

SENATE BILL NO. 321

BY SENATOR RISER

1 AN ACT

2 To amend and reenact R.S. 39:128(B)(1) and (4)(b) and to enact R.S. 39:1367(E)(2)(b)(vi),  
3 relative to capital outlay; to provide an exemption from the capital outlay procedure  
4 and capital outlay bill for certain university and higher education projects of less than  
5 or equal to one million dollars; to authorize the incurrence of short term loans not to  
6 exceed one year for such projects; to provide that such loans shall not constitute or  
7 create a debt of the state; to provide that such loans shall not be included in the  
8 definition of net state tax supported debt; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 39:128(B)(1) and (4)(b) are hereby amended and reenacted and R.S.  
11 39:1367(E)(2)(b)(vi) is hereby enacted to read as follows:

12 §128. Exemptions

13 \* \* \*

14 B.(1) Minor repairs, renovation, or construction of buildings or other  
15 facilities or the purchase of land, buildings, or other facilities when the construction  
16 cost or purchase price is less than or equal to ~~five hundred thousand~~ **one million**  
17 **dollars, adjusted annually in accordance with the United States Bureau of Labor**  
18 **Statistic's consumer price index for all urban consumers as published in**  
19 **January of each year,** may be undertaken by or on the campus of a state college,  
20 university, or higher education facility without being included in the capital outlay  
21 budget but shall be subject to the approval of the Board of Regents and the  
22 appropriate management board or their successor. A state college, university, or  
23 higher education facility may not incur debt to fund any project that is not included  
24 in the capital outlay budget **other than a short term loan not to exceed one year**  
25 **for the purposes included in this Paragraph. Any short term loan shall be**  
26 **issued in accordance with the provisions of Title 17 of the Louisiana Revised**  
27 **Statutes of 1950, and shall not constitute or create any debt, liability, or loan of**

1 the credit of or a pledge of the full faith and credit of the state but shall be solely  
2 the obligation of the appropriate postsecondary education management board  
3 or its successor.

4 \* \* \*

5 (4)(a) \* \* \*

6 (b) A state college, university, or higher education facility may not incur debt  
7 to fund any project not included in the capital outlay budget other than a short term  
8 loan not to exceed one year payable from fees and self-generated revenues, as  
9 provided in Paragraph (B)(1) of this Section.

10 \* \* \*

11 §1367. State debt; limitations

12 \* \* \*

13 E. As used in this Section, the following terms shall have the following  
14 meanings ascribed to them unless the context clearly indicates otherwise:

15 \* \* \*

16 (2)

17 \* \* \*

18 (b) "Net state tax supported debt" shall not mean:

19 \* \* \*

20 (vi) Any short term loan not to exceed one year issued by a  
21 postsecondary education management board for the purpose of financing  
22 projects as authorized in R.S. 39:128(B)(1).

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_