

1 AN ACT

2 To amend and reenact R.S. 39:101(A)(1), (B)(1)(a), (c), (d) and (2) and (F)(1), 103(A)(1)  
3 and (B)(1), 111, 112, 113, 115, and 122, to enact R.S. 39:101(F)(3) and 103(B)(3),  
4 and to repeal R.S. 39:105, relative to capital outlay; to provide with respect to capital  
5 outlay budget development and enactment; to provide relative to the submission of  
6 capital outlay budget requests; to provide relative to the standards for capital projects  
7 and evaluation of such projects; to provide relative to inclusion of certain non-state  
8 projects in the capital outlay budget; to provide for inclusion of certain revenue bond  
9 projects in the capital outlay budget; to provide for an effective date; and to provide  
10 for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 39:101(A)(1), (B)(1)(a), (c), (d) and (2) and (F)(1), 103(A)(1) and  
13 (B)(1), 111, 112, 113, and 115, and 122 are hereby amended and reenacted, and R.S.  
14 39:101(F)(3) and 103(B)(3) are hereby enacted to read as follows:

15 §101. Capital outlay budget request; feasibility studies

16 A.(1) Except as provided in Paragraph 2 of this Subsection, no later than the  
17 first day of November each year, the head of each budget unit shall present to the  
18 **office of** facility planning and control ~~section~~ of the division of administration a  
19 request for all expenditures for capital projects falling within the definition contained  
20 in R.S. 39:2(9), **on forms provided by the office. However, if a legislator is finally**  
21 **elected after November first, the legislator shall have until the fifteenth day of**  
22 **December to present such request.** A copy of the request shall also be provided by  
23 the head of each budget unit to the Legislative Fiscal Office, the Joint Legislative  
24 **Committee on** Capital Outlay ~~Committee~~, the House Committee on Appropriations,  
25 the House Committee on Ways and Means, the Senate Committee on Finance, and  
26 the Senate Committee on Revenue and Fiscal Affairs. Such annual requests shall  
27 contain ~~and constitute~~ **the information necessary for** the feasibility study required

1 pursuant to Article VII, Section 11(C) of the Constitution of Louisiana and shall  
 2 include projects proposed to be funded within the next five years.

3 \* \* \*

4 B.(1)(a) All officials of political subdivisions, ports, levee districts, and other  
 5 non-state entities shall submit their proposed capital projects through the senator and  
 6 representative in whose district the proposed capital project will be located **on forms**  
 7 **provided by the office of facility planning and control**. Each legislator shall  
 8 forward the original request to the ~~facility planning and control section of the~~  
 9 ~~division of administration~~ **office**, and a copy of the original request to the Legislative  
 10 Fiscal Office, the Joint Legislative Committee on Capital Outlay, the House  
 11 Committee on Appropriations, the House Committee on Ways and Means, the  
 12 Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal  
 13 Affairs, with his recommendation for approval or disapproval or without  
 14 recommendations.

15 \* \* \*

16 (c) Such requests **and letters of support** shall be submitted to the **office of**  
 17 ~~facility planning and control section~~ no later than the first day of November of each  
 18 year.

19 (d) Any form for submission together with the legislative endorsement and  
 20 other supporting information and documents for such projects shall contain ~~and~~  
 21 ~~constitute~~ **the information necessary for** the feasibility study required by Article  
 22 VII, Section 11(C) of the Constitution of Louisiana.

23 (2) The legislature shall not include funding within the ~~Capital Outlay Act~~  
 24 **capital outlay act** for a project or projects of a non-state entity until such time as the  
 25 non-state entity has certified to the division of administration that bond funding **or**  
 26 **other sources of funding** sufficient to fund the project or projects is not otherwise  
 27 available to the non-state entity. The division of administration, ~~subject to oversight~~  
 28 ~~of the House Committee on Ways and Means and the Senate Committee on Revenue~~  
 29 ~~and Fiscal Affairs, is authorized to~~ **may** promulgate such rules and regulations as are  
 30 necessary for the implementation of this Paragraph. **However, such rules and**

1 regulations shall be approved by the House Committee on Appropriations, the  
 2 House Committee on Ways and Means, the Senate Committee on Finance, and  
 3 the Senate Committee on Revenue and Fiscal Affairs before they are  
 4 promulgated.

5 \* \* \*

6 F.(1) The office of facility planning and control ~~section~~ shall assign a project  
 7 number to each project for which a budget request is received by that ~~section~~ office.  
 8 It shall also assign a project number to projects included in the enrolled version of  
 9 the capital outlay bill for which a project number has not been previously assigned.

