

SENATE BILL NO. 407

BY SENATOR MILKOVICH

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AN ACT

To amend and reenact R.S. 39:1590 and to enact R.S. 39:1567(B)(3) and (4) and (F), relative to certain contract reporting requirements; to provide for reporting certain contract information on the Internet; to provide for a Report of certain contracts for Fiscal Year 2015-2016 through Fiscal Year 2017-2018; to provide for the creation of the Contract Services Joint Legislative Task Force; to provide for the membership of the task force; to provide for the duties of the task force; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:1590 is hereby amended and reenacted and R.S. 39:1567(B)(3) and (4) and (F) are hereby enacted to read as follows:

§1567. Reporting requirements

\* \* \*

B.

\* \* \*

**(3) Information on all contracts and the information contained in the annual report shall be published on the division of administration's website to provide maximum access to the public and ease of use for searching information relative to the various contracts reported.**

**(4) For purposes of Paragraph (3) of this Subsection, "information" shall include but not be limited to the following:**

**(a)(i) 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.**

**(ii) If a natural person, the full name and physical address of the contracting entity.**

1           **(b) If a legal entity, a complete and accurate listing of the owners of the**  
2           **contracting entity, whether in title or beneficial, unless it is a publicly traded**  
3           **entity, and a complete and accurate listing of the board of directors or**  
4           **equivalent governing body, if any, and officers, if any, of the contracting entity.**

5           **(c) A statement regarding the percentage of minority, women, veteran,**  
6           **and Louisiana-based ownership of the contracting entity, unless it is a publicly**  
7           **traded entity.**

8           **(d) A statement that all applicable federal, state, and payroll taxes owed**  
9           **by the contracting entity have been paid and are current.**

10           **(e) If the contracting entity is a nonprofit organization, a statement that**  
11           **the contracting entity has filed a current Form 990, as required by the Internal**  
12           **Revenue Code, along with a copy of its most recent Form 990.**

13           **(f) A statement indicating the type or nature of the contract with the**  
14           **state agency, including whether the contract was publicly bid, competitively bid,**  
15           **competitively negotiated, or let through a noncompetitive process; the value of**  
16           **the contract; and the name of each state agency which is or would be a party to**  
17           **the contract.**

18           **(g) The names and addresses of all agents, registered lobbyists, and other**  
19           **persons lobbying, as "lobbying" is defined in R.S. 24:51 or R.S. 49:72, on behalf**  
20           **of the contracting entity relative to a contract or potential contract with the**  
21           **state or an appropriation or grant.**

22   \*       \*       \*

23           **F.(1) The Contract Services Joint Legislative Task Force, hereinafter**  
24           **referred to as the "task force", is hereby created to study, review, and make**  
25           **assessments on contracts as further provided in this Subsection. The task force**  
26           **shall be composed of eight members of the legislature; four members of the**  
27           **Senate, appointed by the president of the Senate and four members of the House**  
28           **of Representatives, appointed by the speaker of the House of Representatives.**

29           **(2) The task force is authorized to review all contracts with an annual**  
30           **contract amount of fifty thousand dollars or more as provided by Chapter 17**

1 of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950. The task  
 2 force may review the processes by which these contracts are negotiated, drafted,  
 3 procured, and executed. Additionally, the task force may study any other  
 4 contracts determined to be relevant to the mission of the task force.

5 (3) The president of the Senate shall appoint a senator to chair the first  
 6 meeting until officers can be elected from among the task force membership at  
 7 the first meeting which shall take place no later than thirty days after the  
 8 effective date of this Subsection. A quorum of the task force membership shall  
 9 be required to conduct business.

10 (4) The task force shall not meet more than five calendar days in any  
 11 fiscal year.

12 (5) Annually, the task force shall report to the president of the Senate,  
 13 the speaker of the House of Representatives, and the governor no later than  
 14 sixty days before the regular session regarding any recommendations relative  
 15 to any specific contracts or contract procedures that may require administrative  
 16 action or may require legislative action.

17 (6) The provisions of this Subsection shall become void on June 30, 2020.

