
DIGEST

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HB 176 Original

2015 Regular Session

Shadoin

Abstract: Provides relative to investments by political subdivisions pertaining to bonds, debentures, notes, or other indebtedness.

Present law authorizes all municipalities, parishes, school boards, and any other political subdivisions of the state to invest in certain obligations. Further provides that such monies may be invested in bonds, debentures, notes, or other indebtedness issued by a state other than La. or any such state's political subdivisions, or by domestic U.S. corporations, provided that certain conditions are met. Proposed law retains present law.

Present law provides that one such condition is, prior to purchase of any such indebtedness and at all times during which such indebtedness is owned, the purchasing La. political subdivision shall retain the services of an investment adviser registered with the U.S. Securities and Exchange Commission. Proposed law retains present law but allows the purchasing La. political subdivision the option of satisfying present law requirements by retaining the services of a bank or trust company that has offices in La. and that is regulated by the Office of Financial Institutions or the applicable federal agency.

(Amends R.S. 33:2955(A)(1)(k)(iii) and (l)(iii))