

2018 First Extraordinary Session

HOUSE BILL NO. 1

BY REPRESENTATIVE IVEY

BUDGETARY CONTROLS: Establishes the Louisiana Fiscal Transparency Website as a source of information for state expenditures (Item #11)

1 AN ACT

2 To enact Chapter 3 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950, to be  
3 comprised of R.S. 39:440 through 443, relative to state agency expenditure reporting;  
4 to provide for the establishment and maintenance of a government fiscal  
5 transparency website; to provide for reporting requirements by state agencies; to  
6 provide for audits; to provide for penalties; to provide for an effective date; and to  
7 provide for related matters

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. Chapter 3 of Subtitle I of Title 39 of the Louisiana Revised Statutes of  
10 1950, to be comprised of R.S. 39:440 through 443, is hereby enacted to read as follows:

11 CHAPTER 3. LOUISIANA FISCAL TRANSPARENCY WEBSITE

12 §440. Louisiana Fiscal Transparency Website; establishment and maintenance

13 A. The state treasurer shall establish and maintain the Louisiana Fiscal  
14 Transparency Website, hereinafter referred to as "Louisiana Checkbook", according  
15 to the provisions of this Chapter. Louisiana Checkbook shall serve as a site available  
16 for the public to access state government expenditures made in each fiscal year and  
17 shall be available on the website of the state treasurer.

18 B. State agencies shall provide information, or any other assistance as  
19 required by the treasurer, pursuant to the requirements of this Chapter. The treasurer  
20 shall assess each state agency for any costs incurred as a result of the establishment

1 or maintenance of Louisiana Checkbook. The treasurer shall distribute the costs  
2 among the state agencies on a pro rata share of their total appropriation in the fiscal  
3 year in which costs are incurred. Each state agency shall reimburse the state  
4 treasurer for any assessed costs.

5 C.(1) The state treasurer may promulgate rules according to the  
6 Administrative Procedure Act that are necessary for the implementation of this  
7 Chapter.

8 (2) The state treasurer, with input from each state agency, shall develop a list  
9 of all information that shall be either redacted or reported in the aggregate to protect  
10 the confidentiality of the information or to protect a person's reasonable right to  
11 privacy. The list developed by the state treasurer shall be subject to the approval of  
12 the Committee on House and Governmental Affairs and the Committee on Senate  
13 and Governmental Affairs prior to implementation.

14 D. For purposes of this Section, "agency" has the same meaning as that  
15 ascribed in R.S. 39:2.

16 §441. State agency reporting requirements

17 A. State agencies shall report to the state treasurer by the twentieth day of  
18 each month, in a form and manner prescribed by the treasurer, information on all  
19 expenditures made by the agency in the previous month that is necessary to fulfill  
20 the requirements of R.S. 39:442. Except as otherwise provided pursuant to R.S.  
21 39:440(C), reports shall not include expenditures in the aggregate, but shall be an  
22 itemized list of expenditures.

23 B. Each state agency shall display on its website a link to the Louisiana  
24 Checkbook website.

25 §442. Louisiana Checkbook reporting requirements

26 A. The Louisiana Checkbook website shall include the following:

27 (1) A searchable database of all state expenditures reported by state agencies.

28 (2) Ability for the public to search expenditures by the following:

29 (a) State agency.

1           (b) Category of expense.

2           (c) Vendor or contractor.

3           (3) Ability to aggregate expenditures by:

4           (a) State agency.

5           (b) Category of expense.

6           (c) Vendor or contractor.

7           (4) Ability for the public to download information from the website.

8           B. For each expenditure by a state agency, Louisiana Checkbook shall  
9           include the following information:

10           (1) The amount of the expenditure.

11           (2) The date of the payment of the expenditure.

12           (3) The vendor or contractor to which the expenditure was paid.

13           (4) The state agency that made the expenditure, including the name, phone  
14           number, electronic mail address, and physical address of an agency contact.

