



ACEC/L LEGISLATIVE REVIEW

Analysis of the 2022 Regular Legislative Session **Advancing the Business of Engineering**

Introduction

The 2022 Regular Legislative Session quietly delivered for the engineering industry. Absent the drama of recent sessions, this one may be the most impactful ever. From securing unprecedented funding for state infrastructure projects to protecting the profession and business of engineering, ACEC/L considers this session a major success for our members and the industry as a whole.

Review of ACEC/L Session Priorities

Responsible for advancing the business of engineering in Louisiana, ACEC/L identified the following priorities to focus our advocacy efforts on this legislative session:

1. Pass legislation defining the incidental practice of engineering.
2. Protect existing funding and secure additional funding to enhance the state's failing infrastructure.
3. Defend the profession of engineering and surveying from arduous and overreaching professional license reciprocity laws.

Pass legislation defining the incidental practice of engineering:

Legislation Passed

For nine years now, engineers and architects have been working together to define the incidental practice of engineering in state statute. Recognizing the importance of the issue and the need for collaboration, a task force consisting of both architects and engineers was formed to take on the effort. Five years and one failed legislative attempt later, the task force accomplished its goal.

HB 305, by Rep. Foy Gadberry, made it through the entire legislative process receiving a total of 1 vote in opposition. The overwhelming support for the legislation is

truly a testament to the collaborative efforts of the past. The measure was signed by Governor Edwards and became Act 145 of the 2022 Regular Legislative Session.

The legislation defines the incidental practice of engineering as work limited to minor mechanical, electrical, or civil structural engineering necessarily incidental to the architect's practice of architecture. The incidental engineering work shall be of a secondary nature and shall be substantially less in scope and magnitude when compared to the architectural portion of the work. Incidental engineering work includes additions, renovations, or alterations that do not require significant adjustments to the engineering calculations for the changes to the engineering systems or components. The following limitations occupancy thresholds:

- (1) For new construction, the total proposed occupant load for the new construction shall not exceed two hundred ninety-nine individuals for assembly occupancy and forty-nine individuals for all other occupancies. The occupant load shall be defined and determined by the method set forth in the currently enforced building code.
- (2) For additions, the total proposed occupant load for the addition shall not exceed two hundred ninety-nine individuals for assembly occupancy and forty-nine individuals for all other occupancies. The occupant load shall be defined and determined by the method set forth in the currently enforced building code.

Protect existing funding and secure additional funding to enhance the state's failing infrastructure:

Legislation Passed

HB 1, by Rep. Jerome Zeringue, established the state's operating budget for fiscal year 2022-23 and included nearly \$1 billion in one time expenditures for infrastructure systems across the state. This measure was signed by Governor Edwards and became Act 199 of the 2022 Regular Legislative Session. Some of the major investments in the enacted budget include:

- \$450 million for the Water Sector Program
- \$300 million for new Mississippi River Bridge
- \$200 million for Lake Charles Bridge
- \$120 million for CPRA projects
- \$22.5 million for rail projects

Combining these dollars to the state's largest investment in transportation infrastructure since the 1980's in last year's vehicle sales tax legislation and the IJJA funding, Louisiana could see more than \$7 billion invested in its infrastructure systems over the next five years.

HB 2, by Rep. Stuart Bishop, established the state's capital outlay budget for fiscal year 2022-23 and included an overall construction budget for DOTD that increased by \$10 million over the previous fiscal year. This measure was signed and became Act 117.

HB 592 by Rep. Jerome Zeringue, established supplemental appropriations for the 2021=2022 Fiscal Year, which became Act 170. This measure included increased appropriations as the state experienced a year-end surplus. Many local transportation projects received increased funding through this measure.

SB 266, by Senator Rick Ward, added to the vehicle sales tax rededication law that monies deposited into the Construction Subfund could be used to match federal funding providing DOTD more flexibility in how the funding can be utilized.

The legislation also removed the \$150 million REC trigger cap which limited the amount revenue that could be diverted from the state general fund to the Construction Subfund.

This measure resolved two important issues relative to last year's major victory on rededication of a portion of the vehicle sales tax revenue. It was signed by Governor Edwards and became Act 417 of the 2022 Regular Legislative Session.

SB 277, by Senate President Paige Cortez, created the Megaprojects Leverage Fund that includes four special accounts. The four special accounts are the I-10 Calcasieu River Bridge and I-10 Improvements Account, the I-49 Leverage Fund Account, the Mississippi River at Baton Rouge and Connections Account, and the I-49 North Leverage Fund Account which will each receive 25% of the 75% of the avails of the vehicle sales tax, not to exceed \$160 million. Once the four projects are completed and/or notice of "not to proceed" for a project is approved, no further funds will be deposited into this fund.

This legislation also removes the \$150 million REC trigger cap which limited the amount vehicle sales tax revenue that could be diverted from the state general fund to the newly created Megaprojects Leverage Fund.

This measure was signed by Governor Edwards and became Act 505 of the 2022 Regular Legislative Session.

