

GREEN SHEET REDIGEST

HB 847

2022 Regular Session

LaCombe

**CAPITAL OUTLAY: Exempts certain non-state entity projects from local match requirements**

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DIGEST

Present law requires the governor to submit a capital outlay budget which implements the first year of the five-year capital outlay program and the bond authorization bill for the sale of bonds to fund projects included in the bond portion of the capital outlay bill to the legislature no later than the eighth day of each regular session.

Present law requires nonstate entities applying for capital outlay funding to provide a match of not less than 25% of the total requested funding amount with the following exceptions:

- (1) Projects deemed to be an emergency by the commissioner.
- (2) Projects for which a nonstate entity has demonstrated its inability to provide a local match.

Proposed law retains present law.

Present law also provides for an exception from the 25% local match requirement for rural water systems that service less than 1,250 customers.

Proposed law changes eligibility for the water system project exception from water system projects that service less than 1,250 *customers* to water system projects that service 1,250 or fewer *connections* and expands eligibility to include sewer system projects that service 1,250 or fewer connections.

Applicable to the funding of nonstate entity projects included in the capital outlay budget for fiscal years commencing on or after July 1, 2022.

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

(Amends R.S. 39:112(E)(2)(c); Adds R.S. 39:112(E)(2)(d))

Summary of Amendments Adopted by House

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

- 1. Increase the customer number limitation for purposes of qualifying for the exemption from local match requirements for a water or sewer project or a natural gas utility service project from 7,500 or fewer customers to 10,000 or fewer customers.

The House Floor Amendments to the engrossed bill:

- 1. Change the basis for qualifying for the exemption from local match requirements for a water or sewer project or a natural gas utility service project from systems that service fewer than 10,000 *customers* to systems that service 3,100 or fewer *connections*.

Summary of Amendments Adopted by Senate

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

1. Change the basis for qualifying for the exemption for a water or sewer project from systems that service 3,100 or fewer connections to systems that service 1,250 or fewer connections.
2. Removes an exception to local match requirements for projects undertaken by a governmental entity to provide natural gas utility services.