15           C. The website shall graphically present the information on the website  
16           regarding state agency expenditures, including charts and graphs, to provide a better  
17           understanding and organization of the information.

18           §443. Compliance with the requirements of Louisiana Checkbook

19           A.(1) The legislative auditor shall perform periodic and unscheduled reviews  
20           of each state agency to ensure that the agencies are in compliance with this Chapter.  
21           The auditor shall report to the state treasurer and the Joint Legislative Committee on  
22           the Budget any findings of state agencies that are not in compliance with the  
23           requirements of this Chapter.

24           (2) In the event the legislative auditor determines that any expenditure was  
25           negligently omitted from monthly reporting to the treasurer, a penalty of five  
26           hundred dollars per omission, not to exceed ten thousand dollars per agency per audit  
27           shall be assessed. Any fines collected pursuant to this Section shall be available to  
28           the legislative auditor for the costs of the audits required in this Section.

1           B. In addition to the provision of Subsection A of this Section, in the event  
 2           that a state agency does not report monthly information to the state treasurer as  
 3           required in this Chapter for three consecutive months, the state treasurer is  
 4           authorized and directed to withhold fifteen percent of any warrants drawn on the  
 5           state treasury by the state agency until such time as the state agency reports the  
 6           information required.

7           Section 2.(A) The requirements for the implementation of the Louisiana Fiscal  
 8           Transparency Website contained in Section 1 of this Act shall become effective on July 1,  
 9           2019; however, the state treasurer and each state agency shall take all actions necessary to  
 10          provide for the orderly implementation of this Act prior to July 1, 2019.

11          (B) Except as otherwise provided in Subsection A of this Section, this Act shall  
 12          become effective on July 1, 2018.

#### 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 1 Original

2018 First Extraordinary Session

Ivey

**Abstract:** Requires the state treasurer to establish and maintain "Louisiana Checkbook", a Louisiana fiscal transparency website as a source of information for state expenditures.

Proposed law requires the state treasurer to establish and maintain a Louisiana fiscal transparency website as a source of information for state expenditures named "Louisiana Checkbook".

Proposed law requires state agencies to provide information to the treasurer and further requires that the costs of the website be distributed among the state agencies on a pro rata share of their total appropriations in the fiscal year in which costs are incurred.

Proposed law requires the website to include the following information:

- (1) A searchable database of all state expenditures reported by state agencies.
- (2) Ability to search and aggregate expenditures by state agency, category of expense, and vendor or contractor.
- (3) Ability to download information from the website.

Proposed law further requires the reporting of the following for each expenditure by a state agency:

- (1) The amount of the expenditure.

- (2) The date of the payment of the expenditure.
- (3) The vendor or contractor to which the expenditure was paid.
- (4) The state agency that made the expenditure, including the name, phone number, electronic mail address, and physical address of an agency contact.

Proposed law requires the state treasurer to develop a list of information that will be redacted or reported in the aggregate to protect the confidentiality of the information or to protect a person's reasonable right to privacy. Requires the list to be developed with input from each state agency and subject to approval of the Committee on House and Governmental Affairs and the Committee on Senate and Governmental Affairs.

Proposed law requires the legislative auditor to do periodic and unscheduled reviews of each state agency for the purpose of determining if the agency is in compliance with proposed law. Further requires the auditor to report any state agencies that are not in compliance to the Joint Legislative Committee on the Budget and the state treasurer.

Proposed law also requires that if the legislative auditor determines that expenditures were negligently omitted from reporting to the treasurer, a penalty of \$500 per omission, not to exceed \$10,000 per agency per audit shall be assessed. Further requires any fines collected to be available for the legislative auditor for the audit costs.

Proposed law requires that if an agency does not report expenditure information to the treasurer in three consecutive months, the treasurer is authorized and directed to withhold 15% of any warrants drawn on the state treasury by the agency until the agency reports the information.

Effective July 1, 2018.

Requirements for the implementation of the website effective on July 1, 2019.

(Adds R.S. 39:440-443)