18 \* \* \*

19 §1590. ~~Approval~~ **Reporting** of certain professional, personal, and consulting  
 20 services contracts for Fiscal Year 2015-2016 through Fiscal Year  
 21 2017-2018

22 A. In Fiscal Year 2015-2016 through 2017-2018, the commissioner of  
 23 administration, in consultation with the state chief procurement officer, shall report  
 24 each contract for professional, personal, and consulting services with a total dollar  
 25 amount of ~~forty~~ **fifty** thousand dollars or more per year that is funded solely with  
 26 state general fund (direct) or the Overcollections Fund and is for discretionary  
 27 purposes to the Joint Legislative Committee on the Budget **and the Contract**  
 28 **Services Joint Legislative Task Force** for review, ~~and approval prior to the~~  
 29 ~~effectiveness of the contract.~~

30 ~~(1) If within thirty days of receipt of the contract, the Joint Legislative~~

1           ~~Committee on the Budget does not place the contract on its agenda for review and~~  
2           ~~approval, the contract shall be deemed to be approved.~~

3                     ~~(2) If within thirty days of receipt of the contract, the contract is placed on~~  
4           ~~the agenda for review, the Joint Legislative Committee on the Budget may take the~~  
5           ~~following action:~~

6                     ~~(a) Approve the contract.~~

7                     ~~(b) Reject the contract and notify the commissioner of administration that~~  
8           ~~such funds otherwise proposed for this purpose shall be deposited into the Higher~~  
9           ~~Education Financing Fund as provided in R.S. 39:100.146.~~

10                    ~~(c) Recommend revisions to the contract. If the Joint Legislative Committee~~  
11           ~~on the Budget recommends revisions to the contract, the contract shall not become~~  
12           ~~effective until it is revised, resubmitted to the Joint Legislative Committee on the~~  
13           ~~Budget, and acted upon again by the committee. If the commissioner of~~  
14           ~~administration, in consultation with the state chief procurement officer, does not~~  
15           ~~resubmit the contract to the Joint Legislative Committee on the Budget within thirty~~  
16           ~~days after the committee recommends revisions to the contract, the contract shall be~~  
17           ~~deemed to be rejected and funds otherwise proposed for this purpose shall be~~  
18           ~~deposited into the Higher Education Financing Fund as provided in R.S. 39:100.146.~~

19                    ~~B.(1) The commissioner of administration, in consultation with the state chief~~  
20           ~~procurement officer, shall periodically determine the amount of monies appropriated~~  
21           ~~for professional, personal, and consulting service contracts that are not approved by~~  
22           ~~the Joint Legislative Committee on the Budget and remain unexpended and~~  
23           ~~unencumbered as a result of implementation of this Section. Such determination~~  
24           ~~shall take place on the following dates in fiscal years 2015-2016, 2016-2017, and~~  
25           ~~2017-2018:~~

26                    ~~(a) September thirtieth.~~

27                    ~~(b) December thirty-first.~~

28                    ~~(c) March thirty-first.~~

29                    ~~(d) June thirtieth.~~

30                    ~~(2) Following each determination required pursuant to the provisions of this~~

1           ~~Subsection, the commissioner of administration shall report to the state treasurer the~~  
2           ~~amount of state general fund (direct) and Overcollections Fund monies appropriated~~  
3           ~~for professional, personal, and consulting service contracts that are expected to~~  
4           ~~remain unexpended and unencumbered at the end of the fiscal year as a result of~~  
5           ~~implementation of this Section. These monies shall be available for deposit in and~~  
6           ~~credit to the Higher Education Financing Fund as provided for in R.S. 39:100.146.~~

7           ~~€.~~ Notwithstanding any provision of law to the contrary, this Section shall  
8           not apply to the following professional, personal, or consulting service contracts:

9                     (1) Contracts of the secretary of state necessary to perform any constitutional  
10                    or statutory function of the office.

11                   (2) All contracts to implement the programs of the Department of Health and  
12                    Hospitals funded pursuant to Title XIX, Title XX, and Title XXI of the Social  
13                    Security Act or funded fully or partially by federal funds.

14                   (3) Contracts with state or local providers of indigent defender services  
15                    necessary to perform any constitutional or statutory function.

16                   (4) Contracts of a district attorney necessary to perform any constitutional,  
17                    discretionary, or statutory function of the office, or to perform services under the  
18                    child support enforcement program administered by the Department of Children and  
19                    Family Services in accordance with the federal requirements of Title IV-D of the  
20                    Social Security Act and corresponding state laws and regulations.

21           Section 2. This Act shall become effective on July 1, 2016; if vetoed by the governor  
22           and subsequently approved by the legislature, this Act shall become effective on July 1,  
23           2016, or on the day following such approval by the legislature, whichever is later.

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_