

Regular Session, 2007

SENATE CONCURRENT RESOLUTION NO. 76

BY SENATORS HINES, BAJOIE, MCPHERSON AND HEITMEIER

FUNDS/FUNDING. Approves the business plan submitted by the office of facility planning and control within the division of administration for the new Medical Center of Louisiana in New Orleans.

A CONCURRENT RESOLUTION

To approve the business plan submitted by the office of facility planning and control within the division of administration for the new Medical Center of Louisiana in New Orleans, as required by Action Plan Number 2, Amendment Number 1 for Community Development Block Grant Funds proposed by the Louisiana Recovery Authority, approved and submitted by the governor, and approved by the Joint Legislative Committee on the Budget and by a majority of the elected members of each house of the legislature; and to provide for other matters pertaining thereto.

WHEREAS, Act No. 5 of the First Extraordinary Session of 2006, hereinafter "Act No. 5," created the Louisiana Recovery Authority as a state agency within the office of the governor, as was formerly established by Executive Order No. 63 of 2005, to assist with state activities related to recommendations and coordination of state and other entities' efforts, programs, and funding with respect to recovery from the effects of hurricanes Katrina and Rita; and

WHEREAS, Act No. 5 provides for the powers and duties of the Louisiana Recovery Authority relative to the recovery from such hurricanes, including the recommendation and promotion of priorities and plans for the recovery, identification of funding sources and innovative financing alternatives to fund the recovery, recommendations regarding how

1 monies received by the state for the recovery shall be utilized, recommendation of recovery-
2 related policy for all agencies of the state, coordination with local governments and
3 metropolitan planning commissions to develop community-driven local and regional plans
4 for recovery, and reporting to the governor and the legislature no less than quarterly on the
5 progress of the recovery; and

6 WHEREAS, Act No. 5 provides that the Louisiana Recovery Authority shall develop
7 proposals related to the recovery, including Community Development Block Grant
8 proposals, Action Plans, Partial Action Plans, amendments to Action Plans or Partial Action
9 Plans, or any other method utilized for the allocation of dollars for the use of Community
10 Development Block Grants, hereinafter "CDBG," or other funds provided for the recovery,
11 hereinafter the "proposal"; and

12 WHEREAS, Act No. 5 further provides that after a proposal is developed and
13 approved by the Louisiana Recovery Authority, the proposal is to be sent to the governor for
14 approval, and if approved by the governor, the proposal shall then be submitted to the Joint
15 Legislative Committee on the Budget for approval. Upon receiving the required legislative
16 approval, the proposal shall then be submitted by the governor to the United States
17 Department of Housing and Urban Development or other appropriate federal agency. The
18 approval of the Joint Legislative Committee on the Budget is also required for the
19 incorporation of any monies associated with such a proposal into the budget; and

20 WHEREAS, the impact of Hurricane Katrina on the delivery of health care was
21 concentrated in the Greater New Orleans area, creating extreme and immediate infrastructure
22 shortages related to long-term care, mental health, trauma, and ambulatory care; and

23 WHEREAS, Hurricane Katrina destroyed the Medical Center of Louisiana in New
24 Orleans (MCLNO), the primary public hospital and home to the only Level 1 trauma center
25 in the New Orleans region, and FEMA Public Assistance and state building insurance will
26 cover only a portion of the replacement costs of MCLNO; and

27 WHEREAS, a new MCLNO is necessary to serve as the home to three critical
28 services provided by Louisiana State University (LSU), including:

- 29 1. Health professions education, including operation of the medical school and
30 graduate medical education programs, school of allied health and nursing,

1 which will be vital to addressing the workforce shortages that are proving to
2 be the leading barrier to the recovery and improvement of health care
3 delivery in all parts of Louisiana, urban and rural.

4 2. Biomedical health sciences research and development, an emerging research
5 alliance and economic sector for which LSU serves, along with Tulane and
6 Xavier Universities, as the foundation.

7 3. Health care delivery, which will continue to be provided to residents of
8 diverse means across the entire community by the LSU Health Care Services
9 Division through new centers of excellence in MCLNO and an expanded
10 network of primary care facilities throughout the region, in accordance with
11 the recommendations of the Louisiana Health Care Redesign Collaborative;
12 and

13 WHEREAS, LSU is engaged in a joint planning process with the Veterans
14 Administration (VA) to share services between MCLNO and the new VA medical center to
15 reduce the costs and improve administrative efficiencies associated with operating the
16 hospitals, and the VA has begun its facility planning process and requires that the MCLNO
17 design and planning process proceed on a parallel timeline in order to guarantee the planned
18 facility partnerships; and

19 WHEREAS, the Joint Legislative Committee on the Budget and a majority of the
20 elected members of each house of the legislature approved Action Plan Number 2,
21 Amendment Number 1, promulgated on March 22, 2007, which amended the State Building
22 Infrastructure Program to allocate \$300 million for the purposes of land acquisition,
23 architectural/engineering fees, and construction of the new MCLNO in order to promote the
24 parallel design and construction of and sharing of services between MCLNO and the planned
25 VA medical center; and

26 WHEREAS, such amendment specified that \$226 million of the allocation shall not
27 be available for expenditure and the office of facility planning and control within the
28 division of administration shall not take any action to further the expenditure of such
29 amount, including the submission of a BA-7 to incorporate these funds into the budget,
30 unless and until the following conditions were met:

- 1 1. The office of facility planning and control had completed a business plan for
2 the new MCLNO.
- 3 2. The office of facility planning and control had submitted the business plan
4 to the Louisiana Recovery Authority Board for review and at the same time
5 had submitted the business plan to the Joint Legislative Committee on the
6 Budget for review and approval.
- 7 3. The Joint Legislative Committee on the Budget had approved the business
8 plan and had submitted the plan to the legislature for approval by mail ballot
9 or resolution; and

10 WHEREAS, the Joint Legislative Committee on the Budget at its May 18, 2007,
11 meeting approved the business plan for the new MCLNO as submitted by the office of
12 facility planning and control.

13 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
14 approve the business plan submitted by the office of facility planning and control within the
15 division of administration for the new Medical Center of Louisiana in New Orleans, as
16 required by Action Plan Number 2, Amendment Number 1 for Community Development
17 Block Grant Funds proposed by the Louisiana Recovery Authority, approved and submitted
18 by the governor, approved by the Joint Legislative Committee on the Budget, and approved
19 by a majority of the elected members of each house of the legislature.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Jerry J. Guillot.

DIGEST

Hines

SCR No. 76

Act No. 5 of the 2006 1st E.S., created the Louisiana Recovery Authority, and provided a procedure for the review and approval of proposals for the allocation of dollars for the use of Community Development Block Grant (CDBG) or other funds provided for recovery from the effects of Hurricane Katrina and Hurricane Rita.

Approves the business plan submitted by the office of facility planning and control for the new Medical Center of Louisiana in New Orleans, as required by Action Plan No. 2, Amendment No. 1 for CDBG funds proposed by the Louisiana Recovery Authority, approved and submitted by the governor, approved by the Joint Legislative Committee on the Budget, and approved by a majority of the elected members of each house of the legislature.