

Regular Session, 2014

SENATE BILL NO. 320

BY SENATOR DONAHUE

CAPITAL OUTLAY. Provides relative to Joint Legislative Committee on the Budget approval of capital outlay change orders. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 17:1990(B)(1)(d) and R.S. 39:126, relative to capital outlay  
3 projects; to provide for certain change orders to be approved by the Joint Legislative  
4 Committee on the Budget; to provide for an effective date; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 17:1990(B)(1)(d) is hereby amended and reenacted to read as  
8 follows:

9 §1990. Recovery School District; creation; governance; operation

10 \* \* \*

11 B.(1)

12 \* \* \*

13 (d) The school district shall not be required to utilize or obtain the approval  
14 of any state agency, including but not limited to the division of administration or any  
15 office within the division of administration or any procurement support team or  
16 similar group, when procuring data processing and telecommunications goods or  
17 services or in the procurement of materials, supplies, or major repairs or in the

1 disposition of property; however, the school district shall comply with all other  
2 applicable provisions of Title 39 of the Louisiana Revised Statutes of 1950 regarding  
3 such procurement and disposition of property. Furthermore, notwithstanding any  
4 provision of law to the contrary, the school district shall be required to receive **the**  
5 **prior approval of the** Joint Legislative Committee on the Budget ~~approval~~ for ~~any~~  
6 **one or more** change ~~order~~ **orders** in excess of one hundred thousand dollars **in the**  
7 **aggregate per month** to a contract for a project undertaken that would be considered  
8 a capital expense.

9 \* \* \*

10 Section 2. R.S. 39:126 is hereby amended and reenacted to read as follows:

11 §126. Change orders

12 ~~Any change order in excess of~~ **The prior approval of the Joint Legislative**  
13 **Committee on the Budget is required for one or more change orders which**  
14 **exceed in the aggregate** one hundred thousand dollars **per month** for a project  
15 undertaken pursuant to an appropriation in the Capital Outlay Act ~~shall require the~~  
16 ~~approval of the Joint Legislative Committee on the Budget~~. In addition, a change  
17 order for a project undertaken pursuant to this Part shall also be subject to the  
18 approval of the commissioner of administration. Any change order in excess of fifty  
19 thousand dollars but less than one hundred thousand dollars shall be submitted to the  
20 Joint Legislative Committee on the Budget for review but shall not require  
21 committee approval.

22 Section 3. This Act shall become effective upon signature by the governor or, if not  
23 signed by the governor, upon expiration of the time for bills to become law without signature  
24 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
25 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
26 effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

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DIGEST

Donahue (SB 320)

Present law provides that the Recovery School District shall be required to receive Joint Legislative Committee on the Budget (JLCB) approval for any change order in excess of \$100,000 to a contract for a project undertaken that would be considered a capital expense.

Proposed law provides that the prior approval of the JLCB is required for one or more change orders in excess of \$100,000 in the aggregate per month for a project that would be considered a capital expense.

Present law requires change orders in excess of \$100,000 for a project undertaken pursuant to a capital outlay appropriation to be approved by the JLCB. Also provides that any change order in excess of \$50,000 but less than \$100,000 be submitted to the JLCB for review but shall not require JLCB approval.

Proposed law provides that the prior approval of the JLCB is required for one or more change orders which exceed in the aggregate \$100,000 per month for a project undertaken pursuant to a capital outlay appropriation. Proposed law retains present law requiring submittal for JLCB review of change orders in excess of \$50,000 but less than \$100,000.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 17:1990(B)(1)(d) and R.S. 39:126)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Provides for prior approval of JLCB for one or more change orders which exceed in the aggregate \$100,000 per month for a project considered a capital expense of the Recovery School District.
2. Provides for prior approval of JLCB for one or more change orders which exceed in the aggregate \$100,000 per month for a project in the capital outlay act.