

SENATE BILL NO. 157

BY SENATOR WOMACK

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AN ACT

To amend and reenact R.S. 39:72.1(A) and to enact R.S. 39:72.1(D), relative to certain appropriations; to provide authorization for the payment of outstanding contracts in certain circumstances; to provide relative to the audit requirements for the recipients of certain state funds; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:72.1(A) is hereby amended and reenacted and R.S. 39:72.1(D) is hereby enacted to read as follows:

§72.1. Compliance with audit requirements

A.(1) Notwithstanding any contrary provision of law, no funds appropriated **directly or indirectly** in the general appropriations act, the capital outlay act, or other appropriation act, **or awarded from the Louisiana Department of Health Drinking Water Revolving Loan Fund, the Department of Environmental Quality Clean Water State Revolving Fund, or from the office of community development programs for Community Development Block Grants, local government assistance program, disaster recovery grants, the Community Water Enrichment and Other Improvements Fund, or similar programs,** 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 the provisions of R.S. 24:513.

(2) No public entity that has failed or refused to comply with the provisions of R.S. 24:513 shall let any **contract, including a** public contract, that utilizes any state funds, whether received through direct appropriation, ~~or~~ through transfer **or grant** from another public entity, or whose funding relies upon the full faith and credit of the state. For the purposes of this Paragraph, the terms "public entity" and

1 "public contract" shall be defined as in R.S. 38:2211(A), and the term "state funds"
 2 shall also include any federal funds, including grants, that pass through the state. **For**
 3 **the purposes of this Section, the term "public entity" shall include a local**
 4 **auditee as defined in R.S. 24:513.**

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6 **D. Notwithstanding any provision of law to the contrary, if the public**
 7 **entity is in compliance with R.S. 24:513 when it enters into a public contract**
 8 **related to public health, welfare, or safety, and later becomes noncompliant**
 9 **with the provisions of R.S. 24:513, the legislative auditor may grant the public**
 10 **entity an extension of time under R.S. 24:513 in order that the public entity may**
 11 **receive appropriated or awarded state funds and shall tender outstanding**
 12 **payments to contractors, subcontractors, suppliers, and others due payment by**
 13 **the public entity related solely to contracts that will inure to the benefit of**
 14 **public health, welfare, or safety. The public entity shall abide by any conditions**
 15 **imposed by the legislative auditor to monitor the proper payment of funds due**
 16 **to contractors, subcontractors, suppliers, and others.**

17 Section 2. This Act shall become effective on July 1, 2020. If vetoed by the governor
 18 and subsequently approved by the legislature, this Act shall become effective on July 1,
 19 2020.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____