

Exhibit 1: Act 408

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ACT 408

Regular Session, 2011

SENATE BILL NO. 269

(Substitute of Senate Bill No. 249 by Senator Riser)

BY SENATORS RISER AND THOMPSON



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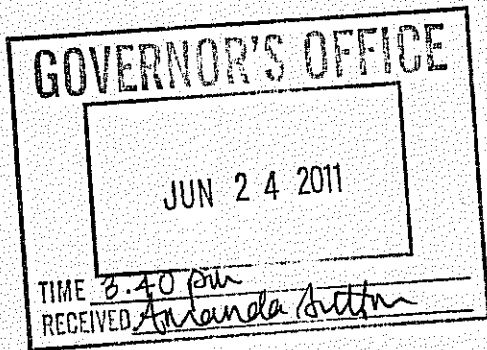
SENATE

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SECRETARY OF THE SENATE

ACT 408

Regular Session, 2011

ENROLLED

SENATE BILL NO. 269

(Substitute of Senate Bill No. 249 by Senator Riser)

BY SENATORS RISER AND THOMPSON

1 AN ACT

2 To enact R.S. 40:600.4(E), and Chapter 3-G of Title 40 of the Louisiana Revised Statutes
3 of 1950, to be comprised of R.S. 40:600.86 through 600.111 and R.S.
4 42:1124.2(A)(5), and to repeal R.S. 36:769(J) and Chapter 3-A of Title 40 of the
5 Louisiana Revised Statutes of 1950, comprised of R.S. 40:600.1 through 600.25.1,
6 relative to housing authorities; to create the Louisiana Housing Corporation and
7 provide for its powers, functions, and duties; to provide for the abolishment of
8 certain programs or agencies, the consolidation of housing programs, and the transfer
9 of certain programs or agencies; to provide for the filing of certain financial
10 disclosure statements relative to certain boards and commissions; to provide terms,
11 conditions, definitions, procedures, and effects; to provide for an effective date; and
12 to provide for related matters.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 40:600.4(E), and Chapter 3-G of Title 40 of the Louisiana Revised
15 Statutes of 1950, comprised of R.S. 40:600.86 through 600.111, are hereby enacted to read
16 as follows:

17 §600.4. Organization of the agency

18 * * *

19 E. The board of commissioners of the Louisiana Housing Finance
20 Agency is hereby abolished at midnight on December 31, 2011. The powers,
21 duties, functions, and responsibilities of the board of commissioners shall be
22 assumed by the governing board of the Louisiana Housing Corporation created
23 pursuant to Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950.
24 Effective January 1, 2012, the Louisiana Housing Finance Agency shall be a
25 subsidiary of the Louisiana Housing Corporation pursuant to R.S.
26 40:600.91(A)(25)(e), and shall terminate at midnight on June 30, 2012.

27 * * *

1 CHAPTER 3-G. LOUISIANA HOUSING CORPORATION ACT

2 §600.86. Short title; findings; purpose

3 A. This Chapter shall be known and may be referred to as the
4 "Louisiana Housing Corporation Act".

5 B. (1) The legislature hereby finds and declares that there exists in the
6 state of Louisiana a serious shortage of affordable, accessible, decent, safe, and
7 sanitary residential housing that is in compliance with Title II of the Americans
8 with Disabilities Act, 42 U.S.C.A. §12131 et seq., the Fair Housing Act, 42
9 U.S.C.A. §3601 et seq., and Section 504 of the Rehabilitation Act, 29 U.S.C.A.
10 §794.

11 (2) The legislature hereby finds and declares further that private
12 enterprise and investment unaided has not been able to produce the needed
13 construction of decent, safe, accessible, and sanitary residential housing at
14 prices which persons and families of low or moderate income can afford, or to
15 achieve the urgently needed rehabilitation of existing inadequate and
16 substandard residential housing. The legislature further finds and declares that
17 it is imperative that the supply of residential housing for persons and families
18 of low or moderate income, senior citizens and persons with disabilities, that is
19 in compliance with Title II of the Americans with Disabilities Act, 42 U.S.C.A.
20 §12131 et seq., the Fair Housing Act, 42 U.S.C.A. §3601 et seq., and Section 504
21 of the Rehabilitation Act, 29 U.S.C.A. §794, be increased substantially and that
22 private enterprise and investors be encouraged to sponsor, build, and
23 rehabilitate residential housing for such persons and families.

24 (3) The legislature hereby finds and declares further that a major cause
25 of the shortage of residential housing is the inadequate supply of funds available
26 from private mortgage lenders for residential housing mortgage loans at
27 interest rates within the financial means of persons and families of low or
28 moderate income.

29 (4) The legislature hereby finds and declares that the limited resources
30 available directly to the state or its agencies may be more effectively and

1 efficiently utilized if a single corporation is authorized and directed to
2 coordinate housing programs administered by the state or its agencies and
3 instrumentalities.

4 (5) The legislature hereby finds and declares further that additional
5 financial resources and technical skills must be available in local communities
6 if the state is to mobilize the capacity of the private sector, including nonprofit
7 community housing development organizations, to provide a more adequate
8 supply of decent, safe, affordable, accessible, and sanitary housing.

9 (6) The legislature hereby finds and declares further that state
10 leadership is needed to achieve an adequate supply of affordable and accessible
11 housing for all residents of the state and that such leadership shall be provided
12 through the corporation.

13 (7) The legislature hereby finds and declares further that this
14 corporation should have the maximum amount of flexibility, responsibility, and
15 discretion to assure that all the residents of the state shall have access to decent,
16 safe, sanitary, accessible, and affordable housing; therefore, in carrying out the
17 purposes of this Chapter, the corporation shall be presumed to possess broad
18 powers and legal prerogatives which enable the corporation to carry out its
19 purposes directly or indirectly through one or more nonprofit subsidiaries.

20 (8) The legislature hereby finds and declares further that a major cause
21 of the shortage of residential housing available for persons and families of low
22 or moderate income is the lack of a coordinated approach and clear statewide
23 policy regarding funds for such residential housing.

24 (9) The legislature hereby finds and declares further that providing
25 housing for citizens with disabilities and senior citizens is a crucial
26 responsibility of the state and that any coordinated approach or clear statewide
27 policy regarding funds for residential housing shall take into account assuring
28 that such housing remains available and affordable for senior citizens and
29 persons with disabilities.

30 §600.87. Definitions

1 The following terms, whenever used or referred to in this Chapter shall
2 have the following meanings, unless the context clearly indicates otherwise:

3 (1) "Corporation" means the Louisiana Housing Corporation created
4 by this Chapter.

5 (2) "Bonds" shall have the same meaning as "Securities" in R.S.
6 39:1421(1).

7 (3) "Federal government" means the United States of America and any
8 agency or instrumentality, corporate or otherwise, of the United States of
9 America.

10 (4) "Insured mortgage loan" means a mortgage loan for the acquisition,
11 construction, rehabilitation or improvement of residential housing located
12 within the state which is insured or guaranteed in whole or in part by the
13 federal or state government, or any instrumentality or agency of the federal
14 government or the state government, including the Louisiana Housing
15 Corporation, or by a private mortgage insurance company, which insures the
16 holder of the mortgage against financial loss.

17 (5) "Lending institution" means any bank, investment bank, mortgage
18 bank or company, pension or retirement fund, savings bank, or savings and
19 loan association which is authorized to do business in Louisiana.

20 (6) "Mortgage" means a conventional mortgage evidencing a contract
21 by which a person binds all or part of his immovable property in favor of
22 another to secure the execution and enforcement of a contract, but without
23 divesting himself of the possession of such property.

24 (7) "Mortgage loan" means a financial obligation secured by a
25 mortgage.

26 (8) "Persons or families of low or moderate income" means an individual
27 or household whose income qualifies as low income or moderate income as
28 defined by the United States Department of Housing and Urban Development
29 (HUD) as adjusted from time to time. HUD defines low income as any
30 individual or household earning less than fifty percent of the area median

1 income. HUD defines moderate income as any individual or household earning
 2 between fifty percent and eighty percent of the area median income.

3 (9) "Residential housing" means a specific work or improvement within
 4 the state undertaken primarily to provide decent, safe, and sanitary dwelling
 5 accommodations that are in compliance with Title II of the Americans with
 6 Disabilities Act, 42 U.S.C.A. §12131 et seq., for persons of low or moderate
 7 income, including, but not limited to, the acquisition, construction,
 8 rehabilitation, or improvement of land, buildings, and improvements thereto in
 9 connection with apartments, condominiums, single family homes, townhouses,
 10 and nonhousing facilities appurtenant thereto.

11 (10) "State" means the state of Louisiana.

