AN ACT

To enact R.S. 38:2191.1, relative to public contracts; to provide for foreign sources of funds for gifts and contracts involving state agencies and political subdivisions; to provide for reporting of sources of monies used as gifts or grants or in contracts involving state agencies and political subdivisions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 38:2191.1 is hereby enacted to read as follows:

§2191.1. Foreign gifts and contracts

A. As used in this Section, the following terms shall have the following meanings unless the context clearly indicates otherwise:

(1) "Contract" means any agreement for the direct benefit or use of any party to the agreement, including an agreement for the sale of commodities or services.

(2) "Foreign country of concern" means a country or nation determined by the appropriate federal agency to be a potential source of intelligence gathering or espionage activities detrimental to the United States.

(3) "Foreign government" means the government of any country, nation, or group of nations, or any province or other political subdivision of any country or nation, other than the government of the United States and its states and political subdivisions, including any agent of the foreign government.

(4) "Foreign source" means any of the following:

(a) A foreign government or an agency of a foreign government.

(b) A legal entity, governmental or otherwise, created solely under the laws of a foreign state or states.

(c) An individual who is not a citizen or a national of the United States.
or of a territory or protectorate of the United States.

(d) An agent, including a subsidiary or an affiliate of a foreign legal entity, acting on behalf of any source defined in Subparagraphs (a), (b), or (c) of this Paragraph.

(5) "Gift" means any transfer of money or property from one entity to another without compensation.

(6) "Grant" means a transfer of money for a specified purpose, including a conditional gift.

(7) "Interest" in an entity means any direct or indirect investment in or loan to the entity valued at five percent or more of the entity's net worth or any form of direct or indirect control exerting similar or greater influence on the governance of the entity.

(8) "State agency" means any agency or unit of state government created or established by law.

B.(1) Any state agency or political subdivision that receives directly or indirectly any gift or grant having a value of fifty thousand dollars or more from a foreign source shall disclose the gift or grant to the division of administration within thirty days after its receipt.

(2) Disclosures required by this Subsection shall include the date and amount of the gift or grant and the country of residence or domicile of the foreign source.

C.(1) Any entity that applies to a state agency or political subdivision for a grant or proposes a contract having a value of one hundred thousand dollars or more shall disclose the following information to the agency or political subdivision:

(a) Any current or prior interest in any contract received from a foreign country of concern having a value of fifty thousand dollars or more and whether the interest in the contract existed or was in force at any time during the previous five years.

(b) Any grant or gift received from a foreign country of concern having
a value of fifty thousand dollars or more and whether the grant or gift was
received or in force at any time during the previous five years.

(2) The disclosure required by this Subsection shall include the
following:

(a) The name and mailing address of the disclosing entity.

(b) The amount of the contract, grant, or gift or the value of the interest
in the contract, grant, or gift disclosed.

(c) The applicable foreign country of concern.

(d) The date the contract was executed, and the date of termination of
the contract or interest, if applicable.

(e) The date of receipt of the grant or gift.

(f) The name of the agent or controlled entity that is the source or
interest holder.

(3) The division of administration may publish the disclosure
information online, and if published online, the information is considered
disclosed to every state agency and political subdivision.

(4) Once a disclosure is filed and during the term of the grant or
contract, the entity shall revise the disclosure within thirty days after executing
a contract or after receipt of a grant or gift from a foreign country of concern
or within thirty days after any interest is acquired in the entity by a foreign
country of concern.

D. Any entity identified as being subject to any governmental sanctions,
embargoes, or other restrictions, shall be included on the online procurement
system. The division of administration shall ensure that purchasers using the
online procurement system may easily access all disclosures made by entities
participating in the system.

E.(1) After receipt of a referral from the compliance officer of an agency
or political subdivision compliance officer or a sworn complaint based upon
substantive information and reasonable belief, the division of administration is
to investigate any allegation of a violation of this Section.
(2) The division of administration may request records relevant to any reasonable suspicion of a violation of this Section, and an entity shall provide the records within thirty days after the request or at a later time agreed to by the division of administration.

F. The division of administration may adopt rules necessary to carry out its responsibilities under this Section, which rules may identify the federal agencies to be consulted and the procedure for notifying a vendor of the disclosure requirements under this Section.

Section 2. This Act shall become effective on January 1, 2023.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________