

Existing law authorizes the Dept. of Environmental Quality (hereinafter DEQ) to administer and operate the Municipal Facilities Revolving Loan Fund. DEQ is authorized to issue, incur, and deliver debt evidenced by bonds, notes, or other evidences of indebtedness, and to guarantee the debt of local municipalities, all payable from or secured by sums in the Fund, for the purpose of assisting municipalities in the financing of construction of wastewater treatment facilities. DEQ is further authorized to provide low-cost loans to such entities for such purposes. The secretary of DEQ may use an executive order to authorize the issuance, sale, execution, and delivery of bonds and other evidences of indebtedness of the department, which order shall include the maximum principal amount of any such obligation. All sales of bonds shall be subject to approval of, and the sale performed by, the State Bond Commission. Such bonds shall not be secured by the full faith and credit of any source of revenue of the state of La. other than monies from the Fund. Such bonds, pledges, and guarantees shall be exempt from all taxation for state, parish, and municipal or other purposes. Such bonds, pledges, and guarantees shall constitute revenue bonds within the meaning of Art. VII, §6(C) of the La. Constitution, and shall not constitute the incurring of state debt. Payments from the Fund to pay debt service on any bond, guarantee, or pledge to secure any debt shall not be subject to annual appropriation by the legislature.

Existing law authorizes DEQ to enter into contracts and agreements as necessary for the administration of the Fund.

Existing law authorizes DEQ to issue and deliver refunding bonds and revenue anticipation notes in connection with the Fund.

New law changes the name of the Fund from the Municipal Facilities Revolving Loan Fund to the Clean Water State Revolving Loan Fund.

New law increases the maximum term for loans from the fund from 20 years to 30 years and increases the term for planning and preparations for projects from two years to five years.

New law provides that the department may enforce any covenant relating to indebtedness or any security for such indebtedness by suit, action, mandamus, or other appropriate proceedings.

New law provides certain revenue bonds issued by a political subdivision and sold to the Clean Water State Revolving Fund or the Drinking Water Revolving Loan Fund must be approved by the State Bond Commission prior to the incurring of such indebtedness; however, no prior approval shall be required of the contents of the notice of intention to issue the revenue bonds.

Effective upon signature of governor (June 17, 2010).

(Amends R.S. 30:2011(A)(3) and (D)(4) and (23), 2074(A)(4), 2397, R.S. 33:4548.13, and R.S. 40:2821(B)(2) and 2824(B); Adds R.S. 30:2301-2306 and R.S. 39:1022(C); Repeals R.S. 30:2078-2088)