

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 320** SLS 14RS 570

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

REVISED

Date: May 26, 2014	3:27 PM	Author: DONAHUE
Dept./Agy.: Legislature		Analyst: Willie Marie Scott
Subject: Capital Outlay Change Orders		

CAPITAL OUTLAY

EG SEE FISC NOTE EX See Note

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Provides relative to Joint Legislative Committee on the Budget approval of capital outlay change orders. (gov sig)

Present law provides that the Recovery School District receive Joint Legislative Committee on the Budget (JLCB) approval for any change order in excess of \$100,000 to a contract for a project undertaken that would be considered a capital expense. The proposed legislation retains the present law but requires JLCB prior approval for one or more change orders in excess of \$100,000 in the aggregate per month to a contract for a project undertaken that would be considered a capital expense.

Present law requires JLCB approval for change orders in excess of \$100,000 for a project undertaken pursuant to an appropriation in the Capital Outlay Bill. It also provides that any change order in excess of \$50,000 but less than \$100,000 be submitted to JLCB for review but not require committee approval. The proposed law retains the present law but requires JLCB prior approval for one or more change orders which exceed in the aggregate \$100,000 per month for a project undertaken pursuant to an appropriation in the Capital Outlay Bill.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The DOA Office of Facility Planning & Control indicates the potential delay in the approval of change orders could be up to 2 1/2 months which may result in additional construction costs. The impact on expenditures due to the possible delay in the approval of change orders is unknown since it will depend on the number of projects that could be impacted by the proposed legislation. The LFO estimates that any additional workload relative to the tracking of change orders can be addressed by existing staff and resources.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux

Evan Brasseaux
Staff Director