedure to contest the validity of issuance of the bonds; to provide for the rights of bondholders; to authorize the issuance of refunding bonds; to designate the first I-49 North Unclaimed Property Bond financed project; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 9:165(C)(2)(introductory paragraph) and (a) are hereby amended and reenacted and R.S. 9:165.1 and 165.2 are hereby enacted to read as follows:

§165. Deposit of funds

A.

* * *

C.(1)

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

(a) For transfer to the Louisiana Transportation Authority, hereinafter referred to as the "authority", to pay the principal and interest of unclaimed property

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bonds issued by the authority as the bonds become due and payable, and to fund such
reserve for contingencies, costs, and expenses as may be required by the resolution
authorizing the issuance of such bonds. These proceeds shall be expended, utilizing
any or all powers granted to the authority, including the funding or securitization of
revenue bonds, funds from the I-49 North Account exclusively to match federal
funds to be used for the costs for and associated with the construction of Interstate
49 North from Interstate 20 in the city of Shreveport to the Louisiana/Arkansas
border and funds from the I-49 South Account for Interstate 49 South from Interstate
10 in the city of Lafayette to the West Bank Expressway in the city of New Orleans.
For transfer to the State Bond Commission, hereinafter referred to as the
"commission", to pay the principal, premium, and interest of unclaimed property
bonds issued by the commission pursuant to R.S. 9:165.1 as the bonds become due
and payable and to fund such reserves for contingencies, costs, and expenses as may
be required by the resolution authorizing the issuance of such bonds as well as pay
amounts of ongoing expenses associated with the administration, maintenance, or
evaluation of the bonds issued for Interstate 49 North and Interstate 49 South.
Proceeds of the bonds, except monies needed to fund reserves and pay costs of
issuance, and to the extent not needed to pay debt service or other amounts due under
the resolution authorizing the bonds, shall be expended utilizing any or all powers
granted to the commission including the funding or securitization of revenue bonds.
Monies from the I-49 North Account shall be used exclusively to match federal
funds to be used by the Department of Transportation and Development for the costs
for and associated with the construction of Interstate 49 North from Interstate 20 in
the city of Shreveport to the Louisiana/Arkansas border. Monies from the I-49
South Account shall be used exclusively to match federal funds to be used by the
Department of Transportation and Development for the costs for and associated with
the construction of Interstate 49 South from Interstate 10 in the city of Lafayette to
the West Bank Expressway in the city of New Orleans.

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CODING: Words in strike through type are deletions from existing law; words underscored are additions.
§165.1. Bonds; Unclaimed Property Bonds; Completion of I-49

A.(1) Without reference to any provision of the Constitution of Louisiana and the laws of Louisiana, and as a grant of power in addition to any other general or special law, the State Bond Commission, hereinafter "commission", is hereby authorized to issue unclaimed property bonds, hereinafter referred to as "unclaimed property bonds" or "bonds", for the I-49 Project and pledge for the payment of the principal and interest of the unclaimed property bonds monies deposited or to be deposited into the Unclaimed Property Leverage Fund, which pledge shall be subject to the appropriation of funds by the legislature. The commission is further authorized, in its discretion, to pledge all or any part of any gift, grant, donation, or other sum of money, aid, or assistance from the United States, the state, or any political subdivision, thereof, unless otherwise restricted by the terms thereof, all or any part of the proceeds of bonds, credit agreements, instruments, or other money of the commission, from whatever source derived, for the further securing of the payment of the principal and interest of the bonds, including any monies provided to the commission from the Department of Transportation and Development. Any bonds shall be payable solely from revenues and bond proceeds, pending their disbursement and investment income thereon.

(2) The unclaimed property receipts which have been deposited into the Unclaimed Property Leverage Fund shall be applied to pay or provide for the payment of debt service and all related costs and expenses associated therewith on unclaimed property bonds issued by the commission. At no time shall bond payments securitized by unclaimed property receipts in the Unclaimed Property Leverage Fund exceed fifteen million dollars per year.

