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 DIGEST

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SB 474 Reengrossed

2018 Regular Session

Colomb

Present law authorizes minor repairs, renovations, or construction of buildings or other facilities may be undertaken by an agency without being included in the capital outlay budget, provided that the expenditures for a fiscal year for these undertakings do not exceed \$150,000 cumulatively per agency and the expenditures are first approved by the commissioner of administration and the Joint Legislative Committee on the Budget. Provides that the term "cost" shall not be construed to include design fees or movable equipment.

Proposed law retains present law but increases the authorization to allow state agencies to purchase land, buildings, or other facilities outside of the capital outlay process.

Proposed law defines "exemption threshold" and increases the threshold from \$150,000 to \$300,000. Proposed law provides that the construction to be undertaken by a state agency shall be on property owned by the state, provided the undertakings do not exceed \$300,000.

Proposed law adds requirement that any agency which expends funds pursuant to proposed law report the amount and purpose of the expenditure to the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs no later than February 1<sup>st</sup> of each year.

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

(Amends R.S. 39:128(C))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Changes the exemption threshold from \$1,000,000 to \$500,000 for minor repairs, renovations, or construction of buildings or other facilities by a state agency on state property.
2. Changes the threshold on allowed undertakings for purposes of benefitting from proposed law from \$1,000,000 to \$500,000.
3. Deletes provisions related to professional service contracts where the estimated construction cost exceeded \$1,000,000.

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Changes the exemption threshold from \$500,000 to \$300,000 for minor repairs, renovations, or construction of buildings or other facilities by a state agency on state property.
2. Defines "threshold amount" for purposes of proposed law.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the reengrossed bill:

1. Delete the annual adjustment of the threshold amount in accordance with the U.S. Bureau of Labor Statistic's consumer price index for all urban consumers.
2. Add requirement that agencies which expend funds pursuant to proposed law report the amount and purpose of the expenditure no later than Feb. 1<sup>st</sup> of each year.