12 (11) "State agency" means any board, authority, agency, department,
 13 commission, public corporation, body corporate and politic, or instrumentality
 14 of the state. A local housing authority established pursuant to R.S. 40:381 et
 15 seq., shall not be considered a "state agency".

16 §600.88. Creation of the corporation

17 There is hereby created a public body corporate and politic known as the
 18 Louisiana Housing Corporation. The Louisiana Housing Corporation, referred
 19 to in this Chapter as the "corporation", shall be an instrumentality of the state.

20 §600.89. Organization of the corporation

21 A. The Louisiana Housing Corporation shall be governed by a board of
 22 directors composed of the following members:

23 (1) One member shall be the state treasurer or his designee.

24 (2) Six members shall be appointed by the governor and shall meet all
 25 of the following criteria:

26 (a) Each shall be a resident of the state.

27 (b) Each shall have at least five years of experience in one or more of the
 28 following fields:

29 (i) Banking or bonds.

30 (ii) Residential or multi-family construction.

1 (iii) Real estate.

2 (iv) Affordable housing development.

3 (v) Nonprofit residential development.

4 (vi) Programs of the Department of Housing and Urban Development
5 or any successor agency.

6 (c) Not more than one member appointed pursuant to this Paragraph
7 shall be a resident of a single congressional district.

8 (d) One shall either be a consumer of or an advocate for affordable
9 housing.

10 (e) The six members appointed by the governor shall be diverse and
11 representative of the state's population as near as practicable, including with
12 respect to ethnicity, and shall each be submitted to the Senate for confirmation.

13 (3) Four additional members shall be appointed as follows:

14 (a) Two persons appointed by the president of the Senate, one of whom
15 shall be appointed from a parish having a population of less than seventy-five
16 thousand persons according to the latest federal decennial census or a
17 municipality having a population less than fifteen thousand persons according
18 to the latest federal decennial census. The two members appointed pursuant to
19 this Subparagraph shall serve at the pleasure of the president of the Senate.

20 (b) Two persons appointed by the speaker of the House of
21 Representatives, one of whom shall be appointed from a parish having a
22 population of less than seventy-five thousand persons according to the latest
23 federal decennial census or a municipality having a population less than fifteen
24 thousand persons according to the latest federal decennial census. The two
25 members appointed pursuant to this Subparagraph shall serve at the pleasure
26 of the speaker of the House of Representatives.

27 B. In the event of a vacancy in the office of any member of the board of
28 directors, by death, resignation, removal, or otherwise, a replacement shall be
29 appointed in the same manner as the person whose position is now vacant was
30 originally appointed and, if appointed by the governor, shall serve for the

1 remainder of the unexpired term.

2 C.(1) Each appointed member of the board of directors shall hold office
3 until his successor has been appointed and has qualified.

4 (2)(a) Any appointed member shall be eligible for reappointment.

5 (b) Notwithstanding the provisions of Subparagraph (a) of this
6 Paragraph, no member appointed by the governor shall serve more than three
7 consecutive terms. Any such member who serves three consecutive terms shall
8 be eligible for reappointment no earlier than one year after leaving office.

9 (3) Any member of the board of directors of the corporation may be
10 removed from office by the appointing authority for incompetence,
11 malfeasance, misconduct, or willful neglect of duty, after reasonable notice and
12 a public hearing, unless the notice and hearing are expressly waived in writing.

13 (4) Every member of the board of directors of the corporation shall,
14 before entering office, take the oath of office required of public officials to
15 administer the duties of his office faithfully and impartially, and a record of
16 such oath shall be filed with the secretary of state.

17 (5) Board members appointed by the governor shall serve staggered
18 four-year terms as provided in this Section. Two shall serve initial terms of two
19 years each, two shall serve initial terms of three years each, and two shall serve
20 initial terms of four years each, as determined by lot at the first meeting of the
21 board.

22 (6) Board members may receive compensation of fifty dollars per diem
23 for their services and may be eligible for reimbursement of reasonable travel
24 expenses incurred in connection with the discharge of their duties only as
25 provided by majority vote of the board.

26 D. (1) Each member of the board of directors shall file financial
27 disclosure statements pursuant to R.S. 42:1124.2.1.

28 (2) The executive director shall file financial disclosure statements
29 pursuant to R.S. 42:1124.2.

30 (3) If the state treasurer does not appoint a designee but serves as a

1 member, he shall not file the disclosure statement required by this Subsection
2 but rather shall file disclosure statements as otherwise required by law for the
3 state treasurer.

4 §600.90. Officers of the corporation; duties; liability

5 A. Executive director.

6 (1) Appointment.

7 (a) The board of directors of the corporation shall appoint an executive
8 director of the corporation subject to confirmation by the Senate. Any person
9 appointed shall meet all the requirements for being a member of the board of
10 directors except for the requirement of R.S. 40:600.89(A)(2)(a).

11 (b) Any person whose appointment was not confirmed shall not be
12 reappointed for confirmation for a period of two years.

13 (2) Duties; requirements.

14 (a) The executive director of the corporation shall manage the daily
15 affairs of the corporation and shall have such powers and duties as specified by
16 this Chapter and by the board of directors.

17 (b) The executive director shall not be a member of the board.

18 (c) The executive director of the corporation shall serve at the pleasure
19 of the board of directors.

20 (d) The executive director shall administer, manage, and direct the
21 affairs and business of the corporation, subject to the policies, control, and
22 direction of the board of directors of the corporation.

23 B. The executive director shall submit a staffing plan to the board for
24 its approval.

25 C. No officer or employee of the corporation shall be a member of the
26 board.

27 D. The powers of the board.

28 (1) The powers of the corporation shall be vested in the board of
29 directors.

30 (2) A majority of the members of the board currently serving shall

1 constitute a quorum for the transaction of any business, and the presence of a
2 quorum shall be required for the exercise of any power or function of the
3 corporation. No vacant office shall be included in the determination of the
4 number of members of the board necessary to establish a quorum.

5 (3) No action shall be taken by the board until such time as at least seven
6 of the members have been appointed and have taken the oath of office.

7 (4) No vacancy in the board shall impair the rights of a quorum of the
8 board to exercise any power or function of the corporation as provided in
9 Paragraph (5) of this Subsection.

10 (5) Action may be taken by a quorum of the board upon an affirmative
11 vote of a majority of the members present.

12 (6) The board may create and appoint members to any committee
13 deemed necessary or beneficial to carrying out the duties of the board.

14 (7) The board may employ counsel to represent the board.

15 (8) The board may appoint and, so appointing, prescribe the duties of
16 the officers as are named to assist in the operation of the corporation, including,
17 but not limited to, a secretary or treasurer of the corporation. The offices and
18 duties shall be included in the bylaws of the corporation.

19 E. The corporation shall be domiciled in Baton Rouge.

20 F. The corporation shall adopt bylaws for its own governance and
21 internal organization, provided that such bylaws shall not conflict with any of
22 the provisions of this Chapter or with any other law applicable to public bodies
23 or agencies. Except to the extent in conflict with this Chapter, the corporation
24 and its board shall be subject to the laws relative to meetings of public bodies,
25 public records, and the Code of Governmental Ethics.

26 G. No member of the board of directors shall be civilly liable by reason
27 of any act or omission committed or suffered in the performance of his duties
28 as member of the board or with respect to the operations of the corporation, but
29 any act, liability for omission, or obligation of a member in the performance of
30 his duties or with respect to the operations of the corporation shall extend to the

1 whole of the property of the corporation, or so much thereof as may be
2 necessary or available to discharge such liability or obligation, and not
3 otherwise.

4 H.(1) If any member of the board of directors or any officer or
5 employee of the corporation shall have an interest, either direct or indirect, in
6 any contract to which the corporation is, or is to be, a party, or in any lending
7 institution requesting a loan from or offering to sell insured mortgage loans to
8 the corporation, such interest shall be disclosed to the corporation in writing
9 and shall be set forth in the minutes of the corporation.

10 (2) Notwithstanding the provisions of R.S. 42:1112, no member of the
11 board of directors and no officer or employee having such interest shall
12 participate in any action by the corporation, including but not limited to
13 discussion and voting on any issue bearing on that interest. The member of the
14 board of directors shall recuse himself from any action taken by the board of
15 directors.

16 (3) Failure to make a disclosure required pursuant to this Subsection
17 shall constitute misconduct in office.

18 I. Fiscal matters.

19 (1) The corporation shall operate from self-generated funds and shall
20 not be a budget unit of the state.

21 (2) The corporation may receive state appropriations and the
22 expenditure of such appropriated funds shall be subject to budgetary controls
23 or authority of the division of administration.

24 (3) The corporation shall establish an operating budget for the use of its
25 funds, subject to the favorable vote of two-thirds of the current membership of
26 the board of directors of the corporation.

27 (4) The fiscal year for the corporation shall run concurrently with the
28 fiscal year of the state.

29 (5) Any budget adopted for a fiscal year shall be effective for that fiscal
30 year.

1 §600.91. Powers and duties of the corporation

2 A. The corporation shall have the powers necessary or convenient to
3 carry out and effectuate the purposes and provisions of this Chapter, including
4 the following powers in addition to all other powers granted by other provisions
5 of this Chapter:

6 (1) The corporation may sue and be sued in its own name.

7 (2) The corporation may establish a seal and alter the same at its
8 pleasure.

9 (3) The corporation shall adopt, in accordance with the provisions of the
10 Administrative Procedure Act, R.S. 49:950 et seq., those rules and regulations
11 as are necessary and proper for the performance of its duties and
12 responsibilities, in compliance with and subject to the exceptions in the
13 following provisions:

14 (a) The Administrative Procedure Act, R.S. 49:950 et seq., shall not
15 apply to the sale of bonds, notes, or other obligations of the corporation or of
16 programs of the corporation funded with the proceeds thereof, when such sale
17 occurs after reasonable public notice and public hearing.

18 (b) The Administrative Procedure Act, R.S. 49:950 et seq., shall not
19 apply to the administration and allocation of low-income housing tax credits
20 under Section 42 of the Internal Revenue Code of 1986, as amended, except that
21 upon adoption of rules and regulations relative to such administration and
22 allocation, the corporation shall submit these rules and regulations to the Joint
23 Legislative Committee on the Budget for review.

24 (c) The Administrative Procedure Act, R.S. 49:950 et seq., shall not
25 apply to the following programs, except that upon adoption of such rules and
26 regulations relative to such programs, the program or the corporation shall
27 submit such rules and regulations to the Joint Legislative Committee on the
28 Budget for review. The programs subject to this provision are as follows:

29 (i) The Risk Sharing Program.

30 (ii) The Mark to Market Program.

1 (iii) The Louisiana Housing Trust Fund.

2 (iv) The HOME Program.

3 (v) The Low Income Housing Energy Assistance Program (LIHEAP).

4 (vi) The Weatherization Program (WAP).

5 (vii) The Section Eight Contract Administration Program.

6 (viii) The Louisiana Habitat for Humanity Loan Purchase Program Act.

7 (ix) Funding for the Louisiana Land Trust.

8 (4) The corporation may make and execute contracts and all other
9 instruments necessary or convenient for the exercise of its powers and functions
10 pursuant to this Chapter with any federal or state governmental agency, public
11 or private corporation, lending institution, or other entity or person.

12 (5) The corporation may accept donations of movable or immovable
13 property from any source and receive appropriations from the legislature or
14 financial assistance or subsidies from the federal or state government.

15 (6) The corporation may, subject to the rights of holders of bonds of the
16 corporation, renegotiate, refinance, or foreclose on any mortgage or commence
17 any action to protect or enforce any right or benefit conferred upon the
18 corporation by any law, mortgage, contract, or other agreement, and bid for
19 and purchase such property at any foreclosure or at any other sale, or otherwise
20 acquire or take possession of any such property, and, in this event, the
21 corporation may complete, administer, pay the principal of and interest on any
22 obligation incurred in connection with such property, dispose of and otherwise
23 deal with such property in such manner as may be necessary or desirable to
24 protect the interest of the corporation or of holders of its bonds therein.

25 (7) The corporation may procure or provide for the procurement of
26 insurance or reinsurance against any loss in connection with its property or
27 operations, including but not limited to insurance, reinsurance or other
28 guarantees from a federal or state governmental agency or private insurance
29 company for the payment of any bonds issued by the corporation or bonds,
30 notes, or any other obligations or evidences of indebtedness issued or made by

1 any lending institution or other entity or person or insurance or reinsurance
2 against loss with respect to mortgages or mortgage loans, including the power
3 to pay premiums on such insurance or reinsurance.

4 (8) The corporation may insure, reinsure, or cause to be insured or
5 reinsured mortgage loans or mortgages on residential housing, may receive
6 premiums on such insurance or reinsurance, may establish reserves for losses,
7 and may participate in the insurance or reinsurance of mortgage loans or
8 mortgages on residential housing with the federal or state government.

9 (9) The corporation may enter into agreements and contracts with
10 persons and entities including but not limited to the federal or state government
11 or its subdivisions, agencies, or instrumentalities, or with mortgagors or lending
12 institutions.

13 (10) The corporation may undertake and carry out or authorize the
14 completion of studies and analyses of housing conditions and needs within the
15 state and ways of meeting such needs, may make such studies and analyses
16 available to the public and to the housing industry, may engage in research,
17 and may disseminate information on housing, in coordination with the office of
18 community development within the division of administration.

19 (11) The corporation may accept federal, state, or private financial or
20 technical assistance, comply with any conditions for such assistance, and
21 become a "co-insurer" with the United States Department of Housing and
22 Urban Development or other appropriate federal agency for housing finance
23 programs.

24 (12) The corporation may collect fees and charges in connection with its
25 loans, insurance, commitments, and services including but not limited to
26 reimbursement of costs of issuing bonds, service charges, and insurance
27 premiums.

28 (13) The corporation may purchase secured loans or make lending
29 commitments to purchase or sell construction or mortgage loans with respect
30 to residential housing. Further, the corporation may make secured loans to

1 lending institutions, including commitments therefor, with respect to the
2 making of construction or mortgage loans by lending institutions for residential
3 housing.

4 (14) The corporation may acquire or contract to acquire from any
5 person, firm, corporation, municipality, federal or state agency, by grant,
6 purchase, or otherwise, movable or immovable property or any interest therein;
7 may own, hold, clear, improve, lease, construct, or rehabilitate, and may sell,
8 invest, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose
9 of or encumber the same, subject to the rights of holders of the bonds of the
10 corporation, at public or private sale, with or without public bidding.

11 (15) The corporation may borrow money, issue bonds, and provide for
12 the rights of the lenders or holders thereof.

13 (16) The corporation may, subject to the rights of holders of the bonds
14 of the corporation, consent to any modification with respect to the rate of
15 interest, time payment of any installment of principal or interest, security or
16 other term of any loan, contract, mortgage, mortgage loan or commitment
17 therefor, or agreement of any kind to which the corporation is a party or
18 beneficiary.

19 (17) The corporation may maintain an office, in addition to the office in
20 Baton Rouge, at such place or places in the state as the corporation shall
21 determine.

22 (18) In carrying out its functions under this Chapter, the corporation
23 shall accomplish all of the following:

24 (a) The corporation shall adopt rules and regulations which shall require
25 fair, impartial, and equitable treatment of all lending institutions by the
26 corporation.

27 (b) Such rules and regulations shall ensure that favoritism shall not be
28 an element in the allocation of services by the corporation and that objective
29 standards and criteria shall control and govern access to the allocation of
30 services and functions authorized by this Chapter.

1 (c) The board of directors of the corporation shall establish statewide
2 policy for the financing of housing for persons or families of low or moderate
3 income and for senior citizens and persons with disabilities and such policy shall
4 apply to all units, divisions, agencies, public corporations, and instrumentalities
5 of the state involved directly or indirectly in financing single family or multi-
6 family housing for such persons or families.

7 (19) The corporation may purchase secured loans or make lending
8 commitments to purchase loans on multi-family housing projects under such
9 guidelines, rules, and restrictions as shall be adopted by the corporation.

10 (20) The corporation is authorized to sell residential loans purchased by
11 it or by others either singly or in "packages" or pools to investors, including the
12 retirement plans and trusts established for the employees of the state and its
13 subdivisions, agencies, instrumentalities, and units of government which may
14 be authorized to purchase residential first mortgages for investment purposes;
15 however, all such mortgage loans purchased by the corporation for resale shall
16 have been made on real estate in the state.

17 (21) Notwithstanding any provisions of this Chapter or any other law to
18 the contrary, specifically R.S. 12:202.1, the corporation may create or cause to
19 be created such nonprofit corporations as may be necessary or expedient to
20 participate in housing programs of the federal government or its agencies and
21 instrumentalities.

22 (22) Notwithstanding the provisions of this Chapter or any other law to
23 the contrary, specifically R.S. 12:202.1, the corporation may create or cause to
24 be created such nonprofit corporations as may be necessary or desirable to
25 establish housing equity funds, the purpose of which shall be to direct the
26 investment of capital primarily from Louisiana residents to residential housing
27 developments qualifying under Section 42 of the Internal Revenue Code of 1986
28 for low income housing credits.

