

ACT 762

Regular Session, 1986

SENATE BILL NO. 523

BY MESSRS. HOLLIS, CASEY, HINTON, LAURICELLA, NICHOLSON AND WINDHORST AND REPRESENTATIVES ALARIO, ALEXANDER, ANDREPONT, BENOIT, BLOUNT, BORNE, CAIN, CARTER, CROSBY, CUSIMANO, DAMICO, DASTUGUE, DEANO, DEWITT, D'GEROLAMO, DIEI, DIEZ, DIMOS, DOUCET, FORSTER, GEE, GUIDRY, HAIK, HAND, HEITMEIER, IVON, C. D. JONES, KENNARD, LANCASTER, LEACH, LEMOINE, J. D. LONG, LOWENTHAL, MCKEITHEN, NEWMAN, RIPOLL, RUSSELL, SALTER, SCOGIN, SCOTT, SHERIDAN, SIRACUSA, SITTING, STRAIN, THERIOT, THIBODEAUX, F. THOMPSON, TOOMY, AND TRAVIS



ORIGINATED

IN THE

SENATE

Received by Secretary of State  
this 14<sup>th</sup> day of July, 1986

GOVERNOR'S OFFICE

JUL 03 1986

TIME 3:15 P.M.  
RECEIVED C.D.

*Jim Brown*

James H. "Jim" Brown  
Secretary of State

SECRETARY OF THE SENATE

SENATE BILL NO. 523

BY MESSRS. HOLLIS, CASEY, HINTON, LAURICELLA, NICHOLSON AND WINDHORST AND REPRESENTATIVES ALARIO, ALEXANDER, ANDREPONT, BENOIT, BLOUNT, BORNE, CAIN, CARTER, CROSBY, CUSIMANO, DAMICO, DASTUGUE, DEANO, DEWITT, D'GEROLAMO, DIESEI, DIEZ, DIMOS, DOUCET, FORSTER, GEE, GUIDRY, HAIK, HAND, HEITMEIER, IVON, C. D. JONES, KENNARD, LANCASTER, LEACH, LEMOINE, J. D. LONG, LOWENTHAL, MCKEITHEN, NEWMAN, RIPOLL, RUSSELL, SALTER, SCOGIN, SCOTT, SHERIDAN, SIRACUSA, SITIG, STRAIN, THERIOT, THIBODEAUX, F. THOMPSON, TOOMY, AND TRAVIS

AN ACT

To authorize the Greater New Orleans Expressway Commission to issue bonds for the purpose of refunding, refinancing, restructuring, extending, or unifying the whole or any part of its outstanding bonded indebtedness and to finance the cost of construction of improvements and betterments to the Greater New Orleans Expressway, prescribing the terms and conditions under which such bonds may be issued and the security for such bonds, confirming, approving, and continuing in effect certain rights, powers, and privileges of the commission; to provide for surplus funds; and to provide for related matters.

Notice of intention to introduce this Act has been published as provided by Article III, Section 13 of the Constitution of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. Definitions

As used in this Act, the following terms shall have the following meanings:

(1) "Bonds" means the bonds issued to finance the cost of construction of improvements and betterments to the expressway and refunding bonds, authorized to be issued pursuant to the terms of this Act.

(2) "Commission" means the Greater New Orleans Expressway

Commission, created by the parishes as an agency and instrumentality of the parishes, pursuant to articles of incorporation dated October 20, 1954.

(3) "Expressway" means the Greater New Orleans Expressway, a bridge-causeway, and requisite approaches, across Lake Pontchartrain connecting the parishes.

(4) "Outstanding bonded indebtedness" or "outstanding bonds" means the outstanding Greater New Orleans Expressway Refunding and Improvement Bonds, Series A and Series B, dated January 1, 1967, and Series A-1973, dated May 1, 1973, of the commission and the parishes.

(5) "Parishes" means the parish of Jefferson and the parish of St. Tammany, Louisiana.

(6) "Refunding bonds" means the bonds authorized to be issued to refund, refinance, restructure, extend, or unify the whole or any part of the outstanding bonded indebtedness.

(7) "State Highway Fund No. 2 monies" means that portion of the funds derived from the collection of vehicular license taxes in the parishes of Orleans, Jefferson, St. John the Baptist, St. Charles, Tangipahoa, and St. Tammany, which are payable under Article VI, Section 22(g)(5) of the Louisiana Constitution of 1921 into a special Reserve Fund in the state treasury and dedicated to the parishes jointly and to the commission to supplement the amounts received as net tolls and revenues from the expressway to pay the principal of and interest on the revenue bonds issued by the parishes jointly and the commission to finance the construction and improvement of the expressway.

