

2018 Regular Session

HOUSE BILL NO. 90

BY REPRESENTATIVE TALBOT

CAPITAL OUTLAY: Requires certain legislative committees to approve line of credit recommendations for nonstate entity projects

1 AN ACT

2 To amend and reenact R.S. 39:122(A), relative to capital outlay; to provide relative to the  
3 capital outlay process; to provide for line of credit recommendations for nonstate  
4 entity projects; to require the approval of certain line of credit recommendations; to  
5 provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 39:122(A) is hereby amended and reenacted to read as follows:

8 §122. Commencement of work

9 A. No work shall commence and no contract shall be entered into for any  
10 project contained in the capital outlay act unless and until funds are available from  
11 the cash sources indicated in the act or from the sale of bonds or from a line of credit  
12 approved by the State Bond Commission, except contracts for Department of  
13 Transportation and Development projects which are subject to the provisions of R.S.  
14 48:251(D). The ~~Joint Legislative Committee on Capital Outlay~~ commissioner of  
15 administration shall make recommendations to the ~~commissioner of administration~~  
16 House Committee on Ways and Means and the Senate Committee on Revenue and  
17 Fiscal Affairs concerning the ~~non-state~~ nonstate entity projects to be granted lines  
18 of credit. The commissioner of administration shall submit to the ~~Joint Legislative~~  
19 ~~Committee on Capital Outlay~~ House Committee on Ways and Means and the Senate  
20 Committee on Revenue and Fiscal Affairs a list of nonstate entity projects that will

1 ~~be submitted to the State Bond Commission~~ the division of administration  
2 recommends for lines of credit ~~a minimum of five days prior to the submission to the~~  
3 ~~State Bond Commission~~ no less than fifteen days prior to the meeting date of the  
4 State Bond Commission in which the lines of credit are to be considered. The House  
5 Committee on Ways and Means and the Senate Committee on Revenue and Fiscal  
6 Affairs shall receive the list of recommendations from the division of administration  
7 and shall have discretion to approve the list, reject any project on the list, or make  
8 any other changes to the list. The committees shall make final recommendations and  
9 shall separately approve a list of nonstate entity projects which shall be submitted to  
10 the State Bond Commission for consideration of lines of credit. Only nonstate entity  
11 projects which received approval from both the House Committee on Ways and  
12 Means and the Senate Committee on Revenue and Fiscal Affairs shall be submitted  
13 to the State Bond Commission for consideration of lines of credit.

14 \* \* \*

15 Section 2. This Act shall become effective on January 1, 2019.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 90 Engrossed

2018 Regular Session

Talbot

**Abstract:** Requires the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to approve nonstate entity line of credit recommendations before the division of administration submits the list to the State Bond Commission for funding.

Present law prohibits work from commencing and contracts from being entered into for any project contained in the capital outlay act unless and until funds are available from cash sources indicated in the act, or from the sale of bonds or from a line of credit approved by the State Bond Commission (SBC). Present law exempts certain contracts for the Dept. of Transportation and Development from this prohibition.

Present law requires the JLCCO to make recommendations to the commissioner of administration concerning nonstate entity projects to be granted lines of credit. Further requires the commissioner to submit the list of projects to be recommended for lines of credit to the JLCCO a minimum of five days prior to submission of the list to the SBC.

Proposed law changes present law by requiring the commissioner to make recommendations to the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs (hereinafter "committees") concerning nonstate entity projects to be

recommended for lines of credit. Further requires the commissioner to submit the list of recommendations to the committees no less than 15 days prior to the meeting date of the SBC in which the lines of credit are to be considered for funding.

Proposed law requires the committees to make final recommendations by approving the list, rejecting any project on the list, or making any other changes to the list. Specifies that only nonstate entity projects which received approval from the committees can be submitted to the SBC for consideration of funding.

Effective Jan 1, 2019.

(Amends R.S. 39:122(A))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the committee to which the commissioner submits line of credit recommendations to and the committee required to make final line of credit recommendations from the JLCCO to the Ways and Means and the Revenue and Fiscal Affairs committees.