29 (23) The corporation shall administer the federal grants for energy
30 assistance and weatherization services for low-income persons.

1 (24) The corporation shall administer the Louisiana Housing Trust
2 Fund.

3 (25) Notwithstanding any provisions of this Chapter or any other law to
4 the contrary, the corporation is authorized to:

5 (a) Sponsor a statewide community housing development organization
6 to partner with or to expand the capacity of local nonprofit organizations in
7 limited resource communities and to develop and manage affordable residential
8 rental housing in partnership with such local nonprofit organizations.

9 (b) Originate and fund second mortgage loans to persons or households
10 of low or moderate income as defined by the United States Department of
11 Housing and Urban Development.

12 (c) Finance directly pools of loans to public housing authorities as
13 established under the Louisiana Housing Authorities Law, contained in R.S.
14 40:381 et seq.

15 (d) Establish one or more subsidiaries to carry out the purposes of this
16 Chapter.

17 (e) Establish the Louisiana Housing Finance Agency as a subsidiary of
18 the corporation, and to operate the agency as a subsidiary until June 30, 2012.

19 (f) Notwithstanding any provision of law to the contrary, the
20 corporation may assume the obligations of any entity that becomes a subsidiary
21 of the corporation in accordance with this Chapter.

22 (26)(a) Notwithstanding any provision of law to the contrary, the
23 corporation is authorized and required to assume administration or
24 management of disaster recovery programs funded by the Department of
25 Housing and Urban Development Community Development Block Grants and
26 the Supplemental Appropriations Act of 2008 (P.L. 110-252) as designated by
27 the commissioner of administration.

28 (b) In the event that a state agency has contracts in place for the purpose
29 of the implementation of such programs, the agency may transfer to the
30 corporation the contracts or the portion of the contracts related to the programs

1 transferred.

2 (c) Notwithstanding any provisions of law to the contrary, the
3 Homelessness Prevention and Rapid Re-housing program in the Department of
4 Children and Family Services shall be transferred to the corporation.

5 (27) The corporation shall have all powers necessary to access any and
6 all federal funding related to housing.

7 (28)(a) The corporation, through its board, may establish advisory
8 committees to assist in carrying out its mission, goals, and purposes.

9 (b)(i) The corporation shall establish the Housing and
10 Transportation Planning and Coordinating Commission as an advisory
11 committee. The primary purpose of this commission shall be to advise
12 the corporation in coordinating the integration of planning and spending
13 by local governments, parish and municipal governing authorities,
14 redevelopment authorities, and the Department of Transportation and
15 Development on housing and transportation needs. The commission
16 shall recommend multiple modes of transportation and multiple types
17 of housing developments to be planned so as to provide planned
18 recreational growth, more fully integrated and livable communities, and
19 effective spending of public funds for the betterment of life for Louisiana
20 citizens.

21 (ii) The commission shall be comprised of the following
22 members:

23 (aa) The executive director of the Louisiana Housing
24 Corporation, or his designee.

25 (bb) One member appointed by the commissioner of
26 administration to represent the office of facility planning and control.

27 (cc) The secretary of the Department of Transportation and
28 Development, or his designee.

29 (dd) The secretary of the Department of Children and Family
30 Services, or her designee.

1 (ee) The president of the Louisiana Housing Alliance, or his
2 designee.

3 (ff) One member appointed by the National Association of
4 Regional Councils from their Louisiana chapter.

5 (gg) One member appointed by the Louisiana chapter of the
6 Association of Metropolitan Planning Organizations.

7 (hh) One member appointed by the National Association of
8 Housing and Redevelopment Officials from their Louisiana Chapter.

9 (ii) One member appointed by the Center for Planning
10 Excellence.

11 (jj) Two members of nonprofit housing development
12 organizations appointed by the board of the Louisiana Housing
13 Corporation.

14 (kk) One member appointed by the Louisiana Housing Council.

15 (ll) One member appointed by the Policy Jury Association of
16 Louisiana.

17 (mm) One member appointed by Louisiana Municipal
18 Association.

19 (nn) One member appointed by the Louisiana state chapter of
20 the American Planning Association.

21 (iii) Members of the commission appointed shall serve at the
22 pleasure of the appointing authority and serve four-year terms. A
23 vacancy in the office of a member shall be filled in the same manner as
24 the original appointment for the remainder of the unexpired term.

25 (iv) The commission shall elect a chairman and such other
26 officers as it deems necessary from among its members.

27 (v) Members of the commission shall not receive any salary or
28 reimbursement of expenses for performing their duties as members
29 other than compensation or reimbursement provided by their individual
30 employers.

1 (vi) The commission shall create a statewide housing plan for
2 state agencies and conduct a parish-by-parish assessment of housing.
3 The assessment shall be conducted once every five years and the
4 statewide housing plan shall be updated based on the most recent
5 assessment. All parish governing authorities, local governments, and
6 redevelopment authorities shall cooperate with the commission.

7 (aa) The assessments shall document the overall supply of
8 housing including single-family, multi-family, special needs, and
9 institutional housing; conditions of the housing stock; housing cost
10 burden in each parish; and access to transit and job centers in each
11 parish or metropolitan planning area.

12 (bb) As part of its assessment, the commission shall hold not
13 fewer than three public hearings in each region of the state to provide
14 for citizens participation in the development of the plan. In each region,
15 each such hearing shall be held at a different time of day and on a
16 different day of the week from the other meetings in that region in order
17 to maximize the opportunity for citizen participation. Members of the
18 commission shall be invited guests to the public hearings.

19 (cc) The commission, at regular intervals and in public meetings,
20 shall update the board on the progress of the development of the
21 statewide housing plan and maintenance thereof or any updates thereto.
22 The commission shall also submit the developed plan, or once the plan
23 is developed any recommended updates to such plan, to the board for
24 approval, approval with comments, or rejection at a schedule
25 determined by the board. Any plan or update which is rejected by the
26 board shall not be incorporated into the statewide housing plan.

27 (vii) The commission shall advise and provide recommendations
28 to the board in the following areas:

29 (aa) Planning and housing regions of the state.

30 (bb) Public and alternative transportation needs. Such

1 recommendation may include alternative modes of transportation
2 including public transit, bus rapid transit, and rail and bicycle paths.

3 (cc) Estimates on low and moderate income housing needs.

4 (dd) Criteria and guidelines for parishes and municipalities to
5 determine and address their local affordable housing needs, to promote
6 consistency and uniformity in the information obtained and reported.

7 (ee) Criteria and guidelines for parishes, municipalities, and
8 redevelopment authorities, and metropolitan planning organizations to
9 coordinate and address local and regional transportation needs, to
10 promote consistency and uniformity in the information obtained and
11 reported.

12 (ff) Schedule and establish criteria to review housing and
13 transportation plans for parishes and municipalities, and provide
14 technical assistance to those parishes and municipalities unable to
15 develop plans consistent with the established criteria and guidelines to
16 determine consistency with established criteria and guidelines to address
17 local affordable housing and transportation needs.

18 (29) The corporation shall have all the powers and duties of a housing
19 authority created pursuant to the Louisiana Housing Authorities Law, R.S.
20 40:381 et seq., necessary to administer the Permanent Supportive Housing
21 program.

22 B. The corporation may promulgate rules, regulations, or other
23 procedures for the coordination of all state-administered housing programs.
24 Notwithstanding any provisions of this Chapter or any other provision of the
25 law to the contrary, every department, agency, or instrumentality of the state
26 administering any federal or state housing resource shall provide assistance to
27 the corporation, including but not limited to information, technical assistance,
28 and personnel of such department, agency, or instrumentality, which is being
29 or may be used to provide decent, safe, sanitary, accessible, and affordable
30 housing to the residents of the state in order to accomplish the goals and to

1 comply with the provisions of this Chapter.

2 C. The Louisiana Housing Corporation is authorized and directed to
3 cooperate and coordinate with units of general local government, local public
4 housing authorities, and other instrumentalities of local government, including
5 but not limited to public trusts and local nonprofit housing corporations, in
6 developing a comprehensive plan and housing strategy as required by the
7 Department of Housing and Urban Development. Such plan shall be submitted
8 to the House Committee on Municipal, Parochial and Cultural Affairs and the
9 Senate Committee on Local and Municipal Affairs for review within thirty days
10 of its completion.

11 D. The Louisiana Housing Corporation is authorized and directed to
12 increase the supply of supportive housing, which combines structural features
13 and services needed to enable persons with disabilities and senior citizens to live
14 with dignity and independence.

