

Bond Case Briefs

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BOND VALIDATION - LOUISIANA

Louisiana Local Government Facilities and Community Development Authority v. All Taxpayers

Supreme Court of Louisiana - April 17, 2015 - So.3d - 2015-0417 (La. 4/17/15)

The Louisiana Local Government Environmental Facilities and Community Development Authority (“LCDA”) filed a motion for judgment pursuant to the Louisiana Bond Validation Act seeking to validate the issuance of certain municipal bonds.

The district court denied the motion, expressing concerns over publication of notice. On appeal, the court of appeal found the district court erred in finding proper notice was not given. Nonetheless, the majority of the court of appeal, over two dissents, affirmed the district court’s judgment on different grounds, finding LCDA did not introduce into the record the resolution authorizing the issuance of the bonds. A petition for review followed.

The Supreme Court of Louisiana reversed, holding that the court of appeal erred in finding LCDA’s motion to validate defective because it failed to introduce the resolution into the record.

The Court noted that the Bond Validation Act is silent with regard to what evidence a governmental entity must introduce to meet its burden of proof in connection with a motion for judgment to validate bonds and that it is not the function of the judicial branch in a civilian legal system to legislate by inserting provisions into statutes where the legislature has chosen not to do so.