

Regular Session, 2008

SENATE BILL NO. 767

BY SENATOR MARIONNEAUX

MUNICIPALITIES. Provides relative to withdrawal from the Louisiana Municipal Natural Gas Purchasing and Distribution Authority (8/15/08)

1 AN ACT

2 To enact R.S. 33:4546.18 (F), relative to the Louisiana Municipal Natural Gas Purchasing
3 and Distribution Authority; to provide with respect to the withdrawal of a political
4 subdivision from the authority; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 33:4546.18 (F) is hereby enacted to read as follows:

7 §4546.18. Contract with political subdivisions

8 * * *

9 **F. Notwithstanding any provision of law to the contrary, a political**
10 **subdivision may withdraw from the authority after giving sixty days notice and**
11 **paying for the political subdivision's contractual obligations to the authority.**
12 **The authority shall immediately calculate the contractual obligations of the**
13 **political subdivision requesting the withdrawal and provide such in writing**
14 **within thirty days. If bonds of the authority are outstanding and the political**
15 **subdivision requesting the withdrawal is a participant in such financing, the**
16 **authority shall: (1) attempt to remarket the contracted gas to any qualified**
17 **political subdivisions; or, (2) if the contracted gas cannot be remarketed, the**

1 **authority shall calculate the payoff of the bonds, including immediate**
2 **redemption of the bonds, if possible, or defeasance of the bonds. Such**
3 **calculations shall be provided to the political subdivision requesting the**
4 **withdrawal within thirty days. The authority shall take all necessary actions to**
5 **accomplish the withdrawal request within a reasonable period of time.**

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

DIGEST

Proposed law relative to the Louisiana Municipal Natural Gas Purchasing and Distribution Authority, provides that a political subdivision may withdraw from the authority after giving 60 days notice and paying for the political subdivision's contractual obligations to the authority. The authority shall immediately calculate the contractual obligations of the political subdivision requesting the withdrawal and provide such in writing within 30 days. If there are bonds of the authority outstanding and the political subdivision requesting the withdrawal is a participant in such financing, the authority shall: (1) attempt to remarket the contracted gas to any qualified political subdivisions; or, (2) if the contracted gas cannot be remarketed, the authority shall calculate the payoff of the bonds, including immediate redemption of the bonds, if possible, or defeasance of the bonds. The calculations shall be provided to the political subdivision requesting the withdrawal within 30 days. The withdrawal request must be accomplished within a reasonable period of time.

Effective August 15, 2008.

(Adds R.S. 33:4546.18 (F))