

2022 Regular Session

SENATE BILL NO. 87

BY SENATOR CATHEY

CAPITAL OUTLAY. Provides relative to the capital outlay process. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 39:112(C)(1)(a) and (b), and (E)(2)(a), and to enact R.S.
3 39:112(E)(3), relative to capital outlay; to provide for the approval of the Joint
4 Legislative Committee on Capital Outlay of economic development and emergency
5 projects; to provide for the reporting of projects that are exempt from providing a
6 local match; to provide for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:112(C)(1)(a) and (b), and (E)(2)(a) are hereby amended and
9 reenacted and R.S. 39:112(E)(3) is hereby enacted to read as follows:

10 §112. Capital outlay act

11 * * *

12 C.(1) Capital outlay budget requests submitted after November first may be
13 included within the capital outlay act if the capital outlay budget request meets all
14 of the applicable requirements as provided in R.S. 39:101 and 102 except for time
15 of submission and if any of the following conditions have been met:

16 (a) The project is an economic development project recommended in writing
17 by the secretary of the Department of Economic Development: **and has been**

1 approved by the Joint Legislative Committee on Capital Outlay.

2 (b) The project is an emergency project recommended in writing by the
3 commissioner of administration: and has been approved by the Joint Legislative
4 Committee on Capital Outlay.

5 * * *

6 E.(1) * * *

7 (2) * * *

8 (a) A project deemed by the commissioner of administration to be an
9 emergency project: and has been approved by the Joint Legislative Committee
10 on Capital Outlay. The commissioner shall submit the emergency project to the
11 Joint Legislative Committee on Capital Outlay for review. The Joint Legislative
12 Committee on Capital Outlay shall meet to review the emergency project for
13 approval within thirty days of receipt from the commissioner. If the Joint
14 Legislative Committee on Capital Outlay does not meet within the thirty-day
15 review period, the emergency project shall be approved.

16 * * *

17 (3) The commissioner of administration shall submit an annual report,
18 no later than the first day of February, to the Joint Legislative Committee on
19 Capital Outlay, the House Committee on Ways and Means, and the Senate
20 Committee on Revenue and Fiscal Affairs detailing the projects which have
21 been exempted from providing a local match pursuant to Paragraph (2) of this
22 Subsection.

23 * * *

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

The original instrument was prepared by Bobbie Hunter. The following digest, which does not constitute a part of the legislative instrument, was prepared by Curry J. Lann.

DIGEST

SB 87 Engrossed

2022 Regular Session

Cathey

Present law (R.S. 39:112(C)(1)) provides that capital outlay budget requests submitted after November 1st may be included in the capital outlay act if the request meets all of the requirements as provided for in R.S. 39:101 and 102 and if the following conditions have been met:

- (1) The project is an economic development project recommended by the secretary of the Department of Economic Development.
- (2) The project is determined to be an emergency by the commissioner of administration.
- (3) The project is for a nonstate entity, has a total cost of less than one million dollars, and has been approved by the Joint Legislative Committee on Capital Outlay (JLCCO) by February 1st.
- (4) The project is located in a designated disaster area because of a national or state declared disaster.
- (5) The project is a state-owned and administered project, including a public post secondary education institution.

Proposed law retains present law and further requires that economic development projects recommended by the secretary of the Department of Economic Development and projects deemed to be an emergency by the commissioner of administration receive approval from the JLCCO.

Present law provides that nonstate projects shall require a local match of not less than 25% of the total amount of the project but provides for certain exceptions.

Proposed law retains present law and requires that projects deemed to be an emergency and exempt from providing the 25% local match, by the commissioner of administration, must also receive approval from the JLCCO.

Proposed law requires the commissioner to submit emergency projects to JLCCO for review and JLCCO to meet to review emergency projects for approval within 30 days of receipt from the commissioner. Further requires approval of emergency projects if the JLCCO does not meet within the thirty-day review period.

Proposed law requires the commissioner of administration to provide an annual report, no later than February 1st, of projects exempt from providing a 25% local match, to the JLCCO, House Ways & Means, and Senate Revenue & Fiscal Affairs.

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

(Amends R.S. 39:112(C)(1)(b), and (E)(2)(a); adds R.S. 39:112(E)(3))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Requires JLCCO approval of late capital outlay budget requests for economic development projects recommended by the secretary of the Dept. of Economic Development.
2. Requires JLCCO to meet to review emergency projects exempted from providing a local match for approval within 30 days of receipt from the commissioner.
3. Requires approval of emergency projects if the JLCCO does not meet within the thirty-day review period.