

2016 Regular Session

HOUSE BILL NO. 191

BY REPRESENTATIVE GAROFALO

CAPITAL OUTLAY: Requires the Joint Legislative Committee on Capital Outlay to approve line of credit recommendations for state and 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 for line of credit recommendations for certain  
4 capital outlay 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~~ state and  
17 nonstate entity projects to be granted lines of credit. The commissioner of  
18 administration shall submit to the Joint Legislative Committee on Capital Outlay a  
19 list of state and nonstate entity projects ~~that will be submitted to the State Bond~~  
20 ~~Commission~~ the division of administration recommends for lines of credit a

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

11 \* \* \*

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

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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HB 191 Original                                      2016 Regular Session                                      Garofalo

**Abstract:** Requires the Joint Legislative Committee on Capital Outlay (JLCCO) to approve state and nonstate entity line of credit recommendations before the division of administration submits the list to the State Bond Commission for funding.

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 JLCCO to make recommendations to the commissioner of administration concerning nonstate entity projects to be granted lines of credit. Further requires the commissioner to submit the list of projects to be recommended for lines of credit to the JLCCO a minimum of five days prior to submission of the list to the SBC.

Proposed law changes present law by requiring the commissioner to make recommendations to the JLCCO concerning state and nonstate entity projects to be recommended for lines of

credit. Further requires the commissioner to submit the list of recommendations to the JLCCO no less than 30 days prior to the meeting date of the SBC in which the lines of credit are to be considered for funding.

Proposed law requires the JLCCO to make final recommendations by either approving the list of recommendations or making changes to the list. Only projects which received approval from the JLCCO can be submitted to the SBC for consideration of funding.

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

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