

Regular Session, 2014

HOUSE BILL NO. 821

BY REPRESENTATIVE PIERRE

ENERGY/ALTERNATE: Provides relative to sustainable energy financing districts

1 AN ACT

2 To amend and reenact R.S. 33:130.812(C)(1)(introductory paragraph) and (3), relative to
3 liens of sustainable energy financing districts; to provide relative to the ranking of
4 liens of sustainable energy financing districts; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 33:130.812(C)(1)(introductory paragraph) and (3) are hereby
7 amended and reenacted to read as follows:

8 §130.812. Financing for projects

9 * * *

10 C.(1) The amount of the loan including interest rates and administrative fees
11 shall be assessed against the immovable property upon which the improvements are
12 placed and shall be collected in the same manner as is provided for the ad valorem
13 taxes assessed on the property by the local governmental subdivision creating the
14 district. In order to secure repayment of loans, upon entering into a program loan
15 with a borrower, the local government subdivision creating a district shall file a
16 statement of lien with the recorder of mortgages for the parish in which the property
17 is located. The lien or privilege shall be for the full amount of the program loan and
18 shall take effect against third persons upon filing the statement of lien with the
19 appropriate recorder of mortgages for the parish where the property is located. The
20 lien shall rank equivalent to that of ad valorem taxes or local assessments and liens

1 ~~and privileges as provided in La. R.S. 9:4821(1) be subordinate to all liens in~~
2 ~~existence at the time the lien for the assessment is filed or a first mortgage on the~~
3 ~~property recorded after such filing, but shall be superior to any other lien on the~~
4 ~~property recorded after such filing.~~ The statement of lien shall contain the following:

5 * *

(3) Upon failure of the property owner to pay the current year's assessment when due, the local governmental subdivision and district shall have the right to enforce the lien and privilege to recover and collect the current year's payment or assessment along with any prior year's payment or assessment remaining delinquent. ~~The lien and privilege shall have the same ranking as an ad valorem tax lien on immovable property as provided in R.S. 9:4821(1), and~~ A lien placed on a property pursuant to this Subpart shall be subordinate to all liens in existence at the time the lien for the assessment is filed or a first mortgage on the property recorded after such filing, but shall be superior to any other lien on the property recorded after such filing. The lien may be enforced and collected by ordinary civil proceeding in accordance with Code of Civil Procedure Articles 851 et seq. or by executory process if the loan documentation contains a confession of judgment or by any other applicable state law to enforce and collect the amount due as a property tax lien assessed against the property in any manner fixed for collection of taxes subject to the same civil penalties for delinquencies, together with attorneys' fees and costs incurred in notification to the owner and the enforcement and collection of the amounts owed.

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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)]

Pierre

HB No. 821

Abstract: Provides for the ranking of a lien filed by a sustainable energy financing district.

Present law authorizes a parish or municipality to create a special district to be known as a sustainable financing district. Provides that the governing authority of the local parish or municipality shall be the governing authority for any such district.

Proposed law retains present law.

Present law provides that the parish or municipality creating the district may incur debt for the purpose of providing funds to make loans provided for in the present law.

Proposed law retains present law.

Present law provides that the owner of property within the district may request financing in the form of a loan from the district to cover the costs of energy efficiency improvements.

Proposed law retains present law.

Present law requires the parish or municipality to file a statement of lien with the recorder of mortgages for the parish in which the property is located for the full amount of the program loan which takes effect against third persons upon the filing of the statement of the lien.

Proposed law retains present law.

Present law provides that the lien filed by a parish or municipality pursuant to present law shall rank equivalent to that of ad valorem taxes or local assessments and liens and privileges as provided in existing law (R.S. 9:4821(1)).

Proposed law provides that the lien filed by a parish or municipality pursuant to present law shall rank subordinate to all liens in existence at the time the lien for the assessment is filed or a first mortgage on the property recorded after such filing, but shall be superior to any other lien on the property recorded after such filing.

Present law provides that the lien and privilege has the same ranking as an ad valorem tax lien on immovable property. Provides that the lien and privilege may be enforced and collected by ordinary civil proceedings or as any ordinary property tax lien assessed against the property.

Proposed law provides that the lien filed by a parish or municipality pursuant to present law is subordinate to all liens in existence at the time the lien for the assessment is filed or a first mortgage on the property recorded after such filing, but shall be superior to any other lien on the property recorded after such filing.

(Amends R.S. 33:130.812(C)(1)(intro. para.) and (3))