
The original instrument was prepared by Martha Hess. The following digest, which does not constitute a part of the legislative instrument, was prepared by Nancy Vicknair.

DIGEST

LaFleur (SB 384)

Present law provides for the issuance of bonds, notes, certificates, or other obligations or securities for the repayment of borrowed money, by public entities.

Proposed law retains present law but further provides procedures to provide for compliance with the municipal securities continuing disclosure rule of the United States Securities and Exchange Commission.

Proposed law provides for definitions of "auditor", "continuing disclosure agreement", "EMMA", "issuer", "municipal securities", "obligated person", "public entity", and "SEC rule".

Proposed law provides for recordkeeping by public entities by requiring them to continuously maintain:

- (1) A list of all Louisiana municipal securities for which the public entity is the issuer or an obligated person.
- (2) A copy of all continuing disclosure agreements to which the public entity is a party.
- (3) If, pursuant to a continuing disclosure agreement, the public entity is responsible for filing notices of changes in bond ratings, a list of current ratings for such securities, if any.

Proposed law provides that all records required to be kept by a public entity under this Section shall be subject to inspection by the public entity's auditor.

Proposed law provides that as part of its annual financial audit of a public entity, a public entity's auditor shall:

- (1) Review the public entity's compliance with the recordkeeping requirements of this Section.
- (2) Review the public entity's filings on EMMA to determine if such filings are in compliance with the continuing disclosure agreements.

Effective August 1, 2014.

(Adds R.S. 39:1438)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Defines "municipal securities" to include securities which are subject to continuing disclosure under the SEC rule.
2. Deletes the provision requiring a public entity's auditor to provide a report of its findings for each issue of securities in the public entity's annual financial audit.