

2017 Second Extraordinary Session

HOUSE BILL NO. 7

BY REPRESENTATIVE ABRAMSON

CAPITAL OUTLAY: Provides for limitations on certain appropriations included in the Capital Outlay Act for Fiscal Year 2017-2018

1 AN ACT

2 To provide for limitations on certain appropriations included in the Capital Outlay Act for
3 Fiscal Year 2017-2018; to provide relative to the capital outlay program for Fiscal
4 Year 2017-2018; to exempt certain capital outlay appropriations from certain budget
5 request application and late approval requirements; to extend application and late
6 approval deadlines for certain capital outlay budget request appropriations; to require
7 certain actions to receive approval from the commissioner of administration; to
8 provide for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Notwithstanding the provisions of R.S. 39:101(A) and 112(C), projects
11 included within Section (1)(A) of House Bill No. 2 of the 2017 Second Extraordinary
12 Session of the Legislature are hereby deemed to have timely submitted capital outlay budget
13 request applications for Fiscal Year 2017-2018 and to have complied with the late approval
14 requirements of R.S. 39:112(C), and as such shall be eligible for cash and noncash lines of
15 credit for Fiscal Year 2017-2018. Beginning in Fiscal Year 2018-2019, all projects shall
16 comply with the provisions of R.S. 39:101(A) and 112(C).

17 Section 2. Notwithstanding the provisions of R.S. 39:101(A) and 112(C), projects
18 included within Section (1)(B) of House Bill No. 2 of the 2017 Second Extraordinary
19 Session of the Legislature are hereby deemed to have until June 19, 2017, to submit capital
20 outlay budget request applications pursuant to R.S. 39:101(A) and to obtain late approval
21 pursuant to the provisions of R.S. 39:112(C). Beginning in Fiscal Year 2018-2019, all
22 projects shall comply with the provisions of R.S. 39:101(A) and 112(C).

1 Section 3. No project which receives an appropriation in the Capital Outlay Act for
 2 Fiscal Year 2017-2018 shall be exempt from any provision of the public bid laws or laws
 3 pertaining to the review of plans and specifications by the state entity administering the
 4 project without prior authorization from the State Bond Commission. Furthermore, no entity
 5 that receives an appropriation in the Capital Outlay Act shall enter into contracts prior to the
 6 issuance of a line of credit, prior to receipt of funding, or prior to entering into a cooperative
 7 endeavor agreement, nor may the entity be reimbursed for any such expenditures without
 8 prior authorization from the State Bond Commission. Notwithstanding anything in this Act,
 9 or any other Capital Outlay Act, the Milne Boys Home Complex - North and South Cottage
 10 Renovation project is hereby transferred from the Gentilly Development District to the City
 11 of New Orleans. Furthermore, the issuance of a line of credit for all or a portion of the funds
 12 in Priority 2 or Priority 5 for the Milne Boys Home Complex - North and South Cottage
 13 Renovation project shall be subject to the submission of a duly adopted resolution of the City
 14 Council of New Orleans in support of the Gentilly Development District, which resolution
 15 shall be submitted to the commissioner of administration, the State Bond Commission, and
 16 the attorney general.

17 Section 4. This Act shall become effective upon signature by the governor or, if not
 18 signed by the governor, upon expiration of the time for bills to become law without signature
 19 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 20 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 21 effective on the day following such approval.

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 7 Reengrossed

2017 Second Extraordinary Session

Abramson

Abstract: Provides for limitations and exceptions for projects receiving capital outlay appropriations for FY 2017-2018 and prohibits exemptions from present law relative to public bid law and project review without the approval of the State Bond Commission.

Proposed law deems projects included within Section (1)(A) of HB No. 2 of the 2017 2 E.S. to have timely submitted capital outlay budget request applications for FY 2017-2018 and to have complied with the late approval requirements of present law. Further authorizes these projects to be eligible for lines of credit for FY 2017-2018.

Proposed law deems projects included within Section (1)(B) of HB No. 2 of the 2017 2 E.S. to have until June 19, 2017, to submit capital outlay budget request applications and to obtain late approval pursuant to present law.

Proposed law prohibits projects receiving capital outlay appropriations for FY 2017-2018 from being exempt from public bid laws or laws pertaining to the review of plans and specifications by administering agencies without prior authorization from the State Bond Commission. Further prohibits entities receiving capital outlay appropriations for FY 2017-2018 from entering into contracts prior to the issuance of a line of credit, prior to receipt of funding, or prior to entering into a CEA, nor receiving reimbursement for expenditures without prior authorization from the State Bond Commission.

Proposed law transfers the Milne Boys Home Complex - North and South Cottage Renovation project from the Gentilly Development District to the City of New Orleans. Furthermore, the issuance of a line of credit for all or a portion of the funds in Priority 2 or Priority 5 for the Milne Boys Home Complex - North and South Cottage Renovation project shall be subject to the submission of a duly adopted resolution of the City Council of New Orleans in support of the Gentilly Development District, which resolution shall be submitted to the commissioner of administration, the State Bond Commission, and the attorney general.

Proposed law requires all projects receiving capital outlay appropriations to comply with the provisions of present law beginning in FY 2018-2019.

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

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Change references from the 2017 R.S. to the 2017 2 E.S.
2. Provide that the projects in Section 1(A) of HB No. 2 of the 2017 2 E.S. are deemed to have *submitted* rather than *resubmitted* their capital outlay budget request applications and to have complied with the late approval requirements of present law.
3. Clarify that no entity receiving an appropriation in the Capital Outlay Act for Fiscal Year 2017-2018 is allowed to enter into contracts prior to the issuance of a line of credit, prior to receipt of funding, or prior to entering into a cooperative endeavor agreement, or to be reimbursed for any expenditures without prior authorization of the State Bond Commission.