2020 Regular Session

HOUSE BILL NO. 575

BY REPRESENTATIVE THOMPSON

ENROLLED

ACT No. 195

1 AN ACT 2 To enact R.S. 49:321(A)(5) through (7) and (G), relative to collateral for deposits of state 3 funds; to provide relative to the types of instruments that may be required as 4 collateral; to provide relative to restrictions on certain types of instruments used as 5 collateral; and to provide for related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 49:321(A)(5) through (7) and (G) are hereby enacted to read as 8 follows: 9 §321. Security for deposit of funds; checks and drafts of departments 10 A. State depositing authorities shall require as security for deposits of state 11 funds either: 12 13 (5) Notwithstanding any other provision of law to the contrary, any 14 obligation, security, or investment that the state may invest in directly as provided 15 in R.S. 49:327. 16 (6) Bonds, debentures, notes, or other indebtedness issued by a state of the 17 United States of America other than Louisiana or any such state's political 18 subdivisions. The indebtedness shall have a long-term rating of A3 or higher by 19 Moody's Investors Service, a long-term rating of A- or higher by Standard & Poor's, 20 a long-term rating of A- or higher by Fitch, Inc., a short-term rating of M1G1 or 21 VM1G1 by Moody's Investors Service, a short-term rating of A-1 or A-1+ by Standard & Poor's, or a short-term rating of F1 or F1+ by Fitch, Inc. 22

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

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1	(7) Bonds, debentures, notes, or other indebtedness issued by domestic
2	United States corporations. The indebtedness shall have a long-term rating of Aa3
3	or higher by Moody's Investors Service, a long-term rating of AA- or higher by
4	Standard & Poor's, or a long-term rating of AA- or higher by Fitch Ratings, Inc.
5	* * *
6	G. Notwithstanding any provision of law to the contrary, there shall be no
7	duration limitation or restriction on the bonds used as security for deposits of state
8	funds pursuant to the provisions of this Section.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

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