

Regular Session, 2014

SENATE BILL NO. 574

BY SENATOR CHABERT

HOUSING. Creates the My Safe Louisiana Home Program within the Louisiana Housing Corporation and provides for funding of the program. (7/1/15)

AN ACT

To enact Chapter 3-H of Title 40 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 40:600.121 and 600.122, relative to the Louisiana Housing Corporation; to create the My Safe Louisiana Home Program; to provide for the purpose of the program; to establish the My Safe Louisiana Home Program Fund as a special treasury fund; to provide for the deposit into and use of monies in the fund; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 3-H of Title 40 of the Louisiana Revised Statutes of 1950, comprised of R.S. 40:600.121 and 600.122 is hereby amended and reenacted to read as follows:

CHAPTER 3-H. MY SAFE LOUISIANA HOME PROGRAM

§600.121. Short title; purpose

A. This Chapter shall be known and may be cited as the "My Safe Louisiana Home Program Act".

B. There shall be established within the Louisiana Housing Corporation the My Safe Louisiana Home Program. The corporation shall provide fiscal

1 accountability, contract management, and strategic leadership for the program,
2 consistent with this Chapter. This Chapter does not create an entitlement for
3 property owners or obligate the state in any way to fund the inspection or
4 retrofitting of residential property in this state. Implementation of this
5 program is subject to annual legislative appropriations.

6 §600.122. My Safe Louisiana Home Program Fund; sources; administration

7 A. There is hereby established as a special fund in the state treasury the
8 "My Safe Louisiana Home Program Fund", hereinafter referred to as "the
9 fund".

10 B.(1) After compliance with the requirements of Article VII, Section
11 9(B) of the Constitution of Louisiana relative to the Bond Security and
12 Redemption Fund, and prior to monies being placed in the state general fund,
13 the lesser of the following shall be annually credited to the fund:

14 (a) An amount equal to the amount of surcharges, market equalization
15 charges, or assessments paid by taxpayers during the taxable year as a result of
16 the 2005 regular assessment or the emergency assessments levied due to
17 hurricanes Katrina and Rita by Louisiana Citizens Property Insurance
18 Corporation for the FAIR Plan and Coastal Plan, as those plans are defined in
19 R.S. 22:2292, less the amount of the tax credit claimed pursuant to R.S. 47:6025
20 during the same period.

21 (b) The sum of one million dollars.

22 (2) The source of monies in the fund shall be funds credited to the fund,
23 funds from specific legislative appropriations, and from donations, gifts, grants,
24 and matching or other funds. Monies in the fund shall be used solely as
25 provided by Subsection C of this Section and only in the amounts appropriated
26 by the legislature. All unexpended and unencumbered monies in the fund at the
27 end of the fiscal year shall remain in the fund. The monies in this fund shall be
28 invested by the state treasurer in the same manner as monies in the state
29 general fund and interest earned on the investment of these monies shall be

1 credited to the fund.

2 C. Monies in the fund shall be used for the following:

3 (1) To provide for operating expenses of the program.

4 (2) To provide for free home-retrofit inspections of site-built, single-
5 family, residential property throughout the state to determine what mitigation
6 measures are needed, what insurance premium discounts may be available, and
7 what improvements to existing residential properties are needed to reduce the
8 property's vulnerability to hurricane damage.

9 (3) To provide grants to encourage single-family, site-built, owner-
10 occupied, residential property owners insured by Louisiana Citizens Property
11 Insurance Corporation to retrofit their properties to make them less vulnerable
12 to hurricane damage. The residence must be located in a coastal parish, and the
13 maximum amount for an individual grant shall not exceed ten thousand dollars.
14 For the purposes of this Paragraph, "coastal parish" means any one of the
15 following parishes: Cameron, Iberia, Jefferson, Lafourche, Orleans,
16 Plaquemines, St. Bernard, St. Mary, Terrebonne, and Vermilion Parish.

17 D. The Louisiana Housing Corporation, not later than January 1, 2016,
18 shall promulgate rules and regulations for the implementation of this program
19 in accordance with the Administrative Procedure Act. These rules shall include
20 but not be limited to:

21 (1) Eligibility criteria for participation.

22 (2) Criteria for ranking and selecting applicants.

23 (3) Criteria for the certification of and reimbursement to inspectors for
24 the home-retrofit inspections.

25 Section 2. This Act shall become effective on July 1, 2015.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Michael Bell.

DIGEST

Chabert (SB 574)

Proposed law establishes the My Safe Louisiana Home Program within the Louisiana

Housing Corporation (LHC). Provides that the program, subject to appropriations from the My Safe Louisiana Home Program Fund, shall provide for free home-retrofit inspections of site-built, single-family, residential properties to provide recommendations to reduce the property's vulnerability to hurricane damage; grants for retrofitting single-family, site-built, owner-occupied, residences insured by La. Citizens Property Insurance Corp. to make them less vulnerable to hurricane damage. Grants are for residences located in coastal parishes (Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Mary, Terrebonne, and Vermilion) and are limited to \$10,000 per grant.

Proposed law provides that the treasurer shall deposit into the fund whichever is less - \$1 million per year or an amount equal to the surcharges, market equalization charges, or assessments paid by a taxpayer during the taxable year as a result of the 2005 regular assessment or the emergency assessments levied due to hurricanes Katrina and Rita by La. Citizens Property Insurance Corp. for the FAIR Plan and Coastal Plan, less the amount claimed pursuant to R.S. 47:6025 during the same period.

Present law (R.S. 47:6025) authorizes a refundable tax credit against Louisiana income tax due in a taxable year for the amount of surcharges, market equalization charges, or assessments paid by a taxpayer during the taxable year as a result of the 2005 regular assessment or the emergency assessments levied due to hurricanes Katrina and Rita by Louisiana Citizens Property Insurance Corporation for the FAIR Plan and Coastal Plan.

Proposed law requires the LHC to promulgate rules and regulations for the program by January 1, 2016, including eligibility criteria for participation; criteria for ranking and selecting applicants; and criteria for the certification of and reimbursement to inspectors for the home-retrofit inspections.

Effective July 1, 2015.

(Adds R.S. 40:600.121 and 600.122)