

Regular Session, 2014

SENATE BILL NO. 321

BY SENATOR RISER

CAPITAL OUTLAY. Provides for exemption of certain higher education projects not to exceed one million dollars from having to be in the capital outlay budget. (8/1/14)

1 AN ACT

2 To amend and reenact R.S. 39:128(B)(1), (2), and (4)(b), relative to capital outlay; to  
3 provide an exemption from the capital outlay procedure and capital outlay bill for  
4 certain university and higher education projects of less than or equal to one million  
5 dollars; to provide an exemption from the public bid law for certain professional  
6 service contracts for certain university and higher education projects of less than or  
7 equal to one million dollars; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 39:128(B)(1), (2) and (4)(b) is hereby amended and reenacted to read  
10 as follows:

11 §128. Exemptions

12 \* \* \*

13 B.(1) Minor repairs, renovation, or construction of buildings or other  
14 facilities or the purchase of land, buildings, or other facilities when the construction  
15 cost or purchase price is less than or equal to ~~five hundred thousand~~ **one million**  
16 dollars may be undertaken by or on the campus of a state college, university, or  
17 higher education facility without being included in the capital outlay budget but shall

1 be subject to the approval of the Board of Regents and the appropriate management  
 2 board or their successor. A state college, university, or higher education facility may  
 3 not incur debt to fund any project that is not included in the capital outlay budget  
 4 **other than a short term loan not to exceed one year for the purposes included**  
 5 **in this Paragraph.**

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

11 \* \* \*

12 (4)(a) \* \* \*

13 (b) A state college, university, or higher education facility may not incur debt  
 14 to fund any project not included in the capital outlay budget **other than a short term**  
 15 **loan not to exceed one year payable from fees and self-generated revenues.**

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Martha S. Hess.

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DIGEST

Riser (SB 321)

Present law provides an exemption from the capital outlay bill for projects for minor repairs, renovation, or construction of buildings or other facilities or the purchase of land, buildings, or other facilities when the construction cost or purchase price is less than or equal to \$500,000 and the project is undertaken by or on the campus of a state college, university, or higher education facility. Such project is subject to the approval of the Board of Regents and the appropriate management board or their successor.

Proposed law retains present law except it increases the dollar amount of projects exempt from the capital outlay bill from \$500,000 to \$1,000,000.

Present law provides the provisions of Part VII of Chapter 10 of Title 38 (the "public bid law") do not apply to professional service contracts related to minor repairs or construction of buildings or other facilities to be undertaken by or on the campus of a state college or university if the estimated construction cost is \$500,000 or less.

Proposed law retains present law except it increases the dollar amount of professional service contracts related to minor repairs or construction of buildings or other facilities by or on the campus of a state college or university that are exempt from the public bid law from \$500,000 to \$1,000,000.

Present law provides that a state college, university, or higher education facility may not incur debt to fund any project that is not included in the capital outlay budget.

Proposed law provides that a state college, university, or higher education facility may not incur debt to fund any project that is not included in the capital outlay budget other than a short term loan not to exceed one year for the purposes included in present law and payable from fees and self-generated revenues.

Effective August 1, 2014.

(Amends R.S. 39:128(B)(1), (2), and (4)(b))