(3) The resolution or resolutions under which unclaimed property bonds are authorized to be issued may contain any or all of the following:

(a) Provisions respecting custody of the proceeds from the sale of the bonds, including any requirements that such proceeds be held separate from or not be commingled with other funds of the state.
(b) Provisions for the investment and reinvestment of unclaimed property bond proceeds until used to pay the costs of financing such unclaimed property bonds and for the disposition of any excess bond proceeds or investment earnings thereon.

(c) Provisions for the execution of reimbursement agreements or similar agreements in connection with credit facilities, including but not limited to letters of credit or policies of bond insurance, remarketing agreements, and credit enhancement devices, for the purpose of moderating interest rate fluctuations.

(d) Provisions for the collection, custody, investment, reinvestment, and use of the pledged revenues or other receipts, funds, or monies pledged therefor and deposited in the Unclaimed Property Leverage Fund.

(e) Provisions regarding the establishment and maintenance of reserves, sinking funds, and any other funds, and accounts as shall be approved by the commission in such amounts as may be established by the commission, and the regulation and disposition thereof, including requirements that any such funds and accounts be held separate from or not be commingled with other funds.

(f) Covenants for the establishment of pledged revenue coverage requirements for the unclaimed property bonds.

(g) Provisions for the issuance of additional unclaimed property bonds on a parity with unclaimed property bonds theretofore issued, including establishment of coverage requirements with respect thereto.

(h) Provisions or covenants of like or different character from the foregoing which are determined in such proceedings as necessary, convenient, or desirable in order to better secure the unclaimed property bonds, or will tend to make the unclaimed property bonds more marketable, and which are in the best interests of the commission.

B. Bonds issued under the provisions of this Section shall not be deemed to constitute a pledge of the full faith and credit of the state or of any governmental unit thereof. All such bonds shall contain a statement on their face substantially to the effect that neither the full faith and credit of the state nor the full faith and credit of
any public entity of the state are pledged to the payment of the principal of or the
interest on such bonds. The issuance of bonds under the provisions of this Section
shall not directly, indirectly, or contingently obligate the state or any governmental
unit of the state to levy any taxes whatever therefor or to make any appropriation for
their payment, other than obligations to make payments by the state or any public
entity to the commission arising out of contracts, including without limitation the
bonds, the bond resolution, and trust indentures authorized under this Section.

C. Bonds shall be authorized by a resolution of the commission and shall be
of such series, bear such date or dates, mature at such time or times, bear interest at
such rate or rates, including but not limited to fixed, variable, or zero rates, be
payable at such time or times, be in such denominations, be in such form, carry such
registration and exchangeability privilege, be payable in such medium of payment
and at such place or places, be subject to such terms of redemption prior to maturity
at such price or prices as determined by the commission, and be entitled to such
priority on the revenues as such resolution or resolutions may provide.

D. Bonds shall be sold by the commission at public sale by competitive bid
or negotiated by private sale and at such price as the commission may determine to
be in the best interest of the commission.

E. The issuance of unclaimed property bonds shall not be subject to any
limitations, requirements, or conditions contained in any other law, and bonds may
be issued without obtaining the consent of the state or any political subdivision, or
of any agency, commission, or instrumentality thereof, except that bonds issued
hereunder shall be included in the calculation of "net state tax supported debt" as
defined in R.S. 39:1367.

F. For a period of thirty days after the date of publication of a notice of intent
to issue bonds in the official journal of the state authorizing the issuance of bonds
hereunder, any person in interest shall have the right to contest the legality of the
resolution and the legality of the bond issue for any cause, but after that time no one
shall have any cause or right of action to contest the legality of the resolution or of
the bonds or the security therefor for any cause whatsoever. If no suit, action, or
proceeding is begun contesting the validity of the resolution, the bonds or the
security therefor within the thirty days herein prescribed, the commission to issue the
bonds and to provide for the payment thereof, the legality thereof, and of all of the
provisions of the resolution authorizing the issuance of the bonds shall be
conclusively presumed to be legal and shall be incontestable. Any notice of intent
so published shall set forth in reasonable detail the purpose of the bonds, the security
therefor, and the parameters of amount, duration, and interest rates. The commission
may designate any paper of general circulation in its geographical jurisdiction to
publish the notice of intent or may utilize electronic media available to the general
public. Any suit to determine the validity of bonds issued by the commission shall
be brought only in accordance with the provisions of R.S. 13:5121 et seq.

