

2018 Regular Session

SENATE BILL NO. 474

BY SENATOR COLOMB

CAPITAL OUTLAY. Authorizes certain projects to be undertaken by state agencies outside of the capital outlay process, and increases the amount exempt from professional service rules for contracts related to these activities. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 39:128(C), relative to certain state agency capital outlay projects;
3 to add to the type of projects and to increase the threshold for exclusion of certain
4 state agency projects from the capital outlay budget; to increase the exemption
5 threshold for professional service contracts which are related to certain state agency
6 capital outlay projects; to provide for an effective date; and to provide for related
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:128(C) is hereby amended and reenacted to read as follows:

10 §128. Exemptions

11 * * *

12 C.(1) Except as provided by Subsection B of this Section, minor repairs,
13 renovations, or construction of buildings or other facilities **or the purchase of land,**
14 **buildings, or other facilities when the construction cost or purchase price is less**
15 **than or equal to one million dollars, adjusted annually in accordance with the**
16 **United States Bureau of Labor Statistic's consumer price index for all urban**
17 **consumers as published in January of each year,** may be undertaken by ~~an~~ **a state**

1 agency **on property owned by the state** without being included in the capital outlay
 2 budget, provided that the expenditures for a fiscal year for these undertakings do not
 3 exceed one ~~hundred fifty thousand~~ **million** dollars cumulatively per agency and the
 4 expenditures are first approved by the commissioner of administration and the Joint
 5 Legislative Committee on the Budget. For the purpose of this Subsection, "cost"
 6 shall not be construed to include design fees or movable equipment.

7 **(2) Notwithstanding any other provision of law to the contrary, the**
 8 **provisions of Part VII of Chapter 10 of Title 38 of the Louisiana Revised**
 9 **Statutes of 1950 shall not apply to professional service contracts related to the**
 10 **projects undertaken by a state agency as set forth in Paragraph (1) of this**
 11 **Subsection, if the estimated construction cost is one million dollars or less.**

12 * * *

13 Section 2. This Act shall become effective upon signature by the governor or, if not
 14 signed by the governor, upon expiration of the time for bills to become law without signature
 15 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 16 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 17 effective on the day following such approval.

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

DIGEST

SB 474 Original 2018 Regular Session Colomb

Present law authorizes minor repairs, renovations, or construction of buildings or other facilities may be undertaken by an agency without being included in the capital outlay budget, provided that the expenditures for a fiscal year for these undertakings do not exceed \$150,000 cumulatively per agency and the expenditures are first approved by the commissioner of administration and the Joint Legislative Committee on the Budget. For the purpose of this Subsection, "cost" shall not be construed to include design fees or movable equipment.

Proposed law retains present law but increases the authorization to allow state agencies to purchase land, buildings, or other facilities outside of the capital outlay process. Proposed law also increases the exemption threshold from \$150,000 to \$1,000,000, adjusted annually in accordance with the U.S. Bureau of Labor Statistic's consumer price index for all urban consumers as published in January of each year. Proposed law provides that the construction to be undertaken by a state agency shall be on property owned by the state.

Proposed law further provides that the provisions of present law shall not apply to professional service contracts related to minor repairs or the construction of buildings or

other facilities to be undertaken by or on the property of the state agency if the estimated construction cost is \$1,000,000 or less.

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

(Amends R.S. 39:128(C))