

ACT No. 300

2015 Regular Session

HOUSE BILL NO. 176

BY REPRESENTATIVE SHADOIN AND SENATOR WALSWORTH

1 AN ACT

2 To amend and reenact R.S. 33:2955(A)(1)(k)(iii) and (l)(iii), relative to investments by
3 political subdivisions; to provide with respect to requirements for investments in
4 bonds, debentures, notes, or other indebtedness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 33:2955(A)(1)(k)(iii) and (l)(iii) are hereby amended and reenacted
7 to read as follows:

8 §2955. Investments by political subdivisions

9 A.(1) All municipalities, parishes, school boards, and any other political
10 subdivisions of the state are hereby authorized and directed to invest such monies in
11 any general fund or special fund of the political subdivision, and any other funds
12 under the control of the political subdivision which they, in their discretion, may
13 determine to be available for investment in any of the following obligations:

14 * * *

15 (k) Bonds, debentures, notes, or other indebtedness issued by a state of the
16 United States of America other than Louisiana or any such state's political
17 subdivisions provided that all of the following conditions are met:

18 * * *

19 (iii) Prior to purchase of any such indebtedness and at all times during which
20 such indebtedness is owned, the purchasing Louisiana political subdivision retains
21 the services of an investment advisor registered with the United States Securities and
22 Exchange Commission or a trust company that has offices in Louisiana, that is
23 regulated by the Office of Financial Institutions or the applicable federal agency, and
24 that owes a fiduciary duty to act solely in the best interest of the political
25 subdivision.

1 (l) Bonds, debentures, notes, or other indebtedness issued by domestic
2 United States corporations provided that all of the following conditions are met:

3 * * *

4 (iii) Prior to purchase of any such indebtedness and at all times during which
5 such indebtedness is owned, the purchasing Louisiana political subdivision retains
6 the services of an investment advisor registered with the United States Securities and
7 Exchange Commission or a trust company that has offices in Louisiana, that is
8 regulated by the Office of Financial Institutions or the applicable federal agency, and
9 that owes a fiduciary duty to act solely in the best interest of the political
10 subdivision.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____