

2024 Regular Session

HOUSE BILL NO. 406

BY REPRESENTATIVE CARLSON

FEDERAL PROGRAMS: Provides relative to federal grant administration

1 AN ACT

2 To enact Chapter 9-C of Title 49 of the Louisiana Revised Statutes of 1950, to be comprised
3 of R.S. 49:675 through 677, relative to federal grant administration; to provide for
4 payments and reimbursement under federal grants; to provide for payments and
5 reimbursement to local governmental subdivisions under federal grants; to provide
6 for an effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 9-C of Title 49, comprised of R.S. 49:675 through 677, is hereby
9 enacted to read as follows:

10 CHAPTER 9-C FEDERAL GRANT ADMINISTRATION

11 §675. Applicability

12 This Chapter applies to federal grant administration by an agency.

13 §676. Definitions

14 For purposes of this Chapter, the following terms shall have the following
15 meanings:

16 (1) "Agency" means the state and any state office, department, board,
17 commission, institution, or any quasi-public entity created in the executive branch
18 of state government by or pursuant to law or by or pursuant to the constitution. The
19 term "agency" shall not include any unit of the legislative or judicial branch of state

1 government, local government, or any political subdivision of the state or any agency
2 thereof.

3 (2) "Local governmental subdivision" means any parish or municipality.

4 (3) "Municipality" means an incorporated city, town, or village.

5 §677. Payments and reimbursement

6 A. Grant recipients shall maintain a verifiable record keeping audit trail that
7 permits the grantor to verify compliance with federal and state law and any
8 applicable administrative rules, policies, or procedures. The grantor shall verify that
9 all funds received under any federal grant or program were used to fulfill the stated
10 purpose identified in the approved application.

11 B. Payment and reimbursement shall be made to a grantee upon production
12 of invoices and approval of the grantee's request for payment by the agency
13 administering the federal grant or program.

14 C. An agency shall consider a request for payment and reimbursement by a
15 local governmental subdivision in accordance with the following provisions:

16 (1) Each agency that administers a federal grant or program shall make a
17 determination regarding payment and reimbursement to a local governmental
18 subdivision no later than thirty calendar days after submission of invoices to the
19 agency.

20 (2) If the agency determines that the local governmental subdivision is
21 entitled to payment and reimbursement under the terms and conditions of the federal
22 grant or program, the agency shall notify the local governmental subdivision of its
23 approval of the request and shall issue payment and reimbursement no later than
24 fourteen calendar days after making the determination.

25 (3) If the agency determines that the local governmental subdivision is not
26 entitled to payment and reimbursement under the terms and conditions of the federal
27 grant or program, the agency shall notify the local governmental subdivision of its
28 rejection of the request and provide a reason for the denial of payment and
29 reimbursement no later than fourteen days after making the determination.

1 (4) The agency processing the submission shall allow the local governmental
2 subdivision to correct an omission or error, if possible, and resubmit invoices for
3 payment and reimbursement.

4 D. Use of federal grant funds for any program or project in a manner other
5 than as described in the contract is grounds for the agency administering a federal
6 grant or program to terminate the contract and revoke the funds for the project.

7 E. All invoices related to the project are the responsibility of the grantee. The
8 grantee remains responsible for payments to its vendors.

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

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 406 Original

2024 Regular Session

Carlson

Abstract: Provides relative to federal grant administration.

Proposed law provides for the administration of federal grants by a state agency and the payment and reimbursement process.

Proposed law provides for definitions.

Proposed law provides for the payment and reimbursement process for local governmental subdivisions. Requires an agency administering a federal grant or program to issue a determination regarding payment and reimbursement to a local governmental subdivision no later than 30 calendar days after the submission of invoices.

Proposed law provides that if a local governmental subdivision is entitled to payment and reimbursement, the agency shall notify the local governmental subdivision of the determination and issue payment and reimbursement no later than 14 days after the determination.

Proposed law provides that if a local governmental subdivision is not entitled to payment and reimbursement, the agency shall notify the local governmental subdivision and provide a reason for the denial of payment or reimbursement no later than 14 days after the determination. Further requires the agency to allow the local governmental subdivision to correct an omission or error, if possible, and resubmit invoices for payment and reimbursement.

Proposed law provides that the use of federal funds for any program or project other than described in the contract is grounds for termination of the contract.

Proposed law provides that all invoices related to the project are the responsibility of the grantee and that the grantee remains responsible for payments to its vendors.

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

(Adds R.S. 49:675-677)