

2022 Regular Session

HOUSE BILL NO. 310

BY REPRESENTATIVE MAGEE

HIGHER ED/BD REGENTS: Provides exceptions for the Louisiana Universities Marine Consortium for Research and Education with respect to certain capital outlay projects and public contract procurements

1 AN ACT

2 To amend and reenact R.S. 39:128(B)(1), (2), and (4)(a) and (b) and to enact R.S. 39:128(E)  
3 and 1572(B)(7), relative to the Louisiana Universities Marine Consortium for  
4 Research and Education; to provide with respect to certain capital outlay projects  
5 undertaken by the consortium; to provide with respect to certain public contract  
6 procurements made by the consortium; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:128(B)(1), (2), and (4)(a) and (b) are hereby amended and  
9 reenacted and R.S. 39:128(E) and 1572(B)(7) are hereby enacted to read as follows:

10 §128. Exemptions

11 \* \* \*

12 B.(1) Minor repairs, renovation, or construction of buildings or other  
13 facilities or the purchase of land, buildings, or other facilities when the construction  
14 cost or purchase price is less than or equal to one million dollars, adjusted annually  
15 in accordance with the United States Bureau of Labor Statistic's consumer price  
16 index for all urban consumers as published in January of each year, may be  
17 undertaken by or on the campus of a state college, university, ~~or~~ higher education  
18 facility, or consortium without being included in the capital outlay budget but shall  
19 be subject to the approval of the Board of Regents and the appropriate management

1 board, ~~or their~~ any successor. A state college, university, ~~or~~ higher education  
 2 facility, or consortium may not incur debt to fund any project that is not included in  
 3 the capital outlay budget other than a short term loan not to exceed one year for the  
 4 purposes included in this Paragraph. Any short term loan shall be issued in  
 5 accordance with the provisions of Title 17 of the Louisiana Revised Statutes of 1950,  
 6 and shall not constitute or create any debt, liability, or loan of the credit of or a  
 7 pledge of the full faith and credit of the state but shall be solely the obligation of the  
 8 appropriate governing board or postsecondary education management board, ~~or its~~  
 9 any successor.

10 (2) Notwithstanding any other provision of law to the contrary, the  
 11 provisions of Part VII of Chapter 10 of Title 38 shall not apply to professional  
 12 service contracts related to minor repairs or construction of buildings or other  
 13 facilities to be undertaken by or on the campus of a consortium or state college or  
 14 university if the estimated construction cost is five hundred thousand dollars or less.

15 \* \* \*

16 (4)(a)(i) A university, ~~or~~ higher education facility, or consortium shall be  
 17 allowed to undertake any new construction, maintenance, or repair project not  
 18 exceeding five million dollars solely funded from self-generated revenues, grants,  
 19 donations, or local or federal funds without being included in the Capital Outlay Bill  
 20 provided the project is approved by the appropriate governing board or management  
 21 board, the Board of Regents, the division of administration, office of facility  
 22 planning and control, and the Joint Legislative Committee on the Budget. The office  
 23 of facility planning and control shall issue the necessary contracts for the project and  
 24 shall disburse funds to pay the costs of the project. The university, ~~or~~ higher  
 25 education facility, or consortium shall remit project funding to the office of facility  
 26 planning and control for deposit in the state treasury at such time as may be deemed  
 27 necessary by the office of facility planning and control in order to cover the amount  
 28 of contracts or other project expenses. Any surplus of such project funding and any

1 interest earned on such funds shall be refunded to such university, ~~or~~ higher  
2 education facility, or consortium by the state treasurer.

3 (ii) Notwithstanding the provisions of R.S. 39:113 and Item (i) of this  
4 Subparagraph, the division of administration, office of facility planning and control,  
5 may delegate administration of such projects as it deems appropriate to the  
6 appropriate governing board or higher education management board through a  
7 cooperative endeavor agreement provided a written request to do so is made through  
8 and by the appropriate governing board or higher education management board for  
9 the planning, design, and construction of such project.

10 (b) A state college, university, ~~or~~ higher education facility, or consortium  
11 may not incur debt to fund any project not included in the capital outlay budget other  
12 than a short term loan not to exceed one year payable from fees and self-generated  
13 revenues, as provided in Paragraph (B)(1) of this Section.

14 \* \* \*

15 E. For the purposes of this Section, the term "consortium" means the  
16 Louisiana Universities Marine Consortium for Research and Education established  
17 pursuant to R.S. 17:3452.

