DIGEST

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SB 166 Reengrossed

2023 Regular Session

Jackson

<u>Present law</u> requires the governor to submit to the legislature no later than the eighth day of each regular session a capital outlay budget which implements the first year of the five-year capital outlay program and the bond authorization bill for the sale of bonds to fund projects included in the bond portion of the capital outlay bill.

<u>Present law</u> requires non-state entities applying for capital outlay funding to provide a match of not less than 25% of the total requested funding amount with the following exceptions:

- (1) Projects deemed to be an emergency by the commissioner of administration.
- (2) Projects for which a non-state entity has demonstrated its inability to provide a local match.
- (3) A water or sewer project for a system servicing 1,250 or fewer connections.
- (4) A project undertaken by a governmental entity to provide natural gas utility services for a system that services 1,250 or fewer connections.

<u>Proposed law</u> adds an exception that 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 6,000 or a parish with a population of 7,500 or less which has demonstrated its inability to provide a local match by submitting the following to the division of administration:

- (1) The applicant's two most recent annual financial reports.
- (2) 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.

<u>Proposed law</u> provides that 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 <u>proposed law</u> that is contingent upon the applicant increasing utility rates.

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

(Adds R.S. 39:112(E)(2)(e))

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Revenue and Fiscal</u> Affairs to the original bill

1. Makes technical amendments.

Senate Floor Amendments to engrossed bill

- 1. Makes technical amendments.
- 2. Provides that an applicant project may be undertaken by a municipality or parish with a population of less than 6,000.

- 3. Provides for information to be submitted by a municipality or parish to the division of administration for relation to an applicant project.
- 4. Provides the division of administration may waive entire match or a portion thereof for an applicant project for an existing utility system.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the <u>reengrossed</u> bill:

1. Change the population of a parish that may qualify for the match waiver in proposed law from a population of less than 6,000 to a population of 7,500 or less.