15 §600.92. Purchase of mortgage loans

16 A. The corporation may purchase, or contract to purchase, insured
17 mortgage loans with respect to residential housing from lending institutions, at
18 such prices and upon such terms and conditions as it shall determine by rules
19 or regulations adopted by the board of directors. All lending institutions are
20 authorized to sell insured mortgage loans to the corporation in accordance with
21 the provisions of this Chapter and the rules and regulations of the corporation.

22 B. The corporation may require as a condition of purchase of any
23 insured mortgage loan from a lending institution that the lending institution
24 represent and warrant to the corporation all of the following:

25 (1) The unpaid balance of the mortgage loan and the interest rate
26 thereon have been accurately stated to the corporation and that the interest rate
27 is not usurious.

28 (2) The amount of the unpaid principal balance of the mortgage loan is
29 justly due and owing in accordance with the terms thereof.

30 (3) The lending institution has no notice of the existence of any

1 counterclaim, offset, or defense asserted by the mortgagor or his successor in
2 interest.

3 (4) The mortgage loan is evidenced by a note and a mortgage which has
4 been properly recorded in the parish in which the immovable property is
5 situated.

6 (5) The mortgage constitutes a valid first lien on the immovable
7 property described to the corporation, subject to property taxes not yet due,
8 installments of assessments not yet due, and such servitudes, encumbrances, or
9 restrictions which do not adversely affect to a material degree the use or value
10 of the immovable property or the improvements thereon.

11 (6) The mortgage loan when made was lawful under federal or state law,
12 or both, whichever governed the making of the loan, and would be lawful on the
13 date of purchase by the corporation if made by the lending institution on that
14 date in the amount of the unpaid principal balance.

15 (7) The mortgagor is not now in default in the payment of any
16 installment of principal or interest, escrow funds, property taxes or otherwise
17 in the performance of his obligations under the mortgage loan documents and
18 has not to the knowledge of the lending institution been in default in the
19 performance of any such obligation for a period of longer than sixty days during
20 the life of the mortgage.

21 (8) The improvements to the mortgaged property are covered by a valid
22 and current policy of insurance, in full force and effect, issued by an insurance
23 company authorized to issue such policies in the state and providing fire and
24 extended coverage in an amount not less than the outstanding principal balance
25 of the mortgage loan or the maximum insurable value of the mortgaged
26 property, whichever is greater.

27 (9) The mortgage loan meets the prevailing investment quality standards
28 for mortgage loans of that type in the state and is an insured mortgage loan.

29 C. A lending institution shall be liable to the corporation for any
30 damages suffered by the corporation by reason of the untruth of any

1 representation or the breach of any warranty and, in the event that any
 2 representation shall prove to be untrue when made or in the event of any breach
 3 of warranty, the lending institution at the option of the corporation shall
 4 repurchase the mortgage loan for the original purchase price, adjusted for
 5 amounts subsequently paid thereon and for damages incurred by the
 6 corporation, as the corporation may determine.

7 D. The corporation may require the recording of an assignment of any
 8 mortgage loan or mortgage purchased by it from a lending institution. The
 9 corporation shall not be required to inspect or take possession of the mortgage
 10 loan documents if the lending institution from which the mortgage loan is
 11 purchased by the corporation enters into a contract with the corporation to
 12 service such mortgage loan and to account to the corporation regarding such
 13 mortgage loan.

14 E. If the corporation purchases a mortgage loan from a lending
 15 institution, the corporation may contract with that or another lending
 16 institution to act as servicing agent for the corporation for the collection of
 17 mortgage loan payments from the mortgagor and for the exercise of the rights
 18 and the discharge of the responsibilities provided for in the mortgage loan
 19 documents and federal and state law.

20 F. To the extent that any provisions of this Section may be inconsistent
 21 with any provision of law of the state governing lending institutions, the
 22 provisions of this Section shall control.

23 G. Notwithstanding any provision of this Chapter or of any other law
 24 to the contrary, the corporation may directly fund insured mortgage loans in
 25 connection with a federal program if benefits provided by such program would
 26 not otherwise be made available within the state.

27 §600.93. Loans to lending institutions

28 A. (1) The corporation may make, or contract to make, secured loans to
 29 lending institutions at such interest rates, terms, and conditions as it shall
 30 determine by rules or regulations adopted by the board of directors.

1 (2) All lending institutions are authorized to borrow funds from the
2 corporation in accordance with the provisions of this Chapter and the rules and
3 regulations of the corporation.

4 (3) The corporation shall require that the proceeds of its loans to lending
5 institutions or an equivalent amount shall be used by such lending institutions
6 to make mortgage loans with respect to residential housing located within the
7 state, subject to such terms and conditions as the corporation may prescribe.

8 B. The corporation shall require that each lending institution which is
9 the recipient of a loan pursuant to this Section shall issue and deliver to the
10 corporation an evidence of its indebtedness to the corporation, which shall
11 constitute a general obligation of such lending institution and shall bear such
12 date or dates, shall mature at such time or times, shall be subject to such
13 prepayment, and shall contain such other provisions consistent with this Section
14 as the corporation shall determine.

15 C. Notwithstanding any other provisions of this Section to the contrary,
16 the interest rate or rates and other terms of such loans to lending institutions
17 made from the proceeds of any issue of bonds of the corporation shall be at least
18 sufficient to assure the payment of said bonds and the interest thereon as the
19 bonds become due.

20 D. The corporation shall require that loans made to lending institutions
21 pursuant to this Section shall be additionally secured as to payment of both
22 principal and interest by a pledge of collateral security in such amounts and
23 consisting of such obligations, securities, or mortgages as the corporation shall
24 determine to be necessary to assure the payment of such loans and the interest
25 thereon as the same become due.

26 E. (1) The corporation may require that collateral for loans to lending
27 institutions be deposited with a bank, trust company, or other financial
28 institution acceptable to the corporation located either within or outside the
29 state as designated by the corporation.

30 (2) In the absence of such requirement, a lending institution that is the

1 recipient of a loan from the corporation shall enter into an agreement with the
2 corporation containing such provisions as the corporation shall deem necessary
3 or desirable to adequately identify and maintain such collateral, to service such
4 collateral, and to require that the lending institution shall hold such collateral
5 as agent for the corporation and shall be accountable to the corporation as the
6 trustee of an express trust for the application and disposition thereof and the
7 income therefrom solely to the uses and purposes in accordance with the
8 provisions of such agreement.

9 (3) A copy of each such agreement and any revisions or supplements
10 thereto shall be filed with the secretary of state, and no further filing or other
11 action under any other law of the state shall be required to perfect the security
12 interest of the corporation in such collateral or any additions thereto or
13 substitutions therefor, and the lien and trust for the benefit of the corporation
14 so created shall be binding from and after the time made against all parties
15 having claims of any kind in tort, contract, or otherwise against such lending
16 institution.

17 (4) The corporation may also establish such additional requirements as
18 it shall deem necessary with respect to the pledging, assigning, setting aside, or
19 holding of such collateral and the making of substitutions therefor or additions
20 thereto and the disposition of income and receipts therefrom.

21 F. The corporation shall require lending institutions that are the
22 recipients of loans from the corporation to submit evidence satisfactory to the
23 corporation that the lending institution has used the proceeds of such loans by
24 the corporation, or any equivalent amount, to make mortgage loans with respect
25 to residential housing and that the lending institution has complied with the
26 terms and conditions of such loans as prescribed by the corporation. In
27 connection therewith, the corporation, through its employees or agents, may
28 inspect the books and records of such lending institution.

29 G. The corporation may require as a condition of any loans to lending
30 institutions such representations and warranties as it shall determine to be

1 necessary or desirable to service such loans and implement the provisions of this
 2 Section.

3 H. Subject to the rights of holders of bonds of the corporation, the
 4 corporation may collect, enforce the collection of, and foreclose on any
 5 collateral securing its loans to lending institutions and acquire or take
 6 possession of such collateral and sell the same at private or public sale, with or
 7 without public bidding, and otherwise deal with such collateral as may be
 8 necessary to protect the interest of the corporation therein.

9 I. To the extent that any provisions of this Section may be inconsistent
 10 with any provision of the law of the state governing lending institutions, the
 11 provisions of this Section shall control.

12 §600.94. Bonds of the corporation

13 A. The corporation is hereby authorized and empowered to issue bonds
 14 from time to time, whether the interest thereon is subject to taxation under the
 15 provisions of the Internal Revenue Code of 1986 as now enacted or subsequently
 16 amended or is exempt therefrom to provide funds for and to fulfill and achieve
 17 its authorized public functions or corporate purposes as set forth in this
 18 Chapter including but not limited to the following purposes:

19 (1) The purchase of insured mortgage loans from lending institutions.

20 (2) The making of secured loans to lending institutions.

21 (3) Construction of residential buildings.