18 \* \* \*

19 §1572. Exemptions

20 \* \* \*

21 B. Exemptions from central purchasing only. Unless otherwise provided in  
22 R.S. 39:1554, exemptions from central purchasing do not apply to professional  
23 services, personal services, consulting services, social services, information  
24 technology, or vehicle acquisition. Unless otherwise ordered by regulation of the  
25 commissioner with approval of the governor, the following governmental bodies  
26 shall not be required to conduct procurement through the central purchasing agency,  
27 but shall nevertheless be subject to the requirements of this Chapter and the  
28 regulations promulgated by the commissioner:

29 \* \* \*

1                   (7) The Louisiana Universities Marine Consortium for Research and  
2                   Education established pursuant to R.S. 17:3452.

3   \*           \*           \*

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 310 Original

2022 Regular Session

Magee

**Abstract:** Provides exceptions for the La. Universities Marine Consortium for Research and Education (LUMCON) for certain capital outlay projects and public contract procurements.

**CAPITAL OUTLAY**

Present law (R.S. 39:101 et seq.) sets out requirements and procedures related to the state's capital outlay budget and projects funded therein. Further provides exceptions to present law's requirements for certain projects and entities.

Present law provides an exception that authorizes a state college, university, or higher education facility to undertake outside of the capital outlay budget minor repairs, renovation, or construction of buildings or other facilities or purchase land, buildings, or other facilities when the construction cost or purchase price is less than or equal to \$1,000,000. Further prohibits the entity undertaking such project to incur debt for the project, unless it is a short-term loan not to exceed one year. Sets forth approval requirements before any such debt may be incurred. Proposed law adds LUMCON as an entity that may avail itself of this exception.

Present law provides a second exemption that releases state colleges and universities from the obligation to adhere to present law provisions governing selection of professional services pursuant to the Public Bid law (R.S. 38:2181 et seq.) for minor repairs or constructions of buildings or other facilities undertaken by or on the campus of the college or university if the estimated construction cost is \$500,000 or less. Proposed law adds LUMCON as an entity that may avail itself of this exception.

Another exception to present law's capital outlay requirements and procedures authorizes a university or higher education facility to undertake any new construction, maintenance, or repair project outside of the capital outlay budget if the cost of the project does not exceed \$5,000,000 and is funded solely from self-generated revenues, grants, donations, or local or federal funds. Requires approval by the institution's management board, the Board of Regents, the division of administration, office of facility planning and control, and the Joint Legislative Committee on the Budget. Provides that, unless the division of administration delegates authority to the institution through a cooperative endeavor agreement, the office of facility planning and control shall issue the necessary contracts for the project and disburse funds to pay the costs of the project. Requires the institution to remit project funding to the office of facility planning and control in order to cover the contract payments. Provides any remaining project funds and interest will be refunded to the institution. Further prohibits an institution from incurring debt to fund any such project other than a short-term loan not to exceed a term of one year that is payable from sources outlined in present law. Further provides that this exception shall apply only to those projects that otherwise could not be accomplished in the normal capital outlay process due to timing to funding constraints. Proposed law adds LUMCON as an entity that may avail itself of this exception.

**STATE CONTRACT PROCUREMENT**

Present law (R.S. 39:1551 et seq.) establishes the requirements and procedures for state entities to enter into contracts to obtain supplies, services, or major repairs. Further provides exemptions for certain entities or contracts.

Present law exempts certain institutions from the requirement that their procurements be conducted through the state's office of state procurement. Maintains requirement that such institutions remain subject to the other requirements of present law and the regulations promulgated by the commissioner. This exception applies to:

- (1) Louisiana State University System.
- (2) Southern University System.
- (3) University of Louisiana System.
- (4) Special schools and other institutions under the supervision of the State Board of Elementary and Secondary Education.
- (5) The office of the state bond commission in the Dept. of the Treasury, for printing only.
- (6) Louisiana Community and Technical College System.

Present law further provides that such exempt entities may use the central purchasing facilities maintained by the office of state procurement whenever the best interest of the institution and the state may be served.

Proposed law adds LUMCON as an entity that may avail itself of this exemption.

(Amends R.S. 39:128(B)(1), (2), and (4)(a) and (b); Adds R.S. 39:128(E) and 1572(B)(7))