

**HOUSE COMMITTEE AMENDMENTS**

Amendments proposed by House Committee on Appropriations to Engrossed Senate Bill No. 337 by Senator Adley

1 AMENDMENT NO. 1

2 On page 1, line 2, after "enact" delete the remainder of the line, delete lines 3 through 5 in  
 3 their entirety, and on line 6, delete "received from the fund shall be used;" and insert the  
 4 following:

5 "Part IX-A of Chapter 26 of Title 17 of the Louisiana Revised Statutes of 1950,  
 6 comprised of R.S. 17:3394.1 through 3394.8, relative to the financing of capital  
 7 improvements and enhancements to certain facilities and properties of colleges within the  
 8 Louisiana Community and Technical Colleges System; to provide for definitions; to provide  
 9 with respect to the use of a nonprofit corporation to accomplish such financing; to provide  
 10 for agreements related to financing; to provide for the issuance of bonds;"

11 AMENDMENT NO. 2

12 On page 1, line 9, after "Section 1." delete "R.S. 47:647" and insert the following:

13 "Part IX-A of Chapter 26 of Title 17 of the Louisiana Revised Statutes of 1950, to  
 14 be comprised of R.S. 17:3394.1 through 3394.8, "

15 AMENDMENT NO. 3

16 On page 1, delete lines 10 through 17, delete page 2 in its entirety, and on page 3, delete  
 17 lines 1 through 25 in their entirety and insert the following:

18 "PART IX-A. COMMUNITY AND TECHNICAL COLLEGES FACILITIES  
 19 IMPROVEMENT AND ENHANCEMENT

20 §3394.1. Community and technical colleges facilities improvement and enhancement; intent  
 21 It is the intent of the legislature to ensure that the institutions of the Louisiana  
 22 Community and Technical Colleges System are responsive to the workforce needs of this  
 23 state. This Act enumerates specific facilities within that system which have been determined  
 24 to be extraordinarily vital to the state's response to the need for a competent and skilled  
 25 workforce and which are in need of capital improvement or enhancement. The authorities  
 26 granted to the Board of Supervisors of Community and Technical Colleges pursuant to this  
 27 Part are intended to facilitate the finance of capital improvements and enhancements for the  
 28 projects enumerated herein, and to ensure their completion in an expeditious manner.

29 §3394.2. Definitions

30 As used in this Chapter, the following words and terms shall have the following  
 31 meanings, unless the context clearly indicates otherwise:

32 (1) "Public facilities" means buildings, equipment, and other permanent property or  
 33 immovable property of the colleges within the Louisiana Community and Technical  
 34 Colleges System, as specifically identified in R.S. 17:3394.3.

35 (2) "Project" means the acquisition, purchase, construction, renovation,  
 36 improvement, or expansion of a public facility, to be financed as authorized and provided  
 37 in this Part and R.S. 17:3361, to be limited to those public facilities and purposes identified  
 38 in R.S. 17:3394.3.

39 (3) "Division of administration" means the division of administration created within  
 40 the office of the governor by Title 39 of the Louisiana Revised Statutes of 1950.

41 (4) "Annual appropriation dependency clause" shall mean a clause which shall be  
 42 included in any financing arrangement which provides that if, after a diligent and good faith

1 effort by the state to appropriate funds for the payment of sums due under a financing  
 2 agreement, such funds are not appropriated, such agreement shall be terminated, and the  
 3 state shall not be liable for the payment of further sums due thereunder.

4 (5) "Board" means the Board of Supervisors of Community and Technical Colleges.

5 (6) "Corporation" means the nonprofit corporation which may be utilized to  
 6 accomplish the purposes of this Part.

7 §3394.3. Authority of board to execute agreements related to the finance of capital  
 8 improvements and enhancements

9 A. The board shall exercise its authority granted pursuant to R.S. 17:3361 as may  
 10 be necessary to provide for the completion of the projects enumerated in this Section. The  
 11 board may grant leases of property under its supervision to a nonprofit corporation for the  
 12 purpose of financing such projects, and the sum total amount to be financed therefor shall  
 13 equal no more than the total value of all projects listed herein, plus an amount equal to  
 14 fifteen percent of such total. Notwithstanding any provision of R.S. 17:3361 to the contrary,  
 15 the term of any lease agreement made for purposes of this Part shall not exceed thirty years.  
 16 No monies shall be appropriated for these purposes until July 1, 2008.

17 B. For the purposes of this Part, the following projects shall comprise the entirety  
 18 of public facilities and projects to be financed under the authorities of this Part and R.S.  
 19 17:3361 with respect to these projects. The dollar value listed for each project, plus an  
 20 amount equal to fifteen percent, is the maximum amount that may be financed for each  
 21 respective project."

