## SLS 17RS-242

## ENGROSSED

2017 Regular Session

SENATE BILL NO. 67

BY SENATOR FANNIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

APPROPRIATIONS. Provides relative to certain appropriations. (8/1/17)

1	AN ACT
2	To amend and reenact R.S. 39:72.1(A) and to enact R.S. 38:2211.1, relative to certain
3	appropriations; to provide that recipients of appropriations be in compliance with
4	audit requirements in order to let contracts; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 38:2211.1 is hereby enacted to read as follows:
7	§2211.1. Restrictions on public entities that fail to comply with audit
8	<u>requirements</u>
9	No public entity that, pursuant to R.S. 39:72.1, has been deemed to have
10	failed or refused to comply with the provisions of R.S. 24:513 shall let any
11	public contract under this Part that utilizes any state funds, whether received
12	through direct appropriation or through transfer from another public entity,
13	or whose funding relies upon the full faith and credit of the state. For the
14	purposes of this Section, the term "state funds" shall also include any federal
15	funds, including grants, that pass through the state.
16	Section 2. R.S. 39:72.1(A) is hereby amended and reenacted to read as follows:
17	§72.1. Compliance with audit requirements

Page 1 of 2 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	A.(1) Notwithstanding any contrary provision of law, no funds appropriated
2	in the general appropriations act, the capital outlay act, or other appropriation act,
3	shall be released or provided to any recipient of an appropriation if, when, and for
4	as long as, the recipient fails or refuses to comply with the provisions of R.S. 24:513.
5	(2) No public entity that has failed or refused to comply with the
6	provisions of R.S. 24:513 shall let any public contract that utilizes any state
7	funds, whether received through direct appropriation or through transfer from
8	another public entity, or whose funding relies upon the full faith and credit of
9	the state. For the purposes of this Paragraph, the terms "public entity" and
10	"public contract" shall be defined as in R.S. 38:2211(A), and the term "state
1	funds" shall also include any federal funds, including grants, that pass through
12	the state.
13	* * *
4	Section 3. This Act shall become effective on August 1, 2017.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Ben Huxen.

SB 67 Engrossed

DIGEST 2017 Regular Session

Fannin

<u>Present law</u> provides for the examination requirements and submission of audits by entities subject to review by the legislative auditor. <u>Present law</u> provides for submission to the legislative auditor of sworn financial statements and filing of engagement agreements by certain local auditees or quasi-public agencies.

<u>Present law</u> further provides that no funds appropriated in the general appropriations act, the capital outlay act, or other appropriation act, shall be released or provided to any recipient of an appropriation if, when, and for as long as, the recipient fails or refuses to comply with present law.

<u>Proposed law</u> prohibits public entities not in compliance with <u>present law</u> from letting any public contract that utilizes any state funds, whether received through direct appropriation or through transfer from another public entity, or whose funding relies upon the full faith and credit of the state.

Effective August 1, 2017.

(Amends R.S. 39:72.1(A); adds R.S. 38:2211.1)