## 2020 Regular Session

#### HOUSE BILL NO. 575

#### BY REPRESENTATIVE THOMPSON

1	AN ACT
2	To enact R.S. 49:321(A)(5) through (7) and (G), relative to collateral for deposits of state
3	funds; to provide relative to the types of instruments that may be required as
4	collateral; to provide relative to restrictions on certain types of instruments used as
5	collateral; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 49:321(A)(5) through (7) and (G) are hereby enacted to read as
8	follows:
9	§321. Security for deposit of funds; checks and drafts of departments
10	A. State depositing authorities shall require as security for deposits of state
11	funds either:
12	* * *
13	(5) Notwithstanding any other provision of law to the contrary, any
14	obligation, security, or investment that the state may invest in directly as provided
15	<u>in R.S. 49:327.</u>
16	(6) Bonds, debentures, notes, or other indebtedness issued by a state of the
17	United States of America other than Louisiana or any such state's political
18	subdivisions. The indebtedness shall have a long-term rating of A3 or higher by
19	Moody's Investors Service, a long-term rating of A- or higher by Standard & Poor's,
20	a long-term rating of A- or higher by Fitch, Inc., a short-term rating of M1G1 or
21	VM1G1 by Moody's Investors Service, a short-term rating of A-1 or A-1+ by
22	Standard & Poor's, or a short-term rating of F1 or F1+ by Fitch, Inc.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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### **ENROLLED**

1	(7) Bonds, debentures, notes, or other indebtedness issued by domestic
2	United States corporations. The indebtedness shall have a long-term rating of Aa3
3	or higher by Moody's Investors Service, a long-term rating of AA- or higher by
4	Standard & Poor's, or a long-term rating of AA- or higher by Fitch Ratings, Inc.
5	* * *
6	G. Notwithstanding any provision of law to the contrary, there shall be no
7	duration limitation or restriction on the bonds used as security for deposits of state
8	funds pursuant to the provisions of this Section.

## SPEAKER OF THE HOUSE OF REPRESENTATIVES

### PRESIDENT OF THE SENATE

### GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

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