

2020 Second Extraordinary Session

SENATE BILL NO. 50

BY SENATOR ALLAIN

CAPITAL OUTLAY. Provides relative to the capital outlay process. (gov sig) (Item #15)

1 AN ACT

2 To amend and reenact R.S. 39:122(A), relative to work on projects in the annual capital  
3 outlay act; to provide relative to the commencement of work or delays in  
4 construction; to provide relative to public statements and notices of delays in  
5 construction; to provide for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 39:122(A) is hereby amended and reenacted to read as follows:

8 §122. Commencement of work; delays in construction; public statement;  
9 allocated funds

10 A. (1) No work shall commence and no contract shall be entered into for any  
11 project contained in the capital outlay act unless and until funds are available from  
12 the cash sources indicated in the act or from the sale of bonds or from a line of credit  
13 approved by the State Bond Commission, except contracts for Department of  
14 Transportation and Development projects which are subject to the provisions of R.S.  
15 48:251(D).

16 (2) State-owned projects planned for the fiscal year in which an  
17 appropriation has been funded shall be commenced in that fiscal year and the

1 administrating agencies shall diligently commence work on those projects in  
2 accordance with the provisions of the annual capital outlay act, Titles 38, 39,  
3 and 48 of the Louisiana Revised Statutes of 1950 and any other applicable  
4 statutory provision. If a project cannot be commenced within the fiscal year for  
5 which it is planned, the administering agency shall file with the project records  
6 a public statement as to the factors causing the delay. The administering agency  
7 shall send a copy of the public statement regarding the cause of the delay and  
8 notice when the delaying factors have been overcome, no later than the first day  
9 of February each year, to the Joint Legislative Committee on Capital Outlay  
10 and to each senator and representative in whose district the project is located.  
11 When the cause of the delay has been cured, the administering agency shall  
12 commence the work immediately and expeditiously.

13 (3) The Joint Legislative Committee on Capital Outlay shall make  
14 recommendations to the commissioner of administration concerning the non-state  
15 entity projects to be granted lines of credit. The commissioner of administration shall  
16 submit to the Joint Legislative Committee on Capital Outlay a list of projects that  
17 will be submitted to the State Bond Commission for lines of credit a minimum of  
18 five days prior to the submission to the State Bond Commission.

19 \* \* \*

20 Section 2. This Act shall become effective upon signature by the governor or, if not  
21 signed by the governor, upon expiration of the time for bills to become law without signature  
22 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
23 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
24 effective on the day following such approval.

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The original instrument was prepared by Curry J. Lann. The following digest, which does not constitute a part of the legislative instrument, was prepared by Nancy Vicknair.

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## DIGEST

SB 50 Reengrossed

2020 Second Extraordinary Session

Allain

Present law provides that no work shall commence and no contract shall be entered into for any project contained in the capital outlay act unless and until funds are available from the cash sources indicated in the act or from the sale of bonds or from a line of credit approved by the State Bond Commission, except contracts for Dept. of Transportation and Development projects which are subject to the provisions of present law relative to the department's cash management plan. Proposed law retains present law.

Proposed law provides that state-owned projects planned for the fiscal year in which an appropriation has been made shall be commenced in that fiscal year and the administering agencies shall diligently commence work on those projects in accordance with the provisions of the annual capital outlay act, Titles 38, 39, and 48 of the La. Revised Statutes of 1950 and any other applicable statutory provision.

Proposed law further provides that if a project cannot be commenced within the fiscal year for which it is planned, the administering agency shall file with the project records a public statement as to the factors causing the delay. The administering agency shall send a copy of the public statement regarding the cause of the delay and notice when the delaying factors have been overcome no later than February 1 each year, to the Joint Legislative Committee on Capital Outlay and to each senator and representative in whose district the project is located. When the cause of the delay has been cured the administering agency shall commence the work immediately and expeditiously.

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

(Amends R.S. 39:122(A))

Summary of Amendments Adopted by SenateCommittee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Changes the reporting requirement for administering agencies from semi-annually to no later than February 1st each year.

Senate Floor Amendments to engrossed bill

1. Make technical changes.