SLS 20RS-828 **ORIGINAL**

2020 Regular Session

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SENATE BILL NO. 512

BY SENATORS BOUDREAUX AND CONNICK

FUNDS/FUNDING. Provides for the use and exemptions applicable to payments, grants, and loans made by governmental entities to persons resulting from the occurrence of an extraordinary emergency event. (gov sig)

AN ACT

2	To enact R.S. 20:34, relative to funds received from governmental entities as the result of
3	an extraordinary emergency event; to provide definitions; to provide exemptions
4	from certain legal proceedings; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 20:34 is hereby enacted to read as follows:
7	§34. Payments, grants, and loans made by the United States, any state of
8	the union, or any federal or state agency resulting from the occurrence of an
9	extraordinary emergency event
10	A. It is the public policy of the state of Louisiana that all payments,
11	grants, or loans made by the United States, any state of the union, or any federal
12	or state agency as a result of a national or statewide extraordinary emergency
13	event shall be used by the payee, grantee, or borrower for the purposes intended
14	by the governmental authority which pays, grants, or lends the funds.
15	B. By way of illustration and not exclusion, an "extraordinary
16	emergency event" as used in this Section, includes but is not limited to, any of
17	the following:

1	(1) An act of war or terrorism.
2	(2) A riot or insurrection against the lawful governing authority.
3	(3) A declared natural disaster or state of emergency.
4	(4) An economic crisis.
5	(5) A pandemic or other declared public health emergency.
6	C. Any and all government payments or grants made to, and the
7	proceeds of any governmental loans received, as a result of an extraordinary
8	emergency event by any natural or juridical person who is a citizen of the
9	United States and domiciled in this state:
10	(1) Are exempt from seizure, sale, attachment, or restraint under any
11	writ, mandate, or process whatsoever, except for the payment of alimony and
12	child support as may be otherwise allowed by law.
13	(2) May not be assigned as security or otherwise for the payment of any
14	debt existing prior to the extraordinary emergency event for which the payment
15	was made.
16	D. After receipt by the person, all grant payments or proceeds shall
17	continue to be exempt from seizure and shall retain their exempt status, and
18	shall not be liable to attachment, garnishment, or other process, or to be levied,
19	seized, taken, appropriated, or applied by any legal or equitable process or
20	operation of law to pay any debt of the payee, grantee, or borrower, provided
21	that said funds or loan proceeds are clearly traceable and identifiable as grant
22	payments or loan proceeds and as are held separately in an escrow account
23	expressly identified as an account opened under this Section.
24	Section 2. This Act shall become effective upon signature by the governor or, if not
25	signed by the governor, upon expiration of the time for bills to become law without signature
26	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
27	vetoed by the governor and subsequently approved by the legislature, this Act shall become
28	effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry J. Guillot.

DIGEST 2020 Regular Session

Boudreaux

SB 512 Original

<u>Proposed law</u> states that it is the public policy of the state that all payments, grants, or loans made by the United States, any state of the union, or any federal or state agency as a result of a national or statewide extraordinary emergency event shall be used by the payee, grantee, or borrower for the purposes intended by the governmental authority which pays, grants, or lends the funds.

Provides that by way of illustration and not exclusion, an "extraordinary emergency event" includes but is not limited to, any of the following:

- (1) An act of war or terrorism.
- (2) A riot or insurrection against the lawful governing authority.
- (3) A declared natural disaster or state of emergency.
- (4) An economic crisis.
- (5) A pandemic or other declared public health emergency.

Provides that any and all government payments or grants made to, and the proceeds of any governmental loans received, as a result of an extraordinary emergency event by any natural or juridical person who is a citizen of the United States and domiciled in this state:

- (1) Are exempt from seizure, sale, attachment, or restraint under any writ, mandate, or process whatsoever, except for the payment of alimony and child support as may be otherwise allowed by law.
- (2) May not be assigned as security or otherwise for the payment of any debt existing prior to the extraordinary emergency event for which the payment was made.

Provides that after receipt by the person, all grant payments or proceeds shall continue to be exempt from seizure and shall retain their exempt status, and shall not be liable to attachment, garnishment, or other process, or to be levied, seized, taken, appropriated, or applied by any legal or equitable process or operation of law to pay any debt of the payee, grantee, or borrower, provided that said funds or loan proceeds are clearly traceable and identifiable as grant payments or loan proceeds and as are held separately in an escrow account expressly identified as an account opened under <u>proposed law</u>.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 20:34)