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HOUSE FLOOR AMENDMENTS

2015 Regular Session

Amendments proposed by Representative Ourso to Original House Bill No. 756 by Representative Ourso

1 AMENDMENT NO. 1

- 2 On page 1, line 2, after "reenact" delete the remainder of the line and insert "R.S. 48:27(A),
- 3 (B), (C), (D)(1)(a) and (2)(a), (E), (F), (G), (H)(1) and (12), and (J), relative to"
- 4 AMENDMENT NO. 2
- 5 On page 1, line 3, after "Revenue" and before "Bonds" delete "Vehicles"
- 6 AMENDMENT NO. 3
- 7 On page 1, line 4, after "terms;" delete the remainder of the line and at the beginning of line
- 8 5 delete "State Bond Commission;" and insert the following:
- 9 "to provide with respect to the issuance of bonds; to provide with respect to federal 10 transportation funds; to provide with respect to duties of the state treasurer; to 11 provide with respect to state matching funds; to provide with respect to the
- enhancement of the bonds; to provide with respect to instances when such bonds are
- included in state debt;"
- 14 AMENDMENT NO. 4
- On page 2, line 14, after "Constitution" and before "and" delete "of Louisiana"
- 16 AMENDMENT NO. 5
- On page 2, at the end of line 15, after "Constitution" delete "of" and from the beginning of
- 18 line 16 delete "Louisiana"
- 19 AMENDMENT NO. 6
- On page 3, line 13, after "including" and before "but not" delete the comma ","
- 21 <u>AMENDMENT NO. 7</u>
- On page 3, line 25, after "including" and before "but not" delete the comma ","
- 23 <u>AMENDMENT NO. 8</u>
- On page 4, line 4, after "including" and before "but not" delete the comma ","
- 25 <u>AMENDMENT NO. 9</u>
- 26 On page 4, between lines 7 and 8, insert the following:
- "(i) Federal transportation funds and state <u>State</u> matching funds, if any, that are appropriated on an annual basis for such purpose by the state.

Page 1 of 3

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1 (ii) Federal transportation funds maintained in a separate identifiable fund 2 or account outside of the state treasury as provided in Subparagraph (2)(a) of this 3 Subsection.

(ii)(iii) Any proceeds of such bonds and any earnings from the investment of such bond proceeds pledged for such purpose.

(iii)(iv) Other revenues, funds, or other security, if any, pledged or appropriated for such purpose under state law.

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(2)(a) The portion of the principal of and interest on the bonds and the costs associated with the issuance and administration of such bonds that may be paid from federal transportation funds pursuant to federal law and any agreement between the United States Department of Transportation and the department hereinafter referred to in this Paragraph as "the federal share of principal, interest, and costs", shall be paid from federal transportation funds that the legislature, in its sole discretion, has appropriated on an annual basis for this purpose in accordance with state law. In accordance with the provisions of Article VII, Section 9(A)(6) of the Constitution, there is hereby established a special fund for the purpose of providing for the securitization of any bonds which may be issued pursuant to the provisions of this Section which shall include requirements for reserves and credit enhancement devices, all as may be provided in any resolution, trust agreement, indenture, or other instrument pursuant to which the bonds were issued. The fund shall be administered by a trustee as designated by the State Bond Commission. The source of monies in the fund shall be the federal transportation funds. Federal transportation funds, up to the amount necessary to pay principal and interest on the bonds, all costs of issuance, any requirement for reserves, or credit enhancement devices shall be set aside in a separate identifiable fund or account outside of the state treasury but maintained by the state treasury and the revenues shall be assigned and pledged to the trustee under the documents pursuant to which the bonds were issued for the benefit of the bondholders. After satisfaction of all requirements of this Section, federal transportation funds received by the state shall be available for any other purposes."

AMENDMENT NO. 10

- On page 4, line 19, after "state." and before "Such" insert the following:
- "The state treasurer may enter into a collection agreement with the trustee to provide
 for the collection of federal transportation funds."

AMENDMENT NO. 11

On page 5, delete lines 6 and 7 in their entirety and insert the following:

"F. Financial obligations subject to appropriation. Any bond issued in accordance with this Section shall constitute a contract between the state of Louisiana and the owner or holder thereof. In no event shall any decision by the state not to appropriate; state matching funds, or federal transportation funds in any given fiscal year for the payment of such bonds or any costs associated with the issuance and administration for such bonds be construed to constitute an action impairing such contract. Every contract entered into by the State Bond Commission pursuant to the provisions of this Section shall provide that all financial state matching fund obligations of the state under such contracts are subject to appropriation on an annual basis by the state and that such contracts do not constitute or create debt of the state, within the meaning of any constitutional or statutory provisions whatsoever, and neither the full faith or credit nor the taxing power of the

state is pledged to the payment of the principal of, premium, if any, or the interest on the bonds. In addition, bonds issued by the State Bond Commission on behalf of the state pursuant to the provisions of this Section and every contract relating to the issuance of such bonds shall provide that all financial obligations of the state in regard to the portion of the principal of and interest on such bonds and the costs associated with the issuance and administration of such bonds that may be paid from federal transportation funds pursuant to federal law and any agreement between the United States Department of Transportation and the department are subject to continuing federal appropriations of federal transportation funds at a level equal to or greater than the amount needed to pay the federal share of principal, interest, and costs on the bonds.

G. Pledges. Any pledge made by the State Bond Commission pursuant to this Section shall be valid and binding from the time the pledge is made. The revenues, securities, and other monies so pledged and then held or thereafter received by the State Bond Commission state or any fiduciary 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 State Bond Commission whether or not such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the official minutes of the State Bond Commission.

H.(1) Certain details of the bonds. Notwithstanding any provision of law to the contrary, the bonds shall be of such series, bear such date or dates, be serial or term bonds, mature at such time or times no later than thirty years from their date, bear interest at such fixed, variable, or adjustable rate or rates payable on such date or dates, be in such denomination, be in such form, carry such registration and exchangeability provisions, be payable in such medium of payment and at such place or places, be subject to such terms of redemption, and be entitled to such priorities on the amounts pledged to secure the bonds as the resolution or trust agreement authorizing or securing such bonds may provide. The bonds may be additionally secured by municipal bond insurance, bank guarantees, surety bonds, letters of credit, lines of credit, or other devices to enhance the credit quality of the bonds, or any combination thereof, as the State Bond Commission determines. In addition, derivative products, including interest rate exchange agreements and other interest rate hedge agreements, may be used to either enhance the marketability of the bonds or to minimize interest rate risks, or both:"

AMENDMENT NO. 12

- On page 5, line 13, after "herein" and before the period "." insert the following:
- "and the bonds issued hereunder shall not be included in the calculation of net state
 tax supported debt as defined in R.S. 39:1367 unless the bonds are served by a state
 appropriation as set forth in a cooperative endeavor agreement"