HB 1031, by Rep. Freiburg, imposes a new road usage fee on electric and hybrid vehicles registered in the state creating a new source of revenue for transportation infrastructure. 70% of the proceeds will be deposited into the Construction Subfund and 30% will be deposited into the Parish Transportation Fund.

While the amount of revenue generated by the fee will be minimal (\$250,000 annually) to start, it will grow as the use of electric and hybrid vehicles continues to trend upwards. This measure was signed by Governor Edwards and became Act 578 of the 2022 Regular Legislative Session.

Legislation Defeated

HB 814, by Rep. Farnum, would have removed the ability to toll an existing free roadway, tunnel or bridge that has been improved or expanded. ACECL opposed this legislation as it would have negatively impacted the state's ability to fund not just mega transportation projects, but projects of all sizes spread across the entire state.

After hearing testimony from Dr. Wilson on how this law would negatively impact the ability to attract developers for P3 projects causing a ripple effect of funding shortages across the entire Highway Priority Plan, the Rep. Farnum chose to table the bill.

Defend the professions of engineering and surveying from arduous and overreaching professional license reciprocity laws:

Legislation Passed

HB 555, by Rep. Chuck Owen, would have required all Louisiana professional and occupational licensing boards (except for those governed by the Louisiana Supreme Court - lawyers) to follow a general set of reciprocity licensing standards and processes.

Facing opposition from several professional licensing board in the bill's first committee hear, Rep. Owen amended the bill stripping it of its reciprocity language and replacing it with minimum reporting requirements for state licensing boards. With these changes, ACECL and others removed opposition. The measure was signed by Governor Edwards and became Act 483 of the 2022 Regular Legislative Session.

Legislation Defeated

SB 483, by Sen. Stewart Cathey, would have also required all Louisiana professional and occupational licensing boards (except for those governed by the Louisiana Supreme Court) to follow a general set reciprocity licensing standards and processes.

ACEC/L did testify in opposition to this bill citing concerns that the law would: 1) supersede existing reciprocity licensing law for engineers and surveyors; 2) it is a shotgun approach to address specific problems identified with a few licensing boards in the state; and 3) it compromises state rights and a state regulatory entity's ability to properly regulate professions and industries serving the people of Louisiana.

After several meetings with Senator Cathey and proponents for the bill, Senator Cathey agreed to amend engineers and surveyors out of the bill. The bill then proceeded to pass out of the Senate and House Committee before failing to pass off the House Floor.

Other Legislation Important to the Business of Engineering

Legislation Passed

HB 803, by Rep. Foy Gadberry, renamed the Commercial Building Energy Conservation Code (Energy Code) the State Building Energy Conservation Code. Removed training and technical responsibility for the new code from the State Fire Marshalls Office and dedicates to the Department of Natural Resources. It also created the Energy Code Commission responsible for writing and amending code. The engineer representative on commission is a designee from ASHRAE. This measure was signed into law by Governor Edwards and became Act 635 of the 2022 Regular Legislative Session.

SB 48, by Sen. Mike Reese, added additional requirements for DOA to perform as it relates to the Water Sector Program. The Division is now required to conduct outreach and educational efforts to all water and sewer systems in the state to enhance awareness of grant opportunities. Also requires the Division to post on its website a copy of the guidance as well as any additional information regarding the program, including the application process, procurement, or scoring criteria upon request of the commission. This measure was signed into law by Governor Edwards and became Act 660 of the 2022 Regular Legislative Session.

Legislation Defeated

SB 474, by Sen. Glen Womack, would have established the following deadlines as they relate to the execution of a change order when a public entity is serving as the owner.

- Change order shall be executed with 45 days of discovery of additional work (unless redesign of the work is required)
- 30 days to preform redesign from discovery
- 10 days to submit estimated cost of the change order upon completion of redesign
- Public entity has 15 days to negotiate and approve/reject the contractor's cost proposal

After hearing from concerned public entities, ACEC/L, and AIA, Sen. Womack agreed to table the bill but ask that all parties involved commit to organizing a task force to research and establish a "best practice change order execution process" that can be used as a model for all public entities.

Conclusion

The 2022 Regular Legislative Session resulted in several favorable outcomes for engineering. No bills with negative impacts to the industry were enacted into law.

Though another session has come and gone, ACEC/L is already looking for opportunities to enhance the business of engineering in the 2023 Regular Legislative Session (fiscal session). For decades, advocating for increased infrastructure funding has been priority #1 for our industry. With our success in enacting unprecedented investment in infrastructure, we will continue working each year to prevent the diversion of these funds. At the same time, our legislative priorities include a keen focus on developing solutions and implementing best practices as they relate to:

- workforce development and talent retention/recruitment; and
- strengthening Quality Base Selection law; and
- generating more efficiencies in government programming and project delivery.

Over the next several months, the ACEC/L Legislative Committee will host several committee meetings to discuss and develop our legislative priorities for the next session. Part of this process will be determining what legislation ACEC/L will bring before the legislature and begin the drafting process.

If you have any suggestions or input on what you think the organization should advocate for on behalf of our members, please email to bdirmann@acecl.org.