SENATE BILL NO. 144

BY SENATOR MARTINY

1	AN ACT
2	To amend and reenact R.S. 6:243(B)(1) and (2)(a) and (b), relative to immovable property;
3	to provide for the accounting for immovable property held by a state bank; and to
4	provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 6:243(B)(1) and (2)(a) and (b) are hereby amended and reenacted to
7	read as follows:
8	§243. Immovable property; dealings
9	A. * * *
10	B.(1) Except for property held pursuant to Paragraphs (A)(1) and (A)(5) of
11	this Section, a state bank shall not hold immovable property as an asset for a longer
12	time than ten years. Any bank holding immovable property which is subject to the
13	ten-year divestiture period shall enter the immovable property on its books at fair
14	market value, or acquisition cost, whichever is lower in accordance with generally
15	accepted accounting principles (GAAP).
16	(2)(a) A state bank shall obtain annually, within a reasonable time as
17	determined by the commissioner, from a qualified appraiser a current appraisal of the
18	fair market value of any such property valued at an amount greater than two hundred
19	fifty thousand dollars and shall reduce the value of any property on its books if the
20	fair market value has declined account for the property in accordance with
21	GAAP.
22	(b) For property valued at less than two hundred fifty thousand dollars, a state
23	bank shall annually perform an adequate evaluation of such property. If it is
24	determined after After adequate evaluation that of the property, has a value that is

1 less than its book value, then the book value shall be reduced to reflect the correct 2 valuation of the property in accordance with policies adopted by the commissioner 3 a state bank shall account for the property in accordance with GAAP. The 4 commissioner may require a state bank to obtain an appraisal by a qualified appraiser 5 of a piece of property valued at less than two hundred fifty thousand dollars, if it is 6 necessary for safety and soundness reasons. 7 PRESIDENT OF THE SENATE SPEAKER OF THE HOUSE OF REPRESENTATIVES GOVERNOR OF THE STATE OF LOUISIANA

ENROLLED

SB NO. 144

APPROVED: _____