22 (4) The purchase of residential loans previously made and secured by
 23 first mortgages and for the purchase of securities fully collateralized by first
 24 mortgages on residential housing.

25 (5) The purchase of "pre-packaged" residential first mortgage loans for
 26 investment or resale.

27 (6) The payment of interest on bonds of the corporation, the
 28 establishment of reserves to secure such bonds, the establishment of reserves
 29 with respect to the insurance of mortgage loans for residential housing.

30 (7) All other expenditures of the corporation incident to and necessary

1 or convenient to carry out its public functions or corporate purposes.

2 B. Except as may otherwise be provided by the corporation, all bonds
3 issued by the corporation shall be negotiable instruments and may be general
4 obligations of the corporation, secured by the full faith and credit of the
5 corporation and payable out of any money, assets, or revenues of the
6 corporation or from any other sources whatsoever that may be available to the
7 corporation.

8 C. The bonds of the corporation shall be solely the obligations of the
9 corporation. In no event shall any bonds of the corporation constitute an
10 obligation, either general or special, of the state or of any political subdivision
11 of the state or constitute or give rise to a pecuniary liability of the state or of
12 any political subdivision of the state, nor shall the corporation have the power
13 to pledge the general credit or taxing power of the state or of any political
14 subdivision of the state.

15 D. Bonds shall be authorized, issued, and sold by a resolution or
16 resolutions of the corporation adopted as provided in this Chapter. Such bonds
17 may be of such series, bear such date or dates, mature at such time or times,
18 bear interest at such rate or rates, payable at such time or times, be in such
19 denominations, be sold at such price or prices, at public or private negotiated
20 sale, after advertisement as is provided for in R.S. 39:1421 through 1427, be in
21 such form, either in coupon form, registered as to principal only or fully
22 registered without coupons, carry such registration and exchangeability
23 privileges, be payable at such place or places, be subject to such terms of
24 redemption, and be entitled to such priorities on the income, revenue, and
25 receipts of, or available to, the corporation as may be provided by the
26 corporation in the resolution or resolutions providing for the issuance and sale
27 of the bonds of the corporation.

28 E. The bonds of the corporation shall be signed by such directors or
29 officers of the corporation, by either manual or facsimile signatures, as shall be
30 determined by resolution or resolutions of the corporation, and shall have

1 impressed or imprinted thereon the seal of the corporation, or a facsimile
2 thereof. The coupons attached to coupon bonds of the corporation shall bear
3 the facsimile signature of such director or officer of the corporation as shall be
4 determined by resolution or resolutions of the corporation.

5 F. Any bonds of the corporation may be validly issued, sold, and
6 delivered, notwithstanding that one or more of the directors or officers of the
7 corporation signing such bonds, or whose facsimile signature or signatures may
8 be on the bonds or on coupons shall have ceased to be such director or officer
9 of the corporation at the time such bonds shall actually have been delivered.

10 G. Bonds of the corporation may be sold in such manner and from time
11 to time as may be determined by the corporation to be most beneficial, and the
12 corporation may pay all expenses, premiums, or commissions which it may
13 deem necessary or advantageous in connection with the issuance and sale
14 thereof, subject to the provisions of this Chapter.

15 H. Bonds of the corporation may be issued under and subject to such
16 terms, covenants, or conditions, consistent with this Chapter, as may be
17 determined by resolution or resolutions of the corporation to be necessary or
18 desirable, including but not limited to all of the following:

19 (1) The establishment of a trust indenture or indentures by and between
20 the corporation and a corporate trustee, which may be any bank or trust
21 company having the powers of a trust company, located within or without the
22 state, that is acceptable to the corporation.

23 (a) Such trust indenture may provide for the pledging or assigning of
24 any assets or income from assets to which or in which the corporation has any
25 rights or interest, and may further provide for such other rights and remedies
26 exercisable by the trustee as may be proper for the protection of the holders of
27 the bonds of the corporation, and not otherwise in violation of law.

28 (b) Such agreement may provide for the restriction of the rights of any
29 individual holder of bonds of the corporation.

30 (c) Such trust indenture may provide that all expenses incurred in

1 carrying out the provisions of such trust indenture may be treated as a part of
2 the cost of operation of the corporation.

3 (d) The trust indenture may contain any further provisions which are
4 reasonable to delineate further the respective rights, duties, safeguards,
5 responsibilities, and liabilities of the corporation.

6 (2) The pledge or creation of a lien, to the extent provided by resolution
7 or resolutions of the corporation, on all or any part of the money, assets, or
8 revenues of the corporation or on any money or assets held by others for the
9 benefit of the corporation to secure the payment of such bonds.

10 (3) Provisions for the custody, collection, securing, investment, and
11 payment of any money of or due to the corporation.

12 (4) The creation or funding of reserves or sinking funds and the
13 regulation or disposition thereof.

14 (5) Limitations on the purposes to which the proceeds of the sale of any
15 issue of bonds then or thereafter to be issued may be applied.

16 (6) Limitations on the issuance of additional bonds and on the refunding
17 of outstanding or other bonds.

18 (7) The procedure, if any, by which the terms of any contract with the
19 holders of bonds of the corporation may be amended or abrogated, the amount
20 of bonds the holders of which must consent thereto, and the manner in which
21 such consent may be given.

22 (8) The creation of special funds into which any money of the
23 corporation may be deposited.

24 (9) The vesting in a trustee or trustees of such properties, rights, powers,
25 and duties in trust as the corporation may by resolution determine.

26 (10) The definition of the acts or omissions which shall constitute a
27 default in the obligations and duties of the corporation and providing for the
28 rights and remedies of the holders of bonds of the corporation in the event of
29 such default in accordance with the provisions of the Chapter and the general
30 laws of the state.

1 (11) Any other matters of like or different character, which in any way
2 affect the security and protection of the bonds and the rights of the holders
3 thereof.

4 I. The corporation is hereby granted the total allocation for qualified
5 mortgage bonds for state housing finance corporation issuers pursuant to the
6 federal Mortgage Subsidy Bond Tax Act of 1980, 26 U.S.C. 103A. Any
7 allocation made pursuant to this Act to issuers other than state housing finance
8 corporation issues which have not been sold by September first of each year
9 may be allocated, in whole or in part, by the governor of the state of Louisiana
10 to the corporation.

11 §600.95. Statutory pledge

12 Any pledge made by the corporation shall be valid and binding from the
13 time when the pledge is made. The money, assets, or revenues of the
14 corporation so pledged and thereafter received by the corporation shall
15 immediately be subject to the lien of such pledge without any physical delivery
16 thereof or further act, and the lien of any such pledge shall be valid and binding
17 as against all parties having claims of any kind in tort, contract, or otherwise
18 against the corporation, irrespective of whether such parties have notice
19 thereof. Neither the resolution nor any other instrument by which a pledge is
20 created need be recorded or filed in order to establish and perfect a lien or
21 security interest in the property so pledged.

22 §600.96. Refunding bonds

23 A. Subject to the rights of the holders of the bonds of the corporation,
24 the corporation is hereby authorized and empowered to issue from time to time
25 its bonds for the purpose of refunding any bonds of the corporation then
26 outstanding, together with the payment of any redemption premiums thereon
27 and interest accrued or to accrue to the date of redemption of such outstanding
28 bonds.

29 B. All such refunding bonds of the corporation shall be issued, sold or
30 exchanged, and delivered, shall be secured, and shall be subject to the

1 provisions of this Chapter in the same manner and to the same extent as any
2 other bonds issued by the corporation pursuant to this Chapter, unless
3 otherwise determined by resolution of the corporation.

4 C. Refunding bonds issued by the corporation as herein provided may
5 be sold or exchanged for outstanding bonds of the corporation and, if sold, the
6 proceeds thereof may be applied, in addition to any other authorized purposes,
7 to the purchase, redemption, or payment of such outstanding bonds.

8 D. Pending the application of the proceeds of any such refunding bonds,
9 with any other available funds, to the payment of the principal, accrued interest,
10 and redemption premiums, if any, on the bonds being refunded, and, if so
11 provided or permitted in the trust indenture or the resolution of the corporation
12 authorizing the issuance of such refunding bonds, to the payment of any interest
13 on such refunding bonds and any expenses in connection with such refunding,
14 such proceeds may be invested in direct obligations of, or obligations the
15 principal and interest on which are unconditionally guaranteed by, the United
16 States which shall mature or which shall be subject to redemption by the
17 holders thereof, at the option of such holders, not later than the respective dates
18 when the proceeds, together with the interest accruing thereon, will be required
19 for the purposes intended.