10 \* \* \*

11 (3) The office of facility planning and control shall establish a system of  
 12 categorization of projects requested to be funded through the capital outlay act.  
 13 The division of administration may promulgate such rules and regulations as  
 14 are necessary for the implementation of this Paragraph. However, such rules  
 15 and regulations shall be approved by the House Committee on Appropriations,  
 16 the House Committee on Ways and Means, the Senate Committee on Finance,  
 17 and the Senate Committee on Revenue and Fiscal Affairs before they are  
 18 promulgated.

19 \* \* \*

20 §103. Standards for capital projects and evaluations

21 A.(1) The office of facility planning and control ~~section~~ of the division of  
 22 administration shall establish standards for capital projects which shall include but  
 23 not be limited to criteria of requirements for:

- 24 (a) Allocation of space;~~;~~
- 25 (b) Design and construction according to anticipated use;~~;~~
- 26 (c) Determination of the economic feasibility of remodeling buildings,  
 27 purchasing older buildings, or leasing space;~~and.~~
- 28 (d) Utilization or disposition of buildings being replaced.

29 (e) Standards and procedures for determining the feasibility of projects  
 30 as required by Article VII, Section 11(C) of the Constitution of Louisiana.

1 (f) Standards for architectural programs.

2 \* \* \*

3 B.(1) Except as provided in Paragraph (2) of this Subsection, the **office of**  
4 facility planning and control ~~section~~ shall timely analyze and evaluate requested  
5 capital projects including compliance with the provisions of R.S. 39:101 and 102, the  
6 standards required by Subsection A and long-range policies and goals established by  
7 the legislature and the governor.

8 \* \* \*

9 (3) The office of facility planning and control shall establish a system for  
10 comparatively evaluating projects based on the feasibility and merits of projects  
11 and shall annually establish a priority ranking of projects. The division of  
12 administration may promulgate such rules and regulations as are necessary for  
13 the implementation of this Paragraph. However, such rules and regulations  
14 shall be approved by the House Committee on Appropriations, the House  
15 Committee on Ways and Means, the Senate Committee on Finance, and the  
16 Senate Committee on Revenue and Fiscal Affairs before they are promulgated.

17 \* \* \*

18 §111. Capital outlay budget submission

19 Not later than the eighth day of each regular session, the governor shall  
20 submit to the legislature his capital outlay budget, the proposed capital outlay bill  
21 implementing the first year of the five-year program, **and** the bond authorization bill  
22 for the sale of bonds to fund projects included in the bond portion of the capital  
23 outlay bill, ~~and the concurrent resolution for the adoption of the remaining four years~~  
24 ~~of the five-year capital outlay program.~~

25 §112. Capital ~~Outlay Act~~ **outlay act**

26 A.(1) The legislature shall enact into law a capital outlay bill which shall  
27 incorporate the first year of the five-year capital outlay program as provided in  
28 Article VII, Section 11 ~~(B)~~(C) of the Constitution of Louisiana. The capital outlay act  
29 shall include appropriation of funds from specified sources, including proceeds of  
30 bonds, for capital projects to be expended during the next fiscal year.

1           ~~(2)~~**B.** All projects included within any capital outlay act, under penalty of  
 2 nullity, shall have been proposed, reviewed, and evaluated in accordance with the  
 3 requisites contained in Subpart A of this Part. **The office of facility planning and**  
 4 **control shall make the determination as to compliance with Subpart A of this**  
 5 **Part and shall report those findings to the Joint Legislative Committee on**  
 6 **Capital Outlay, the House Committee on Appropriations, the House Committee**  
 7 **on Ways and Means, the Senate Committee on Finance, and the Senate**  
 8 **Committee on Revenue and Fiscal Affairs.**

9           ~~(3)~~**C.(1)** Capital outlay budget requests submitted after November first may  
 10 be included within the ~~Capital Outlay Act~~ **capital outlay act** if the capital outlay  
 11 budget request meets all of the applicable requirements as provided in R.S. 39:101  
 12 and 102 except for time of submission and if ~~either~~ **any** of the following conditions  
 13 ~~has~~ **have** been met:

14           (a) The project is an economic development project recommended in writing  
 15 by the secretary of the Department of Economic Development, ~~or~~

16           **(b) The project** is an emergency project recommended in writing by the  
 17 commissioner of administration.

18           **(c) The project is for a non-state entity, has a total project cost of less**  
 19 **than one million dollars, and has been approved by the Joint Legislative**  
 20 **Committee on Capital Outlay; however, no action to approve any such project**  
 21 **may be taken by the Joint Legislative Committee on Capital Outlay after the**  
 22 **first day of February.**

23           ~~(ii)~~**(2)** For purposes of this Section, "economic development" means the  
 24 following:

25           ~~(aa)~~**(a)** Improvements on public or government owned property for the  
 26 purposes of attracting or retaining a specific new or existing manufacturing or  
 27 business operation that benefits Louisiana.

