

CONFERENCE COMMITTEE REPORT

SB 189

2020 Regular Session

White

June 1, 2020

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 189 by Senator White, recommend the following concerning the Engrossed bill:

1. That the set of amendments adopted by the House Committee on Appropriations (#2454) be rejected.
2. That the set of House Floor Amendments by Representative Zeringue (#2646) be rejected.
3. That the set of amendments submitted by the Legislative Bureau (#1901) be rejected.
4. That the set of amendments by Representative Marcelle (#2772) be rejected.
5. That the following amendments be adopted:

AMENDMENT NO. 1

On page 1, lines 2 and 9, change "Subpart L-1" to "Subpart M"

AMENDMENT NO. 2

On page 1, line 3, after "comprised of" delete the remainder of the line, delete line4, and insert:

"R.S. 39:100.41 through 100.47 and R.S. 47:1508(B)(43), relative to special funds; to create special funds for the deposit of certain federal monies; to create the Coronavirus Local Recovery Allocation Fund, the Louisiana Main Street Recovery Fund, and the State Coronavirus Relief Fund; to create and to provide relative to the Coronavirus Local Recovery Allocation Program and the Louisiana Main Street Recovery Programs relative to the use of monies in the funds; to provide relative to the allocation, use, and disbursement of the monies in the funds; to provide relative to the powers and duties of the commissioner of administration, the Governor's Office of Homeland Security and Emergency Preparedness, the treasurer, and the legislative auditor with respect to such monies; to provide for legislative intent;"

AMENDMENT NO. 3

On page 1, line 10, change "39:100.36 is" to "39:100.41 through 100.47, are"

AMENDMENT NO. 4

On page 1, line 12, change "L-1." to "M."

AMENDMENT NO. 5

On page 1, line delete line 12 through 17, on page 2, delete lines 1 through 29, and insert:

"SUBPART M. COVID -19 DISASTER FUNDS

§100.41. Legislative Intent

It is the intent of the Legislature to provide economic support to Louisiana political subdivisions and businesses for costs incurred for and continued response to the Coronavirus disease (COVID-19) pandemic from federal funds provided pursuant to Section 5001 of the CARES Act, which created the Coronavirus Relief Fund from which the State received over one billion eight hundred million dollars (CARES Act), of which the State's portion is over nine hundred ninety-one million dollars. The State desires to use a portion of the remaining portion of the CARES Fund monies in the amount of five hundred eleven million one hundred seventy-eight thousand seven hundred four dollars for economic support through the Coronavirus Local Recovery Program for local government units to be administered by the division of administration and the Governor's Office of Homeland Security and Emergency Preparedness. The State further desires to use a portion of the CARES Fund monies in the amount of three hundred million dollars for the Louisiana Main Street Recovery Program for economic support for eligible businesses to be administered by the State Treasurer, all as established in this Subpart.

§100.42. Definitions

For the purposes of this Subpart, the following terms shall have the following meanings:

(1) "Allocation Fund" shall mean the Coronavirus Local Recovery Allocation Fund.

(2) "Allocation Program" shall mean the Local Recovery Allocation Program administered by the commissioner of administration and GOHSEP.

(3) "CARES Act" shall mean the Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136 and any guidance or regulations issued by the United State Treasury as of the date of this Act or thereafter relative to the CARES Act.

(4) "CARES Fund" for the purposes of this Subpart, shall mean the monies received by the state from the federal government pursuant to the CARES Act for in the amount of one billion eight hundred two million six hundred nineteen thousand three hundred forty-two dollars.

(5) "Commissioner" shall mean the Commission of the division of administration of the State.

(6) "COVID-19" means the Coronavirus disease 2019.

(7) "Eligible business" means a for profit corporation, a limited liability company, a partnership, or a sole proprietorship that meets all of the following criteria:

(a) Was domiciled in Louisiana as of March 1, 2020.

(b) Is in good standing with the Secretary of State, if applicable.

(c) Suffered an interruption of business caused by forced or voluntary closures or restricted operations due to social distancing measures, decreased customer demand, cleaning or disinfection expenses, and providing personal protective equipment.

(d) Has at least fifty percent owned by one or more Louisiana residents, whether individual resident citizens or Louisiana domestic business entities.

(e) Filed Louisiana taxes for tax year 2018 or 2019, or, if an eligible business formed on or after January 1, 2020, intends to file Louisiana taxes for tax year 2020.

(f) Has customers or employees coming to its physical premises.

(g) Had no more than fifty full-time equivalent employees as of March 1, 2020.

(h) Is not a subsidiary of a business with more than fifty full-time equivalent employees, is not part of a larger business enterprise with more than fifty full-time equivalent employees, and is not owned by a business with more than fifty full-time equivalent employees.

(i) Does not exist for the purpose of advancing partisan political activity. Does not directly lobby federal or state officials.

(j) Does not derive income from passive investments without active participation in business operations.

(8) "Grant" means an award by the Treasurer to an eligible business.

(9) "GOHSEP" shall mean the Governor's Office of Homeland Security and Emergency Preparedness.

(10) "Interruption of business" means business interruption caused by forced or voluntary closures or restricted operations, including but not limited to social distancing measures, decreased customer demand, cleaning or disinfection expenses, and providing personal protective equipment, related to COVID -19.

(11) "Louisiana taxes" means all taxes administered by the secretary of the Department of Revenue pursuant to Title 47 of the Louisiana Revised Statutes of 1950, as amended.

(12) "Local government unit" means a parish, municipality, town, township, village or other unit of general government below the State level with parishwide jurisdiction including, but not limited to, sheriffs, coroners, and district attorneys. Entities which do not fit within the definition of political subdivision as used in this Subpart, shall have the parish with which they are affiliated submit the application.

