

## RÉSUMÉ DIGEST

ACT 1 (SB 13)

2018 Second Extraordinary Session

Ward

New law provides for the Louisiana Fiscal Transparency Website and provides for the duties of the commissioner of administration relative to the website.

Requires the commissioner to establish and maintain the Louisiana Fiscal Transparency Website as a centralized, searchable website, to be known as the "Louisiana Checkbook". Requires that it provide information to the public about data and reports of state expenditures, contracts, incentive expenditures, revenues, and other financial matters. Provides that the website serve as an interactive portal for the public to access state fiscal information.

Provides that all agencies, boards, commissions, departments, institutions of higher education, legislature, and judiciary are to furnish information, reports, aid, services, and assistance as may be requested by the commissioner in accordance with necessary rules promulgated pursuant to the Administrative Procedure Act.

Requires that all state agencies, higher education agencies, the judicial branch, and the legislative branch which are not maintained on the LaGov statewide enterprise resource planning system shall either:

- (a) Elect to join the LaGov statewide enterprise resource planning system.
- (b) Report the information required in new law to the office of technology services in the division of administration in the same format and manner as provided in new law.

Requires that all reporting be submitted electronically and in the same manner as prescribed for all agencies in LaGov statewide enterprise resource planning system.

Requires that the Louisiana Checkbook present information on its website in a manner that is intuitive to members of the general public and provide for the following functionality:

- (1) Access all related databases and features of the website at no cost to the public or without the requirement of user registration.
- (2) Search and aggregate data by all possible query combinations.
- (3) Download and print reports, graphs, charts, tables, or information yielded by a search of the database.
- (4) Provide for appropriate graphical presentation and manipulation.
- (5) Access all related databases and features of the website with optimization for desktop and mobile platforms.
- (6) Allow for the ability to share information on social media.

Provides that the database not include the following content:

- (1) The addresses or telephone numbers of payees.
- (2) Tax payment or refund data that include confidential taxpayer information, such as the social security number or federal tax identification number of any individual or business.
- (3) Payments of state assistance to individual recipients.
- (4) Protected health information as the term is defined under the federal Health Insurance Portability and Accountability Act of 1996.
- (5) Information subject to attorney-client privilege.

- (6) Secure information that would reveal undercover or intelligence operations by law enforcement.
- (7) Any information that is confidential under state or federal law, rule, or regulation.

Requires that the commissioner ensure that the website contains the following information relative to all databases as possible and applicable:

- (1) All relevant data points that are collected in each state agency information system shall be submitted.
- (2) All data points that are capable to be collected in each state agency information system shall be submitted.

Requires that the commissioner ensure that the website includes an expenditure database that is electronically searchable by the public and contains reporting of expenditures by each budget unit in the executive budget and requires all state agencies to provide information. Requires that the expenditure database have the following functionality:

- (1) Search and aggregate expenditures by individual and multiple budget units and programs.
- (2) Search and aggregate payments to individual vendors and governmental entities, including the total amount of state payments issued to individual vendors and governmental entities.
- (3) Search and aggregate expenditures and payments from multiple fiscal years.
- (4) Search and aggregate expenditures by category.
- (5) Download information yielded by a search of the database.

Provides that the expenditure database include the following content:

- (1) Expenditures by category and shall include:
  - (a) Details of expenses charged to credit, debit, or other purchase cards and related fees to the extent available from the card issuer.
  - (b) Mandated interagency payments, such as fees to the legislative auditor, annual payments to the office of risk management, and contributions to retirement systems and benefits plans.
  - (c) Revenue sharing and aid to other levels of government, including minimum foundation program transfers.
- (2) Where available, for each expenditure, the database is to include the following information:
  - (a) The name of the entity making the expenditure.
  - (b) The name of the person or entity receiving the payment.
  - (c) The date and the amount of the expenditure.
  - (d) A standardized descriptive title of the type and purpose of each expenditure.
  - (e) The manner of payment, including check, warrant, credit, debit, or other purchase card.
  - (f) The funding source, including the categorical code and the state fund or account from which the expenditure is accounted.

- (g) Where applicable, a link to additional information on the contract available through the contracts database.

Provides that as to contracts database, the commissioner is to ensure that the website includes a contract database that is electronically searchable by the public. Requires that the contract database include the following functionality:

- (1) Search and aggregate records by agency.
- (2) Search and aggregate contracts by contractor.
- (3) Download information yielded by a search of the database.
- (4) Provide access or integration into the database, the Louisiana Checkbook information from the reports on contracts required by law including:
  - (a) Information required to be published on the division of administration's website by R.S. 39:1567(B)(3).
  - (b) Copies of the monthly reports submitted to the Joint Legislative Committee on the Budget under R.S. 39:1567(E).
  - (c) The annual report on the progress of the Hudson Initiative required to be made available on the internet by R.S. 39:2007(E).
  - (d) The annual report on the progress of the Veteran Initiative required to be made available on the internet by R.S. 39:2177(E).

Requires that the contract database include the following content:

- (1) Contract amount.
- (2) A brief description of the purpose of the contract.
- (3) The beginning and ending dates of the contract.
- (4) The name of the contracting agency.
- (5) The name of the contractor.
- (6) The city and state of the contractor.
- (7) If available, supporting documentation for payment requests including invoices, time sheets, and reports from automatic verification software capable of automatically verifying the legitimacy of hours billed for computer generated work performed.

Requires, that for all state contracts, the contractor submit no later than February 28th of each year a verification to the Department of Revenue listing each subcontractor who is paid \$1,000 or more per year for services provided by the contract and for whom the contractor is required to make a return to the IRS, in accordance with Section 6041A(a) of the IRC, as provided for by department rule.

As to a payroll database, requires that the commissioner provide an employment and payroll database that is electronically searchable by the public and that the database have the following functionality:

- (1) Search and aggregate records by agency.
- (2) Search and aggregate salaries by job title.
- (3) Search and aggregate records by Civil Service Classification.
- (4) Search and aggregate records of employees by their enrolled retirement system.

- (5) Download information yielded by a search of the database.

Requires that the employment and payroll database include the following content:

- (1) The name of the employing agency.
- (2) The name of the employee.
- (3) The job title and/or position.
- (4) The salary or hourly wage of the employee.
- (5) The total compensation paid to the employee the prior fiscal year, including overtime, stipends, and allowances, but excluding employee benefit payments and nontaxable employee reimbursements.
- (6) Employers payroll benefit cost for the employee.

Requires the Louisiana Checkbook contain information regarding the number of authorized positions and the number of vacant positions for each institution of higher education and each budget unit contained in the General Appropriation Act and the Ancillary Appropriation Act.

Requires that for all state contracts, each contractor is to submit a verification to the Department of Revenue listing each subcontractor who is paid \$1,000 or more per year for services provided by the contract and for whom the contractor is required to make a return to the IRS as provided by rule of the Department of Revenue.

Requires the commissioner to ensure the website includes a reports database that is electronically searchable by the public and that it be organized and searchable in an intuitive manner and includes the following:

- (1) The official forecast and the incentive expenditure forecast adopted by the Revenue Estimating Conference.
- (2) The tax exemption budget prepared by the Louisiana Department of Revenue under R.S. 47:1517.
- (3) The Annual Tax Collection Report prepared by the Department of Revenue.
- (4) Monthly reports provided by the Department of Revenue on net collections and distributions and severance tax collections and distributions.
- (5) Information required to be published on the division of administration's website by R.S. 39:1567(B)(3).
- (6) Copies of the monthly reports submitted to the Joint Legislative Committee on the Budget under R.S. 39:1567(E).
- (7) The annual report on the progress of the Hudson Initiative required to be made available on the internet by R.S. 39:2007(E).
- (8) The annual report on the progress of the Veteran Initiative required to be made available on the internet by R.S. 39:2177(E).
- (9) Reports from state agencies that administer or allocate state funds to local political subdivisions and receive periodic reports of the use or expenditure of the state funds by the local political subdivisions.

Requires that the website contain or provide access to state agency reports required by law.

Provides for a boards and commissions database that is electronically searchable by the public and which includes the following functionality:

- (1) Search and aggregate records by agency.
- (2) Search and aggregate expenditures and payments from multiple fiscal years.
- (3) Search and aggregate expenditures by category.
- (4) Search and aggregate expenditures by individual and multiple agencies.
- (5) Download information yielded by a search of the database.

Requires that the boards and commissions database shall include membership information, employee information, and financial and budget information required by R.S. 49:1302 and R.S. 24:513.2 and that it provide a link to or incorporate the annual reports submitted to the legislature by the legislative auditor on boards, commissions, and like entities under R.S. 24:513.2(E).

Requires the state treasurer to establish and maintain a state debt database that is electronically searchable by the public and that it have the following functionality:

- (1) Search and aggregate debt by agency.
- (2) Search and aggregate debt from multiple fiscal years.

Requires that the state debt database shall include the following content:

- (1) Amounts and categories of state debt, such as pensions, post-employment benefit obligations, and capital construction.
- (2) Amounts and categories of local debt backed by the full faith and credit of the state.
- (3) Annual costs of debt service by category and budget unit.
- (4) Sources of funding for state debt obligations.
- (5) The per capita costs of state debt.
- (6) National and other state comparisons of Louisiana's debt.
- (7) Information used to determine the state's net state tax supported debt.

Requires that the commissioner include an incentives database that is electronically searchable by the public and that the commissioner require any state agency that administers an incentive expenditure program to report the information stated in new law for any incentive expenditure entered into on or after July 1, 2018. Provides that the information be provided no later than six months after the effective date of such incentive expenditures and shall be updated as needed no less than every 12 months thereafter. The state agencies that administer such programs shall provide, or require the beneficiaries of each program to provide, sufficient information to satisfy the requirements of new law. The direct recipient shall assume responsibility for reporting the information required in new law.

Requires that the incentives database shall have the following functionality:

- (1) Search and aggregate incentives by individual recipients and multiple budget units and programs.
- (2) Search and aggregate payments to recipients and governmental entities, including the total amount of state payments issued to individual recipients.

Requires that, as to the incentives database, the administering state agency is to report in each fiscal year the following information:

- (1) The name of the recipient of the incentive expenditure.
- (2) The corporate domicile of such recipient.

- (3) The estimated net new jobs and/or payroll.
- (4) The estimated total capital investment or estimated total Louisiana expenditures, whichever is relevant based upon the incentive expenditure program being reported on.
- (5) The annual and total estimated value of the benefits to such recipient.
- (6) The official forecast of the incentive expenditure forecast adopted by the Revenue Estimating Conference.

Provides that the incentives database shall not include the information that is protected from disclosure pursuant to R.S. 44:3.2(C) and R.S. 44:22.

Requires that the commissioner ensure the website includes a dedicated funds database that is electronically searchable by the public which includes information that contains the electronic database of reports supported by appropriations from dedicated funds required by R.S. 49:308.5(B) and access to the report on special funds prepared by the state treasurer as required by R.S. 49:308.3(E).

Requires a performance database that is electronically searchable by the public and that the executive branch is to be required to provide information for this database and that the database include the Louisiana Performance Accountability System, the electronic performance database that tracks performance standards, interim quarterly performance targets, and actual performance information for executive branch departments and agencies required under the Louisiana Government Performance and Accountability Act, R.S. 39:87.1 et seq.

Requires state agencies to submit to the commissioner comprehensive data sufficient to comply with the provisions of new law in a type, extent, format, frequency, and timing specified by the commissioner.

Requires internal auditors of state agencies to report to the commissioner any findings of state agencies, contractors, grantees, vendors, or recipients of state funding that are not in compliance with the requirements of new law. Requires the commissioner to report agency noncompliance with new law to the Joint Legislative Committee on the Budget on at least a quarterly basis.

Requires the legislative auditor to perform periodic and unscheduled reviews of state agencies, contractors, grantees, vendors, or recipients of state funds to ensure compliance with new law and that the auditor report to the commissioner and the Joint Legislative Committee on the Budget any audit finding of noncompliance.

Requires that the auditor submit to the commissioner for publication on the website, all audits performed as authorized by a state agency contract, expenditure, or incentive expenditure.

Provides that any state agency whose internal audit or legislative audit contains findings indicating a violation of the constitution or laws of this state or findings of fraud, waste, and abuse, shall be subject to periodic and unscheduled investigative audits by the internal auditor or the legislative auditor for a probationary period of not less than three years.

Provides that if the judicial branch or the legislative branch elects to join the LaGov statewide enterprise resource planning system, as opposed to being linked to LaGov through a portal, no provision of new law shall be construed as conferring upon the division of administration any authority to review, approve, or deny any expenditure or contract entered into by the legislature, or by the judiciary, or to impose any requirement on the legislature or the judiciary to take any action other than to disclose expenditures and contracts entered into on or after July 1, 2018.

Effective July 1, 2018.

(Adds R.S. 39:16.1-16.14; repeals R.S. 39:6(C))