28           ~~(bb)~~**(b)** Facilities or improvements on public or government owned property  
 29 that generate new, permanent employment or which help retain existing employment.

30           ~~(cc)~~**(c)** Facilities or infrastructure improvements on public or government

1 owned property necessary for the manufacturing plant or business to operate.

2 ~~(iii)~~**(d)** For purposes of this ~~Subparagraph~~ **Subsection**, "emergency" means  
3 essential to alleviate conditions that are hazardous to life, health or property, and  
4 court mandates.

5 ~~(b) The project has been approved by the Joint Legislative Capital Outlay~~  
6 ~~Committee; however, no action to approve a project may be taken by the committee~~  
7 ~~after the last day for introduction of a matter intended to have the effect of law by~~  
8 ~~either house of the legislature.~~

9 ~~(4)~~**D.** Any project deemed not feasible after evaluation of the feasibility study  
10 required pursuant to Article VII, Section 11(C) of the Constitution of Louisiana shall  
11 not be included with the ~~Capital Outlay Act~~ **capital outlay act**. The **office of** facility  
12 planning and control ~~section~~ shall submit a report to the Joint Legislative ~~Capital~~  
13 ~~Outlay~~ Committee **on Capital Outlay**, the House Committee on Appropriations, the  
14 House Committee on Ways and Means, the Senate Committee on Finance, and the  
15 Senate Committee on Revenue and Fiscal Affairs detailing its findings and  
16 evaluation of any project deemed not feasible. Such report shall be submitted no later  
17 than twenty days after the determination that the project is deemed not feasible.

18 **E.(1) General obligation bond funding of non-state projects shall be**  
19 **limited to no more than twenty-five percent of the cash line of credit capacity**  
20 **for projects in any fiscal year. Non-state projects are those projects not owned**  
21 **and operated by the state except those projects determined by the commissioner**  
22 **of administration to be a regional economic development initiative or regional**  
23 **health care facility operated in cooperation with the state.**

24 **(2) Non-state entity projects shall require a match of not less than**  
25 **twenty-five percent of the total requested amount of funding except:**

26 **(a) A project deemed by the commissioner of administration to be an**  
27 **emergency project.**

28 **(b) A project of a non-state entity which has demonstrated its inability**  
29 **to provide a local match. The division of administration shall promulgate rules**  
30 **establishing a needs-based formula for determining the inability of a non-state**

1 entity to provide the required local match. However, such rules shall be  
2 approved by the House Committee on Appropriations, the House Committee on  
3 Ways and Means, the Senate Committee on Finance, and the Senate Committee  
4 on Revenue and Fiscal Affairs before they are promulgated.

5 F. The general obligation bond cash line of credit capacity shall be  
6 limited to two hundred million dollars annually adjusted for construction  
7 inflation from 1994. This limit shall only be raised by a favorable vote of two-  
8 thirds of the elected members of each house of the legislature.

9 G.(1) Projects to be funded through the sale of bonds and secured by or  
10 payable from state appropriation shall either be included in the capital outlay  
11 act or shall obtain legislative approval as set forth in this Subsection.

12 (2) Projects to be funded through the sale of bonds and secured by or  
13 payable from state appropriation shall be included in a separate section of the  
14 capital outlay act entitled "appropriated debt projects."

15 (3) Appropriated debt projects not included in the annual capital outlay  
16 act may be considered between sessions by submission of those projects by the  
17 division of administration to the Interim Emergency Board, and approval by a  
18 majority vote of the elected members of each house of the legislature in the  
19 manner provided for in Chapter 3-B of Subtitle I of Title 39 of the Louisiana  
20 Revised Statutes of 1950.

21 (4) After obtaining legislative approval as set forth in this Subsection,  
22 requests to sell bonds shall be submitted to the State Bond Commission for  
23 review and approval.

24 (5) The division of administration may promulgate such rules and  
25 regulations as are necessary for the implementation of this Subsection.  
26 However, such rules and regulations shall be approved by the House Committee  
27 on Appropriations, the House Committee on Ways and Means, the Senate  
28 Committee on Finance, and the Senate Committee on Revenue and Fiscal  
29 Affairs before they are promulgated.

30 §113. Appropriations



1 fifteenth of each year.

2 \* \* \*

3 §122. Commencement of work

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

16 \* \* \*

17 Section 2. R.S. 39:105 is hereby repealed in its entirety.

18 Section 3. This Act shall become effective on July 1, 2008; if vetoed by the governor  
19 and subsequently approved by the legislature, this Act shall become effective on July 1,  
20 2008, or on the day following such approval by the legislature, whichever is later.

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

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

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

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