20 §600.97. Liability of directors, officers, or employees of the corporation

21 The directors, officers, or employees of the corporation, or any other
22 person executing the bonds of the corporation shall not be personally liable on
23 the bonds or be subject to any personal liability or accountability by reason of
24 the issuance, sale, or delivery thereof while acting within the scope of their
25 authority.

26 §600.98. Purchase of bonds by corporation

27 Subject to the rights of holders of bonds, the corporation shall have the
28 power out of any funds available therefor, to purchase bonds of the corporation,
29 which shall thereupon be cancelled, at a price not exceeding either of the
30 following:

1 (1) If the bonds are then subject to optional redemption, the optional
2 redemption price then applicable plus accrued interest to the next interest
3 payment date thereon.

4 (2) If the bonds are not then subject to optional redemption, the optional
5 redemption price applicable on the first date after such purchase upon which
6 the notes or bonds become subject to optional redemption plus accrued interest
7 to such date.

8 §600.99. Approval of issuance of bonds by State Bond Commission

9 The approval of the State Bond Commission shall be obtained prior to
10 the issuance of any bonds of the corporation. No notice to, or consent or
11 approval by, any other governmental body or public officer shall be required
12 as a prerequisite to the issuance, sale, or delivery of any bonds of the
13 corporation, or to the making of any loans by the corporation to lending
14 institutions, or to the purchase of insured mortgage loans by the corporation
15 from lending institutions, or to the insurance by the corporation of any
16 mortgage loan with respect to residential housing, or to the exercise of any other
17 public function or corporate power of the corporation, except as is expressly
18 provided in this Chapter.

19 §600.100. Exemption from taxes

20 A. It is hereby determined that the creation of the corporation and the
21 carrying out of its public functions and corporate purposes is, in all respects, a
22 public and governmental purpose for the benefit of the people of the state, and
23 for the improvement of their health, safety, welfare, comfort, and security and
24 that the functions and purposes are public purposes and that the corporation
25 will be performing an essential governmental function in the exercise of the
26 powers conferred upon it by this Chapter.

27 B. The money, assets, revenues, and operations of the corporation shall
28 be exempt from all taxation by the state or any of its political subdivisions.

29 C. The corporation shall not be required to pay any recording fee or
30 transfer tax of any kind on account of instruments recorded by it or on its

1 behalf.

2 D. All bonds authorized to be issued by the corporation pursuant to the
3 provisions of this Chapter, together with interest thereon, income therefrom,
4 and gain upon the sale thereof shall be exempt from all state and local taxes.

5 §600.101. Covenant of state

6 In consideration of the acceptance of and payment for the bonds of the
7 corporation by the holders thereof, the state does hereby pledge to and agree
8 with the holders of any bonds of the corporation issued pursuant to the
9 provisions of this Chapter, that the state will not impair, limit, or alter the
10 rights hereby vested in the corporation to fulfill the terms of any agreements
11 made with the holders of the bonds of the corporation, or in any way impair the
12 rights or remedies of such holders thereof, until such bonds, together with the
13 interest thereon, with interest on any unpaid installments of interest, and all
14 costs and expenses in connection with any action or proceedings by or on behalf
15 of such holders, are fully met and discharged. The corporation is authorized to
16 include this pledge and agreement of the state in any agreement with the holders
17 of bonds of the corporation.

18 §600.102. Trust funds

19 All monies received by the corporation pursuant to the provisions of this
20 Chapter shall be deemed to be trust funds, to be held and applied solely to or for
21 the public functions and corporate purposes of the corporation.

22 §600.103. Bonds as legal investment and security for public deposits

23 A. The state and all public officers, any parish or municipality, or other
24 subdivision or instrumentality of the state, any bank, banker, trust company,
25 savings bank and institution, building and loan association, savings and loan
26 association, investment company or any person carrying on a banking or
27 investment business, any insurance company or business, insurance associations
28 and any person carrying on an insurance business, and any executor,
29 administrator, curator, trustee, and other fiduciary, and retirement system or
30 pension fund may legally invest any sinking funds, monies, or other funds

1 belonging to them or within their control in any bonds issued by the corporation
2 pursuant to the provisions of this Chapter, and such bonds shall be authorized
3 security for all public deposits.

4 B. It is the purpose of this Section to authorize such persons, firms,
5 corporations, associations, political subdivisions and officers, or other entities,
6 public or private, to use any funds owned or controlled by them, including but
7 not limited to sinking, insurance, investment, retirement, compensation, pension
8 and trust funds, and funds held on deposit, for the purchase of any such bonds
9 of the corporation, and that any such bonds shall be authorized security for all
10 public deposits. However, nothing contained in this Section with regard to legal
11 investments or security for public deposits shall be construed as relieving any
12 such person, firm or corporation, or other entity from any duty of exercising
13 reasonable care in selecting securities.

14 §600.104. Accounts and audits

15 A. Subject to the provisions of any contract with the holders of its bonds,
16 the corporation shall establish a system of accounts.

17 B. The legislative auditor shall prepare an annual audit of the accounts
18 and operations of the corporation.

19 C. The corporation shall submit to the governor and to both houses of
20 the legislature an annual report on the operations of the corporation. It also
21 shall submit to them a copy of the report of every audit of the books and
22 accounts of the corporation, within sixty days from the receipt thereof by the
23 corporation.

24 §600.105. Cooperation of state agencies

25 All state officers and agencies are authorized to render such services to
26 the corporation within their respective functions as may be requested by the
27 corporation.

28 §600.106. Suits to determine validity of bonds

29 Any suit to determine the validity of bonds of the corporation shall be
30 brought only in accordance with R.S. 13:5121 et seq.

1 §600.107. State appropriations or grants

2 The state may make grants or appropriations of money or property to
3 the corporation for the purpose of enabling it to carry out its public functions
4 and corporate purposes.

5 §600.108. Termination of corporation

6 A. The corporation and its corporate and public existence shall continue
7 until terminated by law, provided that no such law shall take effect so long as
8 the corporation shall have bonds outstanding, unless adequate provision has
9 been made for the payment thereof.

10 B. Upon termination of the existence of the corporation, all of its rights,
11 money, assets, and revenues in excess of its obligations shall pass to and be
12 vested in the state.

13 §600.109. Construction of Chapter

14 This Chapter, being necessary for the welfare of the state and its
15 residents, shall be liberally construed to effect the purposes thereof.

16 §600.110. Fees

17 A. The corporation may charge only those fees as are being charged by
18 the entity on the date that the entity is, in accordance with this Chapter,
19 transferred to the corporation or made a subsidiary thereof.

20 B. The corporation shall, in accordance with the Administrative
21 Procedure Act, R.S. 49:950 et seq., promulgate the schedule of fees to be
22 charged by the corporation in connection with the programs administered by
23 it. Such schedule shall be submitted to and subject to approval of the Joint
24 Legislative Committee on the Budget.

25 §600.111. Mortgage foreclosure counseling

26 A.(1) The corporation may establish a program to provide free
27 mortgage foreclosure counseling and education to homeowners who have
28 defaulted or are in danger of defaulting on the mortgages on their homes.

29 (2) If the corporation establishes such a program, the corporation may
30 work with the office of financial institutions and the office of financial

1 institutions shall cooperate with the corporation to effectuate the purposes of
 2 this Section.

3 (3) The corporation may enter into an agreement with any public,
 4 private, or nonprofit entity to carry out any part of the mortgage foreclosure
 5 counseling and education program.

6 (4) The program may include a central toll-free telephone number that
 7 homeowners may call to receive mortgage foreclosure counseling and education.

8 (5) The corporation may award grants for the training of counselors
 9 who will provide mortgage foreclosure counseling and education from funds
 10 appropriated by the legislature for that purpose or any other funding available
 11 for that purpose.

12 (6) The corporation may establish standards for the certification of
 13 counselors who will provide mortgage foreclosure counseling and education.

14 B. The program shall be funded through self-generated funds of the
 15 corporation; however, the corporation may solicit contributions and grants
 16 from the private sector, nonprofit entities, and the federal government to assist
 17 in carrying out the purposes of this Section.

18 C. The corporation shall annually submit a report to the Senate
 19 Committee on Commerce, Consumer Protection and International Affairs and
 20 the House Committee on Commerce on the operation of the mortgage
 21 foreclosure counseling and education program and shall include a summary of
 22 the mortgage foreclosure rates and trends in the state of Louisiana and the
 23 United States of America.

24 Section 2. R.S. 42:1124.2 (A)(5) is hereby enacted to read as follows:

25 §1124.2. Financial disclosure; certain elected officials; members of certain boards
 26 and commissions; ethics administrator

27 A. Each of the following, except a person who is required to file a financial
 28 statement pursuant to R.S. 42:1124, shall annually file a financial statement as
 29 provided in this Section:

30 * * *

(5) The executive director of the Louisiana Housing Corporation.