G. All bonds issued pursuant to this Section shall have all the qualities of
negotiable instruments under the commercial laws of the state.

H. Any pledge of revenues or other monies made by the commission shall
be valid and binding from the time when the pledge is made. The revenues or
monies so pledged and thereafter received by the commission shall immediately be
subject to the lien of such pledge without any physical delivery thereof or further act,
and the lien of any such pledge shall be valid and binding as against all parties
having claims of any kind in tort, contract, or otherwise against the commission
irrespective of whether such parties have notice thereof.

I. Neither the members of the commission nor any person executing the
bonds shall be liable personally for the bonds or be subject to any personal liability
or accountability by reason of the issuance thereof.

J. Bonds of the commission, their transfer, and the income therefrom shall
at all times be exempt from all taxation by the state or any political subdivision
thereof, and may or may not be exempt for federal income tax purposes. The bonds
issued pursuant to this Section shall be and are hereby declared to be legal and
authorized investments for banks, savings banks, trust companies, building and loan
associations, insurance companies, fiduciaries, trustees, and guardians. Such bonds
shall be eligible to secure the deposit of any and all public funds of the state and any
and all public funds of municipalities, parishes, school districts, or other political
corporations or subdivisions of the state. Such bonds shall be lawful and sufficient
security for the deposits to the extent of their value. When any bonds shall have
been issued hereunder, neither the legislature, the commission, nor any other entity
may discontinue or decrease the revenues pledged to the payment of the bonds
authorized hereunder or permit to be discontinued or decreased the revenues in
anticipation of the collection of which such bonds have been issued, or in any way
make any change in the allocation and dedication of the revenues which would
diminish the amount of the revenues to be received by the commission, until all of
such bonds shall have been retired as to principal and interest, and there is hereby
vested in the holders from time to time of such bonds a contract right in the
provisions of this Section.

K. The commission may provide by resolution for the issuance of refunding
bonds pursuant to R.S. 39:1444 et seq.

L. The holders of any bonds issued hereunder shall have such rights and
remedies as may be provided in the resolution or trust agreement authorizing the
issuance of the bonds, including but not by way of limitation appointment of a
trustee for the bondholders and any other available civil action to compel compliance
with the terms and provisions of the bonds and the resolution or trust agreement.

M. Subject to the agreements with the holders of bonds, all proceeds of
bonds and all revenues pledged under a resolution or trust agreement authorizing or
securing such bonds shall be deposited and held in trust in a fund or funds separate
and apart from all other funds of the state. Subject to the resolution or trust
agreement, the trustee shall hold the same for the benefit of the holders of the bonds
for the application and disposition thereof solely to the respective uses and purposes
provided in such resolution or trust agreement.

N. The commission is authorized to employ all professionals it deems
necessary in the issuance of its bonds.

O. The commission shall be deemed to be a public entity for purposes of
Chapters 13, 13-A, 14, 14-A, 14-B, and 15-A of Title 39 of the Louisiana Revised
Statutes of 1950, as amended, which statutes shall apply to bonds of the commission, provided that in the event of a conflict with the provisions of this Section, the provisions of this Section shall control.

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

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

§165.2. Designates first I-49 Unclaimed Property Bond project; "Alvin B. Kessler Memorial Highway"

The first project on I-49 North constructed utilizing financing with Unclaimed Property Bonds shall be named and designated as the "Alvin B. Kessler Memorial Highway". The Department of Transportation and Development shall erect appropriate signage indicating this designation.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ______________________