HLS 15RS-169 ENGROSSED

2015 Regular Session

HOUSE BILL NO. 618

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## BY REPRESENTATIVES ST. GERMAIN AND ARMES

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TRANSPORTATION: (Constitutional Amendment) To authorize public funds to be used to invest in a state infrastructure bank for eligible transportation projects

## A JOINT RESOLUTION

Proposing to amend Article VII, Section 14(B) of the Constitution of Louisiana, relative to public funds; to authorize public funds to be used to invest in a state infrastructure bank; to authorize the loan, pledge, or guarantee of public funds by a state infrastructure bank for transportation projects; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 14(B) of the Constitution of Louisiana, to read as follows:

§14. Donation, Loan, or Pledge of Public Credit

12 \* \* \*

(B) Authorized Uses. Nothing in this Section shall prevent (1) the use of public funds for programs of social welfare for the aid and support of the needy; (2) contributions of public funds to pension and insurance programs for the benefit of public employees; (3) the pledge of public funds, credit, property, or things of value for public purposes with respect to the issuance of bonds or other evidences of indebtedness to meet public obligations as provided by law; (4) the return of property, including mineral rights, to a former owner from whom the property had previously been expropriated, or purchased under threat of expropriation, when the

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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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legislature by law declares that the public and necessary purpose which originally supported the expropriation has ceased to exist and orders the return of the property to the former owner under such terms and conditions as specified by the legislature; (5) acquisition of stock by any institution of higher education in exchange for any intellectual property; (6) the donation of abandoned or blighted housing property by the governing authority of a municipality or a parish to a nonprofit organization which is recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4) nonprofit organization and which agrees to renovate and maintain such property until conveyance of the property by such organization; (7) the deduction of any tax, interest, penalty, or other charges forming the basis of tax liens on blighted property so that they may be subordinated and waived in favor of any purchaser who is not a member of the immediate family of the blighted property owner or which is not any entity in which the owner has a substantial economic interest, but only in connection with a property renovation plan approved by an administrative hearing officer appointed by the parish or municipal government where the property is located; (8) the deduction of past due taxes, interest, and penalties in favor of an owner of a blighted property, but only when the owner sells the property at less than the appraised value to facilitate the blighted property renovation plan approved by the parish or municipal government and only after the renovation is completed such deduction being canceled, null and void, and to no effect in the event ownership of the property in the future reverts back to the owner or any member of his immediate family; (9) the donation by the state of asphalt which has been removed from state roads and highways to the governing authority of the parish or municipality where the asphalt was removed, or if not needed by such governing authority, then to any other parish or municipal governing authority, but only pursuant to a cooperative endeavor agreement between the state and the governing authority receiving the donated property; (10) the investment in stocks of a portion of the Rockefeller Wildlife Refuge Trust and Protection Fund, created under the provisions of R.S. 56:797, and the Russell Sage or Marsh Island Refuge Fund, created under the

1	provisions of R.S. 56:798, such portion not to exceed thirty-five percent of each
2	fund; (11) the investment in stocks of a portion of the state-funded permanently
3	endowed funds of a public or private college or university, not to exceed thirty-five
4	percent of the public funds endowed; or (12) the investment in equities of a portion
5	of the Medicaid Trust Fund for the Elderly created under the provisions of R.S.
6	46:2691 et seq., such portion not to exceed thirty-five percent of the fund-; or (13)
7	the investment of public funds to capitalize a state infrastructure bank and the loan,
8	pledge, or guarantee of public funds by a state infrastructure bank solely for
9	transportation projects.
10	* * *
11	Section 2. Be it further resolved that this proposed amendment shall be submitted
12	to the electors of the state of Louisiana at the statewide election to be held on October 24,
13	2015.
14	Section 3. Be it further resolved that on the official ballot to be used at the election,
15	there shall be printed a proposition, upon which the electors of the state shall be permitted
16	to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
17	follows:
18	Do you support an amendment to authorize the investment of funds for a
19	state infrastructure bank and for the bank to loan, pledge, or guarantee funds
20	to be used solely for transportation projects? (Amends Article VII, Section
21	14(B))

## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 618 Engrossed

2015 Regular Session

St. Germain

**Abstract:** Authorizes the state treasurer to invest public funds in a state infrastructure bank and donate, loan, pledge, or guarantee funds to or for political subdivisions to use on transportation projects.

Present constitution prohibits the loan, pledge, or donation of funds, credit, property, or things of value of the state. Provides an extensive list of exceptions to this prohibition.

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<u>Proposed constitutional amendment</u> retains <u>present constitution</u> and adds an exception for the investment of public funds to capitalize a state infrastructure bank and for the bank to loan, pledge, or guarantee public funds for transportation projects.

Provides for submission of the proposed amendment to the voters at the statewide election to be held on October 24, 2015.

(Amends Const. Art. 7, §14(B))