

2017 Regular Session

SENATE BILL NO. 67

BY SENATOR FANNIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PUBLIC CONTRACTS. Provides contract restrictions on public entities that fail to comply with audit requirements. (8/1/17)

1 AN ACT

2 To amend and reenact R.S. 39:72.1(A) and to enact R.S. 38:2211.1, relative to certain  
3 appropriations; to provide that recipients of appropriations be in compliance with  
4 audit requirements in order to let contracts; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 38:2211.1 is hereby enacted to read as follows:

7 **§2211.1. Restrictions on public entities that fail to comply with audit**  
8 **requirements**

9 **A. No public entity that, pursuant to R.S. 39:72.1, has been deemed to**  
10 **have failed or refused to comply with the provisions of R.S. 24:513 shall let any**  
11 **public contract under this Part that utilizes any state funds, whether received**  
12 **through direct appropriation or through transfer from another public entity,**  
13 **or whose funding relies upon the full faith and credit of the state. For the**  
14 **purposes of this Section, the term "state funds" shall also include any federal**  
15 **funds, including grants, that pass through the state.**

16 **B. Any public entity that has been subject to the restrictions in**  
17 **Subsection A of this Section shall, upon coming into compliance with the**



Proposed law prohibits public entities not in compliance with present law from letting any public contract that utilizes any state funds, whether received through direct appropriation or through transfer from another public entity, or whose funding relies upon the full faith and credit of the state.

Proposed law provides that a public entity subjected to proposed law may only be released from such restrictions after the following actions have been performed:

- (1) The public entity notifies the Legislative Audit Advisory Council, in writing, of their compliance.
- (2) The Legislative Audit Advisory Council confirms that the public entity is in compliance.

Effective August 1, 2017.

(Amends R.S. 39:72.1(A); adds R.S. 38:2211.1)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Adds a provision requiring certain actions be performed before a public entity may be released from the restrictions of proposed law.