

# Louisiana Revised Statute

## §1419.6. Loan conditions and repayment

A. Upon approval of an application by the Department of Natural Resources, the department may lend amounts on deposit in the Alternative Fuel Vehicle Revolving Loan Fund to a local governing authority to finance all or a portion of the cost of a fleet conversion. Such loans are subject to the borrower's compliance with the conditions of the loan, as well as any applicable rules or regulations promulgated by the department.

B. Prior to making a loan, the Department of Natural Resources shall determine that the clean fuel vehicles will be fully insured and that the local governing authority has the ability to repay the loan, and may require a dedicated source of repayment and impose additional requirements as the department deems necessary.

C. Each loan, unless prepaid, shall be payable subject to the loan agreement, with principal and interest payments commencing not later than one year after the completion date of the project for which the loan was made, and each loan shall be fully amortized not later than ten years after the completion date.

D.(1) The interest rate on each loan shall be established by the secretary of the Department of Natural Resources, subject to any limitations provided for federal assistance under a state transportation plan or other limitations required for the use of other federal funds by applicable federal law. Criteria to be considered in the development of such interest rate shall include but are not limited to administrative costs of the program, program priorities established by the department, the creditworthiness of the applicant, the cost of bonds issued to provide loan funding, and the long-term viability of the Alternative Fuel Vehicle Revolving Loan Fund.

(2) The interest rate for a loan may include any additional rate that the Department of Natural Resources considers reasonable or necessary to provide a reserve for the repayment of the loan. The additional rate may be fixed or variable, may be calculated according to a formula, and may differ from the rate established for any other loans.

E. Each loan shall be evidenced by a bond, note, or other evidence of indebtedness of the borrower, in a form prescribed or approved by the Department of Natural Resources. Such evidences of indebtedness shall be consistent with the provisions of this Subpart and, if federal funds are used, consistent with the terms of the appropriate federal act, and are not required to be identical for all loans.

Acts 2010, No. 118, §1, eff. July 1, 2010.