

2018 Regular Session

HOUSE BILL NO. 129

BY REPRESENTATIVE REYNOLDS

CAPITAL OUTLAY: Exempts certain Department of Wildlife and Fisheries projects from the capital outlay process

1 AN ACT

2 To enact R.S. 39:128(E), relative to the capital outlay process; to provide for the exemption  
3 of certain projects from the capital outlay process; to provide for certain limitations  
4 and restrictions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 39:128(E) is hereby enacted to read as follows:

7 §128. Exemptions

8 \* \* \*

9 E. Minor repairs, renovation, or construction of buildings or other facilities  
10 or the purchase of land, buildings, or other facilities when the total construction cost  
11 or total purchase price, inclusive of the aggregate of any change orders for the  
12 project, is less than or equal to five hundred thousand dollars may be undertaken by  
13 land owned or managed by the Department of Wildlife and Fisheries without being  
14 included in the capital outlay budget, but shall be subject to the approval of the  
15 commissioner of administration and the House Committee on Ways and Means and  
16 the Senate Committee on Revenue and Fiscal Affairs. The department shall not  
17 artificially divide a project's total construction cost or total purchase price in order  
18 for the project or the purchase to be eligible for the capital outlay exemption  
19 provided for in this Subsection. The Department of Wildlife and Fisheries shall not

- 1        incur debt to fund any project that is not included in the capital outlay budget. For  
 2        the purpose of this Section, "construction cost" shall not be construed to include  
 3        design fees or movable equipment.

### 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)]

HB 129 Reengrossed

2018 Regular Session

Reynolds

**Abstract:** Exempts certain projects on land owned or managed by the Dept. of Wildlife and Fisheries (DW&F) from the capital outlay process.

Present law provides for the authority and procedures for state construction projects, also known as capital outlay.

Present law provides for certain exemptions from the capital outlay process, including the following:

- (1) Facilities that house the legislature or an agency within the legislative branch.
- (2) Repairs, renovation, or construction less than or equal to \$1 million on the campus of a state college, university, or higher education facility, subject to approval by the Board of Regents and the appropriate management board. Further exempts such projects that are \$500,000 or less from requirements related to professional service contracts in Public Bid Law.
- (3) Repairs, renovation, or construction by any agency, except on the campus of a state college, university, or higher education facility, when the expenditures for a project for a fiscal year do not exceed \$150,000 cumulatively per agency and the expenditures are approved by the commissioner of administration and the Joint Legislative Committee on the Budget.
- (4) Certain construction of buildings by the Dept. of Public Safety and Corrections, division of prison enterprises, with a cost of \$500,000 or less, on the grounds of a correctional facility. Requires prior approval of the projects by the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means.

Proposed law further exempts repairs, renovations, or construction projects valued at less than or equal to \$500,000, inclusive of the aggregate of all change orders for the project, on land owned or managed by the DW&F, subject to approval by the commissioner of administration and the House Committee on Ways and Means and Senate Committee on Revenue and Fiscal Affairs.

Proposed law prohibits the DW&F from artificially dividing a project's total construction cost or total purchase price in order for the project or the purchase to be eligible for the capital outlay exemption provided for in proposed law.

(Adds R.S. 39:128(E))

Summary of Amendments Adopted by House

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

1. Remove from proposed law the exemption from Public Bid Law for professional service contracts related to repairs, renovations, or construction projects valued at less than or equal to \$500,000 on land owned or managed by the DW&F.
2. Add requirement for the House Committee on Ways and Means and Senate Committee on Revenue and Fiscal Affairs to also approve the exemption for the DW&F in addition to the commissioner of administration.

The House Floor Amendments to the engrossed bill:

1. Remove authorization for the amount of the contract to be adjusted annually in accordance with the U.S. Bureau of Labor Statistics consumer price index.
2. Add limitation that the total construction cost or total purchase price of the project shall include the aggregate of any change orders.
3. Add prohibition that the DW&F cannot artificially divide a project's total cost or total purchase price in order to qualify for the exemption from the capital outlay process as provided for in proposed law.