

2016 Regular Session

HOUSE BILL NO. 686

BY REPRESENTATIVE RICHARD

CAPITAL OUTLAY: Prohibits the recommendation and approval of line of credit recommendations for certain capital outlay projects

1 AN ACT

2 To enact R.S. 39:112(H), relative to capital outlay; to prohibit line of credit  
3 recommendations and approvals for certain projects; to provide for an effective date;  
4 and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 39:112(H) is hereby amended and reenacted to read as follows:

7 §112. Capital outlay act

8 \* \* \*

9 H. For Fiscal Year 2016-2017 and 2017-2018, the division of administration  
10 shall be prohibited from recommending and the State Bond Commission shall be  
11 prohibited from approving any line of credit recommendations for a new capital  
12 outlay project which has not previously received capital outlay funding, regardless  
13 of the means of financing. Additionally, the division of administration shall be  
14 prohibited from recommending and the State Bond Commission shall be prohibited  
15 from approving any line of credit recommendations for additional funding for an  
16 existing capital outlay project which is not necessary for the completion of the  
17 project.

18 Section 2. This Act shall become effective upon signature by the governor or, if not  
19 signed by the governor, upon expiration of the time for bills to become law without signature  
20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
2 effective on the day following such approval.
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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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HB 686 Original

2016 Regular Session

Richard

**Abstract:** Prohibits the division of administration from recommending and the State Bond Commission from approving line of credit recommendations for certain capital outlay projects.

Present law provides for a capital outlay program for the funding of expenditures for acquiring lands, buildings, equipment, or other permanent properties, or for their preservation, development, or permanent improvement. Further provides for the application process, request submission deadlines, and for the process of recommending and approving lines of credit to fund capital outlay appropriations.

Proposed law retains present law but restricts, for FY 16-17 and FY 17-18, the line of credit recommendations from the division of administration and line of credit approvals from the State Cond Commission for new capital outlay projects which have not previously received capital outlay funding, regardless of the means of financing. Proposed law prohibits the division of administration from recommending and the State Bond Commission from approving any line of credit recommendations for additional funding for an existing capital outlay project which is not necessary for the completion of the project.

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

(Adds R.S. 39:112(H))