* * *

Section 3. R.S. 36:769(J) and Chapter 3-A of Title 40 of the Louisiana Revised Statutes of 1950, comprised of R.S. 40:600.1 through 600.25.1, are hereby repealed at midnight on June 30, 2012.

Section 4. The Louisiana Housing Finance Agency board of commissioners is hereby abolished at midnight on December 31, 2011. At midnight on December 31, 2011, the activities, authority, power, duties, functions, programs, obligations, operations and responsibilities and any pending or unfinished business of the Louisiana Housing Finance Agency, hereinafter referred to as the "Agency", shall be assumed and completed by the governing authority of the Louisiana Housing Corporation, hereinafter referred to as the "Corporation", with the same power and authority as the Agency. The Corporation shall be the successor in every way to the Agency and every act done by the Corporation in the exercise of its functions shall be deemed to have the same force and effect under any provisions of the constitution and laws in effect as if done by the Agency. The Agency shall operate as a subsidiary of the Corporation until midnight on June 30, 2012.

Section 5.(A) After midnight on June 30, 2012, each reference or designation in the constitution or any law or contract or other document of the Louisiana Housing Finance Agency shall be deemed to apply to the Louisiana Housing Corporation.

(B) The Louisiana State Law Institute is hereby directed to change all references to the "Louisiana Housing Finance Agency" to the "Louisiana Housing Corporation" throughout the Louisiana Revised Statutes of 1950.

Section 6. (A) For purposes of this Section, "legal proceeding" includes, but is not limited to, any suit, action, incidental demand or action, claim, and any other matter filed or pending before any court, administrative agency, or other judicial or quasi-judicial body.

(B) For purposes of this Section, "document" includes, but is not limited to, any petition, application, exception, motion, rule, answer, incidental demand, citation, notice, return, affidavit, certificate, oath, bond or other security summons, subpoena, writ, interrogatory, deposition, inventory, appraisal, evidence, court record, instruction, verdict, judgment, order, injunction, confirmation, appointment, warrant, letter, homologation, and

1 any other pleading or instrument whatsoever permitted or required in any legal proceeding.

2 (C) Any legal proceeding to which the Louisiana Housing Finance Agency is a party
3 and which is filed initiated, or otherwise pending before any court at or prior to midnight on
4 June 30, 2012, and all documents involved in or affected by the legal proceeding, shall retain
5 their effectiveness and shall be continued in the name of the Agency. All further legal
6 proceedings and documents in the continuation, disposition, and enforcement of the legal
7 proceeding shall be in the name of the Agency, and the Louisiana Housing Corporation shall
8 be substituted for the Agency without necessity for amendment of any document to
9 substitute the name of the Agency or the name or title of any office, official, employee, or
10 other agent or representative of the Agency. Any legal proceeding, and all documents
11 involved in or affected by the legal proceeding which has been continued in the name of the
12 Agency after midnight on December 31, 2012, shall retain their effectiveness, and those
13 provisions of this Section requiring that the continuation, disposition, and enforcement of
14 a legal proceeding and documents related thereto shall be in the name of the Agency shall
15 not apply to or affect the validity of such legal proceeding.

16 Section 7.(A) The legislature hereby specifically states that this Act is in no way and
17 to no extent intended to nor shall it be construed in any manner which will impair the
18 contractual or other obligations of the Agency or of the state of Louisiana. It is hereby
19 specifically provided that all obligations of the Agency hereafter shall be deemed to be the
20 obligations of the Corporation. In like manner, and in order to prevent any violation of the
21 provisions, terms, or conditions of any gift, donation, deed, will, trust, or other instrument
22 or disposition by which property of any kind has been vested in the Agency, or diversion
23 from the purposes for which the property was thus vested in the Agency, it is hereby
24 specifically provided that each such instrument or disposition hereafter shall be deemed to
25 have been vested in the Corporation to the same extent as if originally so done.

26 (B) The Corporation shall be the successor in every way to the Agency, including all
27 the obligations and debts of the Agency. All funds heretofore dedicated by or under
28 authority of the constitution and laws of this state or any of its subdivisions to the payment
29 of any bonds issued for construction or improvements for any institution or facility under
30 the control of the Agency shall continue to be collected and dedicated to the payment of

1 those bonds, unless under the constitution and laws the bonds are now being paid out of
2 moneys in the Bond Security and Redemption Fund. In like manner, all other dedications
3 and allocations of revenues and sources of revenues heretofore made, which are
4 constitutional under the Louisiana Constitution of 1974, shall continue, until otherwise
5 hereafter provided by the constitution, in the same manner, to the same extent, and for the
6 same purposes as were provided prior to the enactment of this Act.

7 (C) This Act shall not be construed or applied in any way which will prevent full
8 compliance by the state, or any department, office, or agency thereof, with the requirements
9 of any Act of the Congress of the United States or any regulation made thereunder by which
10 federal aid or other federal assistance has been or hereafter is made available to this state,
11 or any department, office, agency, or subdivision thereof, anything contained in this Act to
12 the contrary notwithstanding, and such compliance hereafter shall be accomplished by the
13 Corporation insofar as compliance affects the Agency.

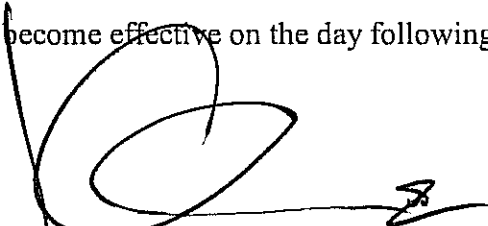
14 Section 8. All books, papers, records, money, actions, and other property of every
15 kind, movable and immovable, real and personal, heretofore possessed, controlled, or used
16 by the Agency are transferred to the Corporation.

17 Section 9. All employees heretofore engaged in the performance of duties in the
18 Agency shall remain under the control and direction of the Agency until termination of the
19 Agency effective June 30, 2012. Subsequent to the assumption of control of the Agency by
20 the Corporation, the Corporation to the extent the Corporation deems necessary to carry out
21 the functions of the Corporation and/or the Agency, shall transfer employees to the
22 Corporation and they shall, insofar as practicable and necessary, continue to perform the
23 duties heretofore performed, subject to applicable state civil service laws, rules, and
24 regulations.

25 Section 10.(A) On or after the effective date of this Section, the commissioner of
26 administration, the president of the Senate or his designee, and the speaker of the House of
27 Representatives or his designee, the chairman of the board of commissioners of the
28 Louisiana Housing Finance Agency at the time that this Act becomes effective shall form
29 a transition committee that shall be terminated no later than midnight on January 1, 2012.

1 (B) The transition committee shall determine workable transition plans for the
 2 transfer of programs, powers, duties, responsibilities, and functions as shall be necessary to
 3 implement the provisions of this Act. These plans shall include detailed procedures for the
 4 realignment, distribution, assignment, consolidation, and coordination of agencies, programs,
 5 and functions designated within this Act. These plans shall include detailed procedures for
 6 the transfer and utilization of positions, personnel, funds, office space, facilities, equipment,
 7 and such other detail as is necessary to effectuate the purpose of this Act. A report on these
 8 plans shall be presented to the Senate Committee on Local and Municipal Affairs and the
 9 House Committee on Municipal, Parochial, and Cultural Affairs for review no later than
 10 December 15, 2011. The transition committee shall have the authority to establish
 11 subcommittees to report and make recommendations with respect to transition plans and
 12 their implementation.

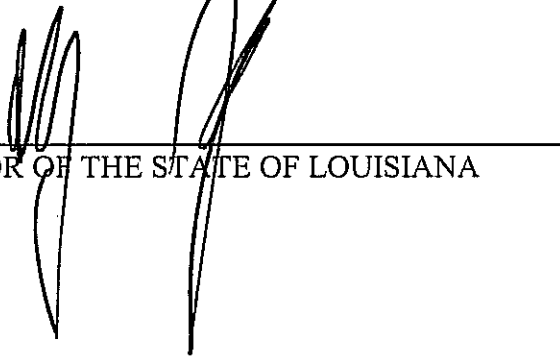
13 Section 11. The provisions of this Act shall become effective upon signature by the
 14 governor or, if not signed by the governor, upon expiration of the time for bills to become
 15 law without signature by the governor, as provided by Article III, Section 18 of the
 16 Constitution of Louisiana. If vetoed by the governor and subsequently approved by the
 17 legislature, the provisions of this Act shall become effective on the day following.



 PRESIDENT OF THE SENATE



 SPEAKER OF THE HOUSE OF REPRESENTATIVES



 GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: SEP 7/5/11