

Regular Session, 2009

HOUSE BILL NO. 719

BY REPRESENTATIVE CHANEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PUBLIC CONTRACT/BIDS: Provides with respect to multiyear contracts

1 AN ACT

2 To amend and reenact R.S. 39:1514(A)(1)(introductory paragraph) and 1798.6(A)(2), to  
3 enact R.S. 39:1514(D), and to repeal R.S. 39:1514(A)(1)(a) and (e), relative to  
4 multiyear contracts; to extend the allowable period for multiyear contracts; to repeal  
5 certain exceptions; to provide for certain contracts between the Office Facilities  
6 Corporation and various state agencies to effectuate leases or subleases of certain  
7 properties; to require certain prior approvals; to provide for an effective date; and to  
8 provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 39:1514(A)(1)(introductory paragraph) and 1798.6(A)(2) are hereby  
11 amended and reenacted and R.S. 39:1514(D) is hereby enacted to read as follows:

12 §1514. Multiyear contracts

13 A.(1) Unless otherwise provided in the statutes making appropriations  
14 therefor, a contract for professional, personal, consulting, or social services may be  
15 entered into for periods of not more than ~~three~~ five years, except that:

16 \* \* \*

17 D. Any contract entered into for a period of not more than five years but for  
18 a period of three years or more as authorized by this Section shall be subject to prior  
19 approval of the Joint Legislative Committee on the Budget.

1 §1798.6. Powers

2 A. In addition to the powers granted it by the General Nonprofit Corporation  
3 Law, Title 12 of the Louisiana Revised Statutes of 1950, the corporation shall have  
4 power to undertake any project, to provide for the financing thereof, and in  
5 connection therewith:

6 \* \* \*

7 (2)(a) To finance, own, lease as lessee or lessor a public facility or facilities  
8 owned or leased by the corporation and to enter into contracts for any or all such  
9 purposes, including contracts for the acquisition, purchase, construction, renovation,  
10 improvement, or expansion of such public facility or facilities owned or leased by  
11 the corporation.

12 (b) To enter into, and to execute such agreements, covenants, conditions, and  
13 contracts as are necessary to properly effectuate leases or subleases by the Office  
14 Facilities Corporation, for a period not to exceed twenty (20) years, of portions of the  
15 property known as the New Orleans Centre Property, inclusive of the office tower  
16 formerly know as the Dominion Tower, the mall property formerly known as the  
17 New Orleans Centre, and the parking garage facility formerly known as the Macy's  
18 Garage for the purpose of accommodating various agencies of the state government,  
19 and provided that the master lease or leases between the Corporation and the owner  
20 of the New Orleans Centre property are perfected and entered into before July 1,  
21 2010. Any such master lease or leases between the corporation and the owner of the  
22 New Orleans Centre Property shall be subject to prior approval of the Joint  
23 Legislative Committee on the Budget.

24 \* \* \*

25 Section 2. R.S. 39:1514(A)(1)(a) and (e) are hereby repealed in their entirety.

26 Section 3. This Act shall become effective on July 1, 2009; if vetoed by the governor  
27 and subsequently approved by the legislature, this Act shall become effective on July 1,  
28 2009, or on the day following such approval by the legislature, whichever is later.

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**DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Chaney

HB No. 719

**Abstract:** Relative to multiyear contracts, increases maximum length of multiyear contracts from three to five years for professional, personal, consulting, or social services and authorizes the Office Facilities Corporation to enter into contracts of up to 20 years for leases of portions of the New Orleans Centre property.

Present law authorizes multiyear contracts for professional, personal, consulting, or social services for periods of not more than three years.

Proposed law changes the maximum length of such contracts from three to five years. Further requires any contracts of longer than three years but not more than five years to receive prior approval of the Joint Legislative Committee on the Budget.

Present law permits certain exceptions to the three-year maximum. Permits the following contracts to be for periods of up to five years: contracts for management of food services at public universities and colleges; contracts of retirement systems for investment management services and investment advisory services; contracts for electronic disbursement services for child support payments; contracts for prisoner dialysis; and contracts for central banking services for the state. Further permits five-year contracts for the administration of the Medicaid early periodic screening diagnosis and treatment program, primary care case management, and home and community-based services waivers may be entered into by the Dept. of Health and Hospitals.

Proposed law repeals present law.

Present law relative to the Office Facilities Corporation (the corporation), authorizes the corporation to finance, own, lease as lessee or lessor a public facility or facilities owned or leased by the corporation and to enter into contracts for any or all such purposes, including contracts for the acquisition, purchase, construction, renovation, improvement, or expansion of such public facility or facilities owned or leased by the corporation.

Proposed law authorizes the corporation to enter into, and to execute such agreements, covenants, conditions, and contracts as are necessary to properly effectuate leases or subleases by the Office Facilities Corporation, for a period not to exceed 20 years, of portions of the property known as the New Orleans Centre Property, inclusive of the office tower formerly known as the Dominion Tower, the mall property formerly known as the New Orleans Centre, and the parking garage facility formerly known as the Macy's Garage for the purpose of accommodating various agencies of the state government, and provided that the master lease or leases between the corporation and the owner of the New Orleans Centre property are perfected and entered into before July 1, 2010. Requires prior approval of the Joint Legislative Committee on the Budget of any master lease or leases.

Effective July 1, 2009.

(Amends R.S. 39:1514(A)(1)(intro para) and 1798.6(A)(2); Adds R.S. 39:1415(D); Repeals R.S. 39:1514(A)(1)(a) and (e))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Requires Joint Legislative Committee on the Budget approval of contracts of three-five years and of contracts between Office Facilities Corp.
2. Adds provisions regarding the Office Facilities Corporation and leasing portions of the New Orleans Centre Property.
3. Adds effective date.