#### Section 2. Authorization of bonds

Notwithstanding any other laws of the state of Louisiana, the commission is hereby authorized and empowered, with the approval of the State Bond Commission and the governing bodies of each of the parishes, to issue bonds as herein provided on behalf of the parishes for purposes of refunding, refinancing, restructuring, extending, or unifying the whole or any part of its outstanding bonded indebtedness and to finance the cost of the construction of improvements and betterments to the expressway, including construction of approaches and access roads, bridges, overpasses, and any other structures and traffic safety facilities related to the expressway, and the costs of the issuance of the bonds. The bonds issued for the purpose of

refunding, refinancing, restructuring, extending, or unifying the whole or any part of its outstanding bonded indebtedness shall be issued in an amount sufficient to provide the funds necessary to effectuate such purpose and to pay all costs associated therewith. The bonds issued for the purpose of constructing said improvements and betterments to the expressway may be issued in an amount not exceeding forty-nine million dollars (\$49,000,000), exclusive of refunding bonds. Bonds issued for the purpose of constructing improvements and betterments may be issued for the following specified projects indicated with the estimated costs for each being set forth opposite the particular project:

Design and construct safety and capacity improvements, including a grade separation structure north of the North Toll Plaza in St. Tammany Parish	\$10,000,000
In Jefferson Parish, widen existing Causeway Boulevard at grade to six (6) lanes from Veterans Memorial Boulevard to the Commission's South Toll Plaza, including right and left turning lanes, u-turns and crossovers to improve safety and capacity	\$6,000,000
In Jefferson Parish, design and construct grade separation structures to provide safety and capacity improvements between Veterans Memorial Boulevard and the Commission's South Toll Plaza	\$25,000,000
In Jefferson Parish, at I-10/Causeway Boulevard, redesign and upgrade existing interchange to improve safety and capacity by addition of elevated ramp structures connecting to Veterans Memorial Boulevard Overpass	\$2,500,000
In Jefferson Parish, design and construct improvements to Causeway Boulevard to increase safety and capacity from Jefferson Highway to I-10	\$2,500,000
If additional funds are available they will be dedicated to the construction of breakdown bays and/or crossovers on the bridge	

Nothing herein contained shall prevent the commission from using any available monies obtained from sources other than bond proceeds to fund in whole or in part any of the specified projects, and amounts in excess of the

estimated costs may be obtained from bond proceeds to complete a specified project. Bonds may be issued for other improvement projects approved by the commission and the governing bodies of each of the parishes.

### Section 3. Manner of issuing bonds

The bonds shall be issued pursuant to a resolution adopted by the commission, which resolution shall fix all details of the bonds, including their form, terms, repayment schedule, and redemption features. The bonds may be issued in one or more series from time to time. The refunding bonds may be issued together with bonds being issued to finance improvements and betterments to the expressway as a single series.

The commission shall have authority to adopt all proceedings necessary for the authorization, sale, and delivery of the bonds, including the right to enter into all contractual arrangements as may be necessary to effectuate the purposes for which the bonds are being issued, upon terms determined by the commission to be advantageous and beneficial to it.

### Section 4. Security for bonds

The bonds may be secured in the same manner as the outstanding bonds, said outstanding bonds being payable from the tolls and other revenues derived from the operation of the expressway as supplemented by State Highway Fund No. 2 monies allocated exclusively to the parishes for the payment of bonds issued in connection with the construction and improvement of the expressway or the refunding of such bonds. The dedication of State Highway Fund No. 2 monies to the payment of bonds of the commission and the parishes, which is authorized by and remains in effect under the Louisiana Constitution of 1974, is hereby reaffirmed and shall remain in effect until all bonds of the commission authorized heretofore and hereby have been paid in full or defeased, and there is hereby authorized to be pledged to the payment of such bonds the income and revenues derived from the operation of the expressway and the aforesaid State Highway Fund No. 2 monies.

The bonds also may be secured by a trust agreement by and between the commission and one or more corporate trustees, and may be further secured by credit enhancement devices, including, but not limited to, letters of credit, bank guarantees, municipal bond insurance, and any other cost effective device designed to improve the credit quality and marketability of

securities. After the discharge and release of the Trust Agreement for Greater New Orleans Expressway dated as of January 1, 1967 securing the outstanding bonded indebtedness of the commission, any revenues of the commission remaining at the end of each fiscal year after (i) payment of all expenses of maintaining and operating the facilities of the commission and providing for necessary renewals and replacements thereof, and (ii) satisfaction of all obligations of the commission under the terms of any resolution, ordinance, or indenture authorizing the issuance of any bonds authorized in Section 2 of this Act, shall be considered surplus. This surplus shall be transferred at the end of each fiscal year to the treasurer of the state of Louisiana for deposit in the state treasury. The first year surplus of three million dollars shall be transferred to the state treasury no later than January 1, 1987; provided, however, that prior to the transfer of such surplus to the state treasury, the commission shall use so much of said surplus as may be necessary for its officers to police the Huey P. Long Bridge and shall transfer fifty thousand dollars each fiscal year to each of the parishes of St. Charles, St. John the Baptist, and Tangipahoa.

#### Section 5. Sale of bonds; interest rates

The bonds may be sold at either public or negotiated sale in the manner and for such price as may be determined by the commission. The bonds shall bear interest at such rate or rates as are set forth in the resolution or ordinance authorizing the issuance of the bonds, but such interest rate or rates shall be governed by the provisions of R.S. 39:1424 and R.S. 39:1424.1.

