

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 566** HLS 25RS 565

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 11, 2025	5:52 PM	Author: TURNER
Dept./Agy.: Higher Education		Analyst: Tanesha Morgan
Subject: Job order contracting		

PUBLIC CONTRACTS

OR NO IMPACT See Note

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Establishes job order contracting as an alternative project delivery method applicable to deferred maintenance of public facilities by post-secondary educational institutions for certain work types

Proposed law provides a new way called "job order contracting" (JOC) for colleges and universities in Louisiana to handle building maintenance projects. Proposed law provides that JOC is for work that happens regularly but with uncertain timing and amounts. Proposed law provides that engineering firms, architectural firms, and contractors must be licensed by their respective Louisiana state boards to perform JOC work. Present law requires competitive bidding for public projects, but proposed law provides an alternative process for these maintenance projects. Proposed law provides that schools must create committees to review contractor qualifications based on experience, ability to finish work on time, past projects, and specific needs. Proposed law provides that JOC contracts last two years with a possible extension of up to three more years. Proposed law provides that both the school and contractor must sign each job order, and contractors must provide payment bonds. Proposed law provides that it will override conflicts in present law.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law creates an alternative procurement method that allows post-secondary educational institutions to bundle recurring deferred maintenance projects under a single contract with pre-priced tasks rather than bidding each project separately.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer