



SENATE BILL 257: 2026 Appropriations Act, Sec. 5.13: Capital Project Future Funding

2025-2026 General Assembly

Analysis of: S.L. 2026-41, Sec. 5.13

Date: August 24, 2026

Prepared by: Legislative Analysis
Division Staff

Section 5.13 of S.L. 2026-41 (Senate Bill 257) does the following:

- Amends the State Budget Act requirements for capital improvement projects to require that the Director of the Budget require that recommendations in the Recommended State Budget for repairs and renovations of existing facilities, real property acquisition, new construction, or rehabilitation of existing facilities have all of the following information provided by the requesting State agency before inclusion in the Recommended State Budget:
 - An estimate of maintenance and operating costs including (i) the number and type of personnel for the project, covering the first five years of operation, by fiscal year; (ii) the anticipated amounts needed for utilities for the project, covering the first five years of operation, by fiscal year; (iii) any additional operational support expenses, covering the first five years, by fiscal year; and (iv) if no increase in expenditures because the recommended project would replace an existing facility, then the level of expenditures for the previous five years of operation, by fiscal year.
 - A recommended funding source for the operating costs for a project, including amounts from General Fund and non-General Fund sources.
- Requires the Office of State Budget and Management to develop and implement a standard for State agencies to use in estimating operational and maintenance costs for various types of State capital improvement projects by March 1, 2027.

This section became effective on July 1, 2026.

Kara McCraw
Director



* S 2 5 7 - S M C O - 1 1 4 S L - V - 8 *

Legislative Analysis
Division
919-733-2578