#### Section 6. Publication of resolution; preemption

Any resolution authorizing the issuance of bonds shall be published one time in a newspaper of general circulation in the parish of Jefferson and in a newspaper of general circulation in the parish of St. Tammany; however, it shall not be necessary to publish any exhibits to such resolution if the same are available for public inspection and such fact is stated in the publication. For thirty days after the date of the last such publication, any person in interest may contest the legality of the resolution, any provision of the bonds to be issued pursuant thereto, the provisions therein made for the security and payment of such bonds and the validity of all other provisions and proceedings relating to the authorization and issuance of such bonds. After said thirty days, no person may contest the regularity, formality, legality, or

effectiveness of the resolution, any provisions of the bonds to be issued pursuant thereto, the provisions for the security and payment of such bonds or the validity of any other provisions and proceedings relating to authorization and issuance of such bonds, for any cause whatever. Thereafter, it shall be conclusively presumed that such bonds are legal and that every legal requirement for the issuance of such bonds has been complied with and no court shall have authority to inquire into any such matters after the lapse of said thirty days.

**Section 7. Status of bonds as negotiable instruments; exemption from taxes; legal investments**

All bonds issued pursuant to this Act shall be and are hereby made negotiable instruments within the meaning of and for all purposes of the negotiable instruments law of Louisiana, subject only to the provisions of the bonds for registration. All bonds and the income therefrom shall be exempt from all taxation by this state and any political subdivision thereof. The bonds shall be legal and authorized investments for banks, savings banks, insurance companies, homestead and building and loan associations, trustees and other fiduciaries and may be used for deposit with any officer, board, municipality or other political subdivision of this state, in any case where, by present or future laws, deposit or security is required.

**Section 8. Use of proceeds of bonds**

The proceeds of the sale of any bonds shall be deposited, applied, and disbursed in accordance with the provisions of the resolution authorizing the issuance of said bonds.

**Section 9. Expressway part of state highway system; construction of expressway on state lands; restriction on construction of certain other crossings of Lake Pontchartrain**

The following provisions of the Louisiana Constitution of 1921 relative to the rights, powers and privileges of the commission are hereby ratified, confirmed, approved, and continued in effect:

(1) The expressway has been constructed, extended, and/or improved, shall continue to be, and the same is hereby declared to be a part of the state highway system, and the state Department of Transportation and Development, or its successor, is authorized to enter into contracts with the commission for the operation and maintenance of the expressway and to

construct, operate, and maintain approaches and connecting highways with the state highway system.

(2) The power and authority of the commission to improve and make additions to the expressway is hereby confirmed.

(3) The commission, acting on behalf of the parishes, shall continue to have the right and privilege to construct, operate, and maintain the expressway over, under, through, and across any state owned lands, surfaced or submerged, necessary therefor; provided that when all bonds issued by the commission shall have been fully paid in principal and interest, the expressway shall become the property of the state of Louisiana and shall thereafter be operated and maintained by the state Department of Transportation and Development as a toll-free project and as part of the state highway system.

(4) So long as any bonds issued by the commission are outstanding, neither the state of Louisiana nor any municipality, parish, political subdivision, or agency thereof nor any body under its control shall construct or permit the construction or operation of any vehicular bridge, causeway, tunnel, or ferry across Lake Pontchartrain at any point within ten miles of the expressway.

#### Section 10. Application of provisions

The powers and rights conferred by this Act shall be in addition to the powers and rights conferred by any other general or special law or the articles of incorporation of the commission. This Act does and shall be construed to provide a complete and additional method for the issuance of bonds. No proceeding, notice, or approval shall be required for the issuance of any bonds or any instrument as security therefor, except as provided herein. The provisions of this Act shall be liberally construed for the accomplishment of its purposes.

#### Section 11. Membership of the Commission

Beginning October 31, 1986, the commission shall be composed of five members appointed as follows:

(1) One member appointed from Jefferson Parish by the governor for a five-year term beginning November 1, 1986, upon recommendation by the Jefferson Parish Legislative Delegation.

(2) One member appointed from St. Tammany Parish by the governor



for a five-year term beginning November 1, 1987, upon recommendation by the St. Tammany Parish Legislative Delegation.

(3) One member appointed from Jefferson Parish by the Jefferson Parish Council for a five-year term beginning November 1, 1988.

(4) One member appointed from St. Tammany Parish by the St. Tammany Parish Police Jury for a five-year term beginning November 1, 1989.

(5) One member appointed for a one-year term alternately from Jefferson Parish by the Jefferson Parish Council and from St. Tammany Parish by the St. Tammany Parish Police Jury. The member appointed for a one-year term beginning November 1, 1986, shall be appointed from Jefferson Parish.


Appointments made to replace members shall be made by the same appointing authority in the same manner and members shall remain on the commission until their replacement has been appointed and has taken office.

Section 12. The commission shall comply with the provisions of the "Louisiana Local Government Budget Act" (R.S. 39:1301-1315) to the same extent as political subdivisions of the state of Louisiana are required to comply therewith, and in addition thereto a copy of each annual budget shall, prior to adoption, be submitted to the Joint Legislative Committee on the Budget for review and approval.

Section 13. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana.

  
PRESIDENT OF THE SENATE

  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: 7-10-86