SLS 16RS-313

ORIGINAL

2016 Regular Session

SENATE BILL NO. 146

BY SENATOR GATTI

CAPITAL OUTLAY. Provides for institutions of higher education to first use capital outlay funding for deferred maintenance projects. (8/1/16)

1	AN ACT
2	To amend and reenact R.S. 39:122(A) and to enact R.S. 39:104(D), relative to capital outlay
3	projects to be undertaken by or on the campus of a state college, university, or higher
4	education facility; to prohibit the construction or purchase of buildings or other
5	facilities until all deferred maintenance projects are undertaken and completed by
6	each public postsecondary educational institution; to provide for exceptions; and to
7	provide for related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 39:122(A) is hereby amended and reenacted and R.S. 39:104(D) is
10	hereby enacted to read as follows:
11	§104. Capital outlay budget preparation
12	* * *
13	D. Notwithstanding any other provision of law to the contrary, including
14	but not limited to R.S. 17:3139(5)(b)(ii) and R.S. 39:128(B), no public
15	postsecondary educational institution shall undertake a project for the
16	construction, purchase, acquisition, development, renovation, relocation,
17	equipping or improving public works, land, buildings, capital improvements,

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1	or other facilities until all projects for the repair, renovation or maintenance of
2	buildings or other facilities, otherwise known as deferred maintenance, by or
3	on the campus or other facility of a public postsecondary educational institution
4	have been undertaken and completed. The provisions of this Subsection C shall
5	not prohibit the construction, purchase, acquisition, development, renovation,
6	relocation, equipping or improving of any project funded totally by funds
7	donated to the public postsecondary educational institution nor the continuation
8	of any project commenced prior to this Subsection C becoming effective.
9	* * *
10	§122. Commencement of work
11	A.(1) No work shall commence and no contract shall be entered into for any
12	project contained in the capital outlay act unless and until funds are available from
13	the cash sources indicated in the act or from the sale of bonds or from a line of credit
14	approved by the State Bond Commission, except contracts for Department of
15	Transportation and Development projects which are subject to the provisions of R.S.
16	48:251(D).
17	(2) The Joint Legislative Committee on Capital Outlay shall make
18	recommendations to the commissioner of administration concerning the non-state
19	entity projects to be granted lines of credit. The commissioner of administration shall
20	submit to the Joint Legislative Committee on Capital Outlay a list of projects that
21	will be submitted to the State Bond Commission for lines of credit a minimum of
22	five days prior to the submission to the State Bond Commission.
23	(3) The commissioner of administration shall not include on the list of
24	projects to be submitted to the Joint Legislative Committee on Capital Outlay
25	and the State Bond Commission for a line of credit any project of a public
26	postsecondary educational institution for the construction, purchase,
27	acquisition, development, renovation, relocation, equipping, or improving of
28	public works, land, buildings, capital improvements, or other facilities until all
29	projects for the repair, renovation or maintenance of buildings or other

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1	facilities, otherwise known as deferred maintenance, by or on the campus or
2	other facility of the public postsecondary educational institution have been
3	undertaken and completed as certified by the appropriate managing board to
4	the commissioner of administration.
5	* * *
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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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<u>Proposed law</u> provides that notwithstanding any other provision of law to the contrary, including but not limited to R.S. 17:3139(5)(b)(ii) (the Grad Act), and R.S. 39:128(B) (provides an exception to the capital outlay act process for certain higher education projects with a construction cost or purchase price of less than \$1 million), no public postsecondary educational institution shall undertake a project for the construction, purchase, acquisition, development, renovation, relocation, equipping or improving public works, land, buildings, capital improvements, or other facilities until all projects for the repair, renovation or maintenance of buildings or other facilities, otherwise known as deferred maintenance, by or on the campus or other facility of a public postsecondary educational institution have been undertaken and completed. <u>Proposed law</u> shall not prohibit any project funded totally by funds donated to the public postsecondary educational institution of any project commenced prior to the effective date of <u>proposed law</u>.

<u>Present law</u> authorizes the Joint Legislative Committee on Capital Outlay to make recommendations to the commissioner of administration concerning the nonstate entity projects to be granted lines of credit at the State Bond Commission. The commissioner of administration is required to submit to the Joint Legislative Committee on Capital Outlay a list of projects that will be submitted to the State Bond Commission for lines of credit a minimum of five days prior to the submission to the State Bond Commission.

<u>Proposed law</u> retains <u>present law</u> but provides that the commissioner of administration shall not include on the list of projects to be submitted to the Joint Legislative Committee on Capital Outlay and to the State Bond Commission for a line of credit, any project of a public postsecondary educational institution for the construction, purchase, acquisition, development, renovation, relocation, equipping, or improving of public works, land, buildings, capital improvements, or other facilities until all projects for the repair, renovation or maintenance of buildings or other facilities, otherwise known as deferred maintenance, by or on the campus or other facility of the public postsecondary educational institution have been undertaken and completed as certified by the appropriate managing board to the commissioner of administration.

Effective August 1, 2016.

(Amends R.S. 39:122(A); adds R.S. 39:104(D))