
DIGEST

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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))