22 AMENDMENT NO. 4

23 On page 6, delete lines 1 through 3, and insert the following:

24 "§3394.4. Functions of corporation

25 There is hereby authorized the formation and incorporation of a nonprofit  
 26 corporation, the purpose of which shall be the financing and acquisition, purchase,  
 27 construction, renovation, improvement, or expansion of public facilities for lease to the state  
 28 of Louisiana. The members of the board of directors for the corporation shall serve pursuant  
 29 to the General Nonprofit Corporation Law.

30 §3394.5. Powers of corporation

31 A. In addition to the powers granted it by the General Nonprofit Corporation Law,  
 32 Title 12 of the Louisiana Revised Statutes of 1950, the corporation shall have the power to  
 33 undertake any project relative to those public facilities, projects and purposes as specifically  
 34 enumerated in R.S. 17:3394.3, to provide for the financing thereof in an amount not to  
 35 exceed the total value of all projects listed plus an amount equal to fifteen percent of the  
 36 total.

37 B. The corporation may lease for a term not to exceed thirty years to the state of  
 38 Louisiana through the division of administration the project being financed or public  
 39 facilities conveyed to the corporation in connection with such financing, upon such terms  
 40 and conditions as are mutually agreeable, however, any and all such agreements shall  
 41 contain an annual appropriation dependency clause, and to charge and collect rents therefor  
 42 and to terminate any such lease upon the failure of the lessee to comply with any of the  
 43 obligations thereof; to include in any such lease, if it shall so desire, provisions that the  
 44 lessee thereof shall have options to renew the term of the lease for such period or periods and  
 45 at such rent as shall be determined by the corporation or to purchase any or all of the public  
 46 facilities, or that upon payment of all of the indebtedness incurred by the corporation for the  
 47 financing of such project, then the corporation shall convey any or all of the public facilities  
 48 to the state of Louisiana with or without consideration. The state of Louisiana through the  
 49 division of administration may enter into a lease for immovable or movable property with  
 50 the corporation, whether as lessee or lessor, pursuant to this Part.  
 51

1 §3394.6. Bonds

2 A. The corporation is authorized beginning July 1, 2008, from time to time, to issue  
 3 its bonds in order to provide for achieving any of its purposes under this Part which are  
 4 necessary for the completion of all of the projects enumerated in R.S. 17:3394.3.

5 B. Except as may otherwise be expressly provided by this corporation, each of its  
 6 bonds shall be payable from any revenues or monies of the corporation available therefor  
 7 and not otherwise pledged, subject only to any agreements with the holders of particular  
 8 bonds pledging any particular revenues or monies. Such bonds shall be and are deemed to  
 9 be for all purposes negotiable instruments, subject only to the provisions of such bonds for  
 10 registration.

11 C. The corporation's bonds may be issued as serial bonds or as term bonds, or the  
 12 corporation, in its discretion, may issue bonds of both types. The issuance of all bonds shall  
 13 be authorized by resolution of the board of directors and shall bear such date or dates, mature  
 14 at such time or times, not exceeding thirty years from their respective dates, bear interest at  
 15 such rate or rates, be payable at such time or times, be in such denominations, be in such  
 16 form, either coupon or registered, carry such registration privileges, be executed in such  
 17 manner, be payable in lawful money of the United States of America at such place or places,  
 18 and be subject to such terms of redemption, as the indenture, trust agreement, or resolution  
 19 relating to such bonds may provide. The corporation's bonds may be sold by the corporation  
 20 at public or private sale, for such price or prices and upon such terms and conditions as the  
 21 corporation shall determine. The corporation may sell any bonds at a price below the par  
 22 value thereof; provided, however, that the discount shall not exceed six percent of the par  
 23 value thereof. Pending preparation of the definitive bonds, the corporation may issue interim  
 24 receipts or certificates or temporary bonds which shall be exchanged for such definitive  
 25 bonds.

26 D. Neither the members of the board of directors of the corporation or any person  
 27 executing the bonds shall be liable personally on the bonds or be subject to any personal  
 28 liability or accountability by reason of the issuance thereof.

29  
 30 §3394.7. Bonds and certificates; payment; no liability of state or political subdivision

31 Neither bonds nor certificates shall be deemed to constitute a debt or liability of the  
 32 state of Louisiana or of any agency, board, or political subdivision thereof or a pledge of the  
 33 faith and credit of the state of Louisiana.

34  
 35 §3394.8. Dissolution of corporation; title to the property to vest in successor

36 Upon dissolution of the corporation, title to all property owned by the corporation  
 37 shall vest in the successor corporation created by the legislature, if any, if such successor  
 38 corporation qualifies under Section 103 of the Federal Internal Revenue Code of 1986, as  
 39 amended, to issue obligations the interest on which is exempt from federal income taxation.  
 40 If no such successor corporation is so created, title to such property shall vest in the state of  
 41 Louisiana."