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## DIGEST

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Abramson

HB No. 1261

**Abstract:** Requires any contracting entity to submit information and documents to the commissioner of administration prior entering into a contract with a state agency. Requires state agencies to certify that contracting entities are not on the legislative auditors non-compliance list. Prohibits state agencies from entering into contracts with contracting entities unless requirements are met.

Proposed law requires each contracting entity prior to entering into a contract with a state agency to submit the following information to the commissioner of administration:

- (1) If a legal entity, the official name and domicile address of the contracting entity as reflected in documentation submitted to the secretary of state's office; if a natural person, the complete name and address of the contracting entity.
- (2) If a legal entity, a complete and accurate listing of the board of directors, if any, and manager, if any, of the contracting entity.
- (3) Documentation certifying that all applicable federal, state, and payroll taxes have been paid and are current.
- (4) Financial statements for the most recent fiscal year certified by a CPA under oath. (Authorizes a contracting entity to redact any confidential or proprietary financial information).

Proposed law requires a state agency considering contracting with a contracting entity to certify that the entity is not on the legislative auditor's non-compliance list at the time the contract is executed and requires the certification to be submitted to and posted on the website of the commissioner within three business days after the contract is executed. Proposed law prohibits a state agency from contracting with or paying monies to a contracting entity unless the contracting entity and the state agency have complied with the requirements of proposed law.

Proposed law defines "state agency", "contract", "contracting entity", "governmental entity", and "person" for its purposes. Specifically excludes early steps program and state medical assistance program provider agreements and contracts from the term "contract". Specifically excludes any public, private, or parochial school, college, or university from the term "contracting entity", and further provides that "contracting entity" does not include governmental entities by excluding governmental entities from the term "person".

Proposed law provides that all submissions of information required by proposed law shall be made in an electronic format designated by the commissioner. Requires the commissioner to post all requirements on the website established by the commissioner pursuant to present law (R.S. 39:6). Requires the commissioner to maintain the information on the website, to provide for the immediate availability of the information, and to provide for the ability for the public to easily obtain information regarding each contracting entity, including links to any relevant contract information maintained by the commissioner of administration pursuant to present law (R.S. 39:6). Requires the commissioner to provide electronic notice containing specified information to the legislative auditor at the time the certification of a state agency is submitted. Requires the legislative auditor to work with the commissioner as necessary to ensure compliance with proposed law.

Effective July 1, 2014; except provides that the requirements on contracting entities contained in proposed law shall become effective on January 1, 2015, and shall apply to contracts and renewals of contracts executive on or after January 1, 2015; The prohibitions on contracting entities and state agencies contained in proposed law shall become effective on July 1, 2015. Provides the commissioner of administration shall take all actions necessary to provide for the orderly implementation of proposed law prior to January 1, 2015.

(Adds R.S. 39:9)