
DIGEST

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Adams

HB No. 673

Abstract: Establishes a program to provide financing for maintenance and repair of facilities on college and university campuses; the program includes a fee that may be imposed on students and the issuance of bonds, secured by the fee, by the La. Local Government Environmental Facilities and Community Development Authority.

Proposed law establishes the Higher Education Deferred Maintenance Financing Program to facilitate funding for deferred maintenance and repairs to facilities on the campuses of La. public postsecondary education institutions. Provides that the La. Local Government Environmental Facilities and Community Development Authority, the "authority", shall operate the program, including issuing bonds to provide funds for maintenance and repair projects, and the Board of Regents shall establish guidelines for identification of qualified projects and the methods for approving qualified projects.

Present law authorizes the public postsecondary education management boards to lease any portion of the grounds or campus of an institution or other immovable property under its supervision and management for a term not to exceed 99 years. Authorizes such leases with fraternities and sororities, religious organizations, public bodies, military organizations, and private entities subject to certain conditions and limitations. Authorizes the board to permit the lessee to construct and maintain fraternity or sorority houses or homes, student centers, facilities for religious worship and instruction, armories, storehouses, and other structures. Provides that contracts for such work are not public works contracts. Provides that architectural plans for such structures are subject to board approval.

Proposed law requires the postsecondary education management boards to exercise the authority granted by present law as necessary to provide for the completion of qualified projects.

Proposed law grants a one-time authorization to the management boards to impose a fee up to \$50 per student per semester and proportional amounts for part-time students for intersessions and for summer sessions. Requires that money collected from such fee be pledged to the repayment of bonds issued pursuant to proposed law. Provides that the fee shall not be a cost payable through a Taylor Opportunity Program for Students award.

Proposed law provides for identification of qualified projects. Requires the management boards to submit to the authority lists of projects and to apply to the authority on behalf of each institution participating in the program. Provides that after determining that the proposed projects are qualified projects pursuant to Board of Regents's guidelines, the authority shall issue

bonds to finance the qualified projects. Requires State Bond Commission approval of any such bond issue.

Proposed law provides that the proceeds of such bonds shall be loaned on behalf of each institution to finance the costs of completing the projects and the costs of issuing the bonds, including administrative costs. Provides that funds are available to institutions in the proportion of fees it collected to total fees collected pursuant to the program. Amounts remaining after the payment of debt service on the bonds shall be remitted to the institutions collecting the fee in the same proportion.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 17:3048.1(Y) and 3400.1-3400.6)