(13) "Minority business enterprise" means a small business organized for profit performing a commercially useful function which is at least fifty percent owed by one or more minority individuals, women, or veterans, who also control and operate the business. In addition to the requirements of this Subparagraph, if more than one person owns the enterprise, at least fifty percent of the owners must be resident citizens of the State. For the purposes of this Subparagraph, "control" means exercising the power to make policy decisions and "operate" means being actively involved in the day-to-day management of the business.

(14) "Recovery Program" means the Louisiana Main Street Recovery Program.

(15) "State" means the state of Louisiana.

(16) "Treasurer" means the state treasurer of Louisiana.

§100.43. Coronavirus Local Recovery Allocation Program

A. There is hereby created the Coronavirus Local Recovery Allocation Program to be administered by the commissioner of the division of administration, in consultation with the Governor's Office of Homeland Security and Emergency Preparedness, in accordance with the provisions of this Subpart.

B. There is hereby created and established in the state treasury, as a special fund, the Coronavirus Local Recovery Allocation Fund, hereinafter referred to as the "Allocation Fund" for the purpose of providing monies to local governments for the expenditures incurred and in response to the COVID-19 pandemic.

C. Pursuant to legislative appropriation, the treasurer is hereby authorized and directed to deposit in and credit to the Allocation Fund five hundred eleven million one hundred seventy-eight thousand seven hundred four dollars pursuant to Section 5001 of the CARES Act. The monies in the Allocation Fund shall be invested in the same manner as monies in the state general fund. Interest earned on the investment of monies in the Recovery Fund shall be deposited in and credited to the Allocation Fund. Except as provided in this Section and if applicable under federal guidelines, unexpended and unencumbered monies in the Allocation Fund shall remain the Allocation Fund. Monies in the Allocation Fund shall be appropriated and used solely as provided in this Section.

D. From the initial amount deposited into and credited to the Allocation Fund, one-half of one percent shall be available for appropriation to GOHSEP to be used for administering the program. GOHSEP is hereby authorized to use staff as necessary from the office of Community Development for administrative and technical support. One-half of one percent shall be available to be appropriated to the legislative auditor for the costs of reviewing the program. The remaining monies in the Allocation Fund shall be available to GOHSEP to

provide funds to political subdivisions in Fiscal Years 2020 and 2021 pursuant to the Allocation Program as established in this Section.

E. The commissioner of administration, in consultation with GOHSEP and the Office of Community Development in the division of administration, shall develop procedures to govern the administration of the program, and determine the maximum allocation of monies in the Allocation Fund available for each parish to submit eligible applications for funds. The commissioner may promulgate emergency rules, as necessary for the administration of this program. The commissioner shall institute the program no later than June 5, 2020. The commissioner shall cause information regarding the program to be published on the websites of the State, the division of administration, and GOHSEP. The commissioner shall notify each parish of the provisions herein.

F. The commissioner of administration shall develop a method to determine the maximum allocation for each parish based on total population of the parish and the number of confirmed cases of COVID-19 within the parish. The commissioner shall notify each applicant that there is no guarantee that the amount of funds received by the local government units of a parish shall equal the maximum amount allocated to the parish. If on November 1, 2020, any parish has an unobligated portion of their allocation, the unobligated portion may be moved by the commissioner of administration to other parishes which have used all of their allocation and have remaining submissions, subject to approval of the Joint Legislative Committee on the Budget.

G. The monies allocated to local government units in each parish shall only be for eligible expenses as provided in the CARES Act.

H. Within fifteen calendar days after receiving a submission for reimbursement pursuant to this Section, GOHSEP and the division of administration shall review and, if eligible, approve the submission, and forward the approved eligible expenditures to GOHSEP for disbursement. Funds for verified claims shall be disbursed by GOHSEP within five business days of receipt by GOSHEP.

I. Any claims for expenses incurred after December 30, 2020, or submitted to the division of administration after January 31, 2021, shall be ineligible for payment pursuant to the provisions of the CARES Act.

J. No later than the fifteenth day of each month, the director of GOHSEP and the commissioner of administration jointly shall submit a report to the Joint Legislative Committee on the Budget detailing by parish the amounts requested for reimbursement pursuant to this Section, the amounts actually reimbursed, and the average time for disbursing funds to each parish.

K. Each local governmental unit shall provide a certification, on a form developed by the commissioner of administration and GOHSEP, signed by the authorized chief executive of the local government that the proposed uses of the funds are consistent with the CARES Act. The certification shall also provide that the local government unit shall hold the State harmless and indemnify the State in the event that payments were misappropriated, converted, and/or spent for any purpose other than those authorized by and in accordance with the CARES Act as determined by any executive, administrative, or judicial body of competent jurisdiction.

L. Any unobligated balance in the fund on December 1, 2020, shall be transferred to the State Coronavirus Relief Fund.

§100.44. Louisiana Main Street Recovery Program

A. There is hereby created the Louisiana Main Street Recovery Program to be administered by the state treasurer in accordance with the provisions of this Subpart.

B. There is hereby created in the state treasury, as a special fund, the Louisiana Main Street Recovery Fund, hereinafter referred to as the "Recovery Fund", to provide economic support to eligible Louisiana businesses for costs incurred in connection with COVID-19, including business interruptions caused by forced closures or restricted operations resulting from voluntary closures instituted to promote social distancing, and resulting decreased customer demand, cleaning or disinfection, and providing personal protective equipment.

Expenses reimbursed by business interruption insurance or disallowed by the CARES Act or any guidance or regulation issued by the United States Department of the Treasury shall not be an eligible expense.

C. Pursuant to legislative appropriation, the treasurer is hereