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## DIGEST

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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))