

ACT No. 189

2025 Regular Session

HOUSE BILL NO. 381

BY REPRESENTATIVE BRASS

AN ACT

To amend and reenact R.S. 39:112(E)(2)(e), relative to capital outlay; to provide for requirements for the waiver of matching funds for certain nonstate capital outlay projects; to increase the population threshold under which a municipality may qualify for a waiver; to require the submission of certain documentation; to provide for applicability; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:112(E)(2)(e) is hereby amended and reenacted to read as follows:

§112. Capital Outlay Act

* * *

E.

* * *

(2) Nonstate entity projects shall require a match of not less than twenty-five percent of the total project cost except:

* * *

(e)(i) The division of administration may, at its discretion, waive the entire match or a portion thereof for an applicant project undertaken by a municipality with a population of less than ~~six~~ nine thousand five hundred or a parish with a population of twelve thousand or less, which municipality or parish has demonstrated its inability to provide a local match that is unrelated to the mismanagement of governmental operations, financial misconduct, abuse, or fraud.

(ii) The division of administration shall determine which municipalities and
parishes meet the population-based qualifications established in this Subparagraph.

In determining the population of a municipality or parish for purposes of the waiver authorized by this Subparagraph, the calculation of the municipality's or parish's population shall exclude the number of correctional facility inmates within the municipality or parish who are committed to the custody of a federal, state, or local corrections or law enforcement agency. ~~The division of administration shall determine which municipalities and parishes meet the population-based qualifications established in this Subparagraph.~~

(iii) A municipality or parish shall demonstrate its inability to provide a local match by submitting to the division of administration:

(aa) The applicant's two most recent annual financial reports or audits pursuant to the provisions of R.S. 24:513, including an unqualified auditor's opinion and certification that there are no unresolved audit findings.

(bb) If the applicant project relates to an existing utility system, a rate study conducted within three years prior to the request for a waiver of the match.

(cc) A certification that the applicant has not been appointed a fiscal
administrator pursuant to R.S. 39:1351.

(dd) A certification that the applicant is not delinquent on any outstanding
debts, liabilities, or contractual or retirement payment obligations.

(ii) (iv) The division of administration shall review documentation submitted by the applicant and submit recommendations for waiver approval to the Joint Legislative Committee on Capital Outlay. The Joint Legislative Committee on Capital Outlay shall review the recommendations submitted by the division of administration and shall have final approval of match waivers.

(v) If the applicant project relates to an existing utility system, the division of administration may, at its discretion, approve a waiver of the entire match or a portion thereof pursuant to this Subparagraph that is contingent upon the applicant increasing utility rates.

* * *

1 Section 2. The provisions of this Act shall apply to the funding of all projects
2 included in the capital outlay budget for fiscal years commencing on or after July 1, 2025.

3 Section 3. This Act shall become effective on July 1, 2025.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____