

2016 Regular Session

SENATE BILL NO. 414

BY SENATOR LUNEAU

BONDS. Provides for the application of a premium, if any, in connection with the issuance of bonds. (gov sig)

1 AN ACT
2 To amend and reenact R.S. 39:571(A), relative to the sale of bonds; to provide with respect
3 to the price at which bonds may be sold; to provide for the application of the
4 premium, if any, derived in connection with the issuance of bonds; to provide for an
5 effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 39:571(A) is hereby amended and reenacted to read as follows:
8 §571. ~~No sale below par;~~ **Bond sale prices;** application of premium and accrued
9 interest

10 A. ~~(1) Except as expressly provided herein, no bonds issued shall be sold for~~
11 ~~less than their par value and accrued interest, but~~ **Bonds may be sold at the prices**
12 **as provided in R.S. 39:1428 and** the bidder for the bonds may stipulate in his bid
13 that the proceeds of the bonds shall be deposited in a bank designated or to be
14 designated by him to act as fiscal agent for the fund. Such stipulation shall be
15 limited to the deposit of the bond proceeds and shall not extend to the taxes levied
16 and collected to meet maturing bonds and coupons. The depository so designated
17 must be a bank located in this state, which shall give security to the amount and in

be used for any purpose for which the bonds are being issued and shall be deposited in the same account into which the bond proceeds are deposited.

Proposed law further provides that if any accrued interest is received, any interest received in connection with any bonds shall be applied to the payment of the principal or to the interest on the bonds, and shall be deposited in the bank along with taxes levied and collected for that purpose.

Proposed law provides that all laws or parts of law in conflict with proposed law are repealed.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 39:571(A))