

Regular Session, 2013

HOUSE BILL NO. 526

BY REPRESENTATIVES ROBIDEAUX, SCHRODER, BARROW, WESLEY BISHOP,  
BROADWATER, GUILLORY, HAZEL, HOFFMANN, JOHNSON, LAMBERT,  
RITCHIE, THIBAUT, PATRICK WILLIAMS, AND WILLMOTT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

CAPITAL OUTLAY: Requires the Joint Legislative Committee on Capital Outlay to  
approve line of credit recommendations for nonstate entity projects

1 AN ACT

2 To amend and reenact R.S. 39:122(A), relative to capital outlay; to provide relative to the  
3 capital outlay process; to provide relative to line of credit recommendations for  
4 nonstate entity projects; to require the approval of certain line of credit  
5 recommendations; 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

9 A. No work shall commence and no contract shall be entered into for any  
10 project contained in the capital outlay act unless and until funds are available from  
11 the cash sources indicated in the act or from the sale of bonds or from a line of credit  
12 approved by the State Bond Commission, except contracts for Department of  
13 Transportation and Development projects which are subject to the provisions of R.S.  
14 48:251(D). The ~~Joint Legislative Committee on Capital Outlay~~ commissioner of  
15 administration shall make recommendations to the ~~commissioner of administration~~  
16 Joint Legislative Committee on Capital Outlay concerning the ~~non-state~~ nonstate  
17 entity projects to be granted lines of credit. The commissioner of administration  
18 shall submit to the Joint Legislative Committee on Capital Outlay a list of nonstate  
19 entity projects ~~that will be submitted to the State Bond Commission~~ the division of

1        administration recommends for lines of credit ~~a minimum of five days~~ prior to the  
2        ~~submission to the State Bond Commission~~ no less than fifteen days prior to the  
3        meeting date of the State Bond Commission in which the lines of credit are to be  
4        considered. The Joint Legislative Committee on Capital Outlay shall receive the list  
5        of recommendations from the division of administration and shall have discretion to  
6        either approve the list or make changes to the list. The committee shall make final  
7        recommendations and shall approve the list of nonstate entity projects which shall  
8        be submitted to the State Bond Commission for consideration of lines of credit.  
9        Only nonstate entity projects which received approval from the Joint Legislative  
10       Committee on Capital Outlay shall be submitted to the State Bond Commission for  
11       consideration of lines of credit.

12       Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor  
13       and subsequently approved by the legislature, this Act shall become effective on July 1,  
14       2013, or on the day following such approval by the legislature, whichever is later.

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#### 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)]

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Robideaux

HB No. 526

**Abstract:** Requires the Joint Legislative Committee on Capital Outlay to approve nonstate entity line of credit recommendations before division of administration to submit nonstate entity project line of credit recommendations.

Present law prohibits work from commencing and contracts from being entered into for any project contained in the capital outlay act unless and until funds are available from cash sources indicated in the act, or from the sale of bonds or from a line of credit approved by the State Bond Commission (SBC). Present law exempts certain contracts for the Dept. of Transportation and Development from this prohibition.

Present law requires the Joint Legislative Committee on Capital Outlay (JLCCO) to make recommendations to the commissioner of administration concerning the nonstate entity projects to be granted lines of credit. Further requires the commissioner of administration to submit the list of projects to be recommended for lines of credit to the JLCCO a minimum of five days prior to the submission of the list to the SBC.

Proposed law changes present law by requiring the commissioner of administration to make recommendations to the JLCCO concerning nonstate entity projects to be recommended for lines of credit. Further requires the commissioner to submit the list of nonstate entity line of credit recommendations to the JLCCO no less than 15 days prior to the meeting date of

the SBC in which the lines of credit are to be considered. The JLCCO has discretion to either approve the list or make changes to the list.

Proposed law requires the JLCCO to make final recommendations and approve the list of nonstate entity projects which shall be submitted to the SBC for consideration of lines of credit. Only nonstate entity projects which received approval from the JLCCO shall be submitted to the SBC or consideration of lines of credit.

Effective July 1, 2013.

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