

Regular Session, 2014

SENATE BILL NO. 441

BY SENATOR MORRELL

FUNDS/FUNDING. Provides procedures for recovery of funds by the office of community development disaster recovery unit. (gov sig)

1 AN ACT
2 To amend and reenact R.S. 49:663.1, relative to the office of community development
3 disaster recovery unit; to terminate current procedures for recovering certain disaster
4 monies paid; to provide for adoption of new procedures by the office to recover
5 disaster monies improperly paid to or misspent by recipients; and to provide for
6 related matters.
7 Be it enacted by the Legislature of Louisiana:
8 Section 1. R.S. 49:663.1 is hereby amended and reenacted to read as follows:
9 §663.1. Community Development Block Grant
10 A. The division of administration shall be responsible for and shall administer
11 the Community Development Block Grant Program.
12 **B. The office of community development disaster recovery unit shall**
13 **terminate procedures in effect on the effective date of this Act under which**
14 **disaster recovery monies paid as a result of Hurricanes Katrina and Rita,**
15 **including monies paid under the Road Home program, are to be recovered by**
16 **the office which are alleged to have been improperly paid to or misspent by the**
17 **recipients.**

1 **B. The office of community development disaster recovery unit shall not**
2 **initiate recovery of disaster monies paid as a result of Hurricanes Katrina and**
3 **Rita, including recovery of monies paid under the Road Home program, until**
4 **procedures for recovery of these monies are adopted by the office in accordance**
5 **with the provisions of this Section.**

6 **C. The office of community development disaster recovery unit shall**
7 **develop procedures to recover funds improperly paid to or misspent by**
8 **recipients which shall include, at a minimum, the following items:**

9 **(1) Documentation that any letter to a person from the office seeking**
10 **confirmation that disaster monies paid to that person were used in accordance**
11 **the program rules for which they were received was received at the person's**
12 **correct municipal address.**

13 **(2) That the letter to a recipient clearly indicate the information needed**
14 **to verify that disaster monies were used by the recipient in accordance with**
15 **program rules.**

16 **(3) That the recipient of the letter is given ninety days within which to**
17 **respond to the office by mail, return receipt requested, or in person.**

18 **(4) That all issues concerning program compliance rules be resolved**
19 **within sixty days after receipt by the office of the information requested by the**
20 **office.**

21 **D. The office of community development disaster recovery unit shall**
22 **develop the procedures as provided for in Subsection C of this Section by**
23 **October 1, 2014.**

24 Section 2. This Act shall become effective upon signature by the governor or, if not
25 signed by the governor, upon expiration of the time for bills to become law without signature
26 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
27 vetoed by the governor and subsequently approved by the legislature, this Act shall become
28 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas L. Tyler.

DIGEST

Morrell (SB 441)

Proposed law requires that the office of community development disaster recovery unit (office) terminate procedures in effect on the effective date of proposed law under which disaster recovery monies paid as a result of Hurricanes Katrina and Rita, including monies paid under the Road Home program, are to be recovered by the office which are alleged to have been improperly paid to or misspent by the recipients.

Proposed law prohibits the office from initiating recovery of disaster monies paid as a result of Hurricanes Katrina and Rita, including recovery of monies paid under the Road Home program, until procedures for recovery of these monies are adopted by the office in accordance with the provisions of proposed law.

Proposed law requires that procedures to recover such funds include, at a minimum, the following items:

- (1) Documentation that any letter to a person seeking confirmation that disaster monies paid were used in accordance with the program rules was received at the person's correct municipal address.
- (2) That the letter to a recipient clearly indicate the information needed to verify that disaster monies were used in accordance with program rules.
- (3) That the recipient is given 90 days within which to respond to the office by mail, return receipt requested or in person.
- (4) That all issues concerning program compliance rules be resolved within 60 days after receipt by the office of the information requested by the office.

Proposed law provides that the office of community development disaster recovery unit will develop the procedures by October 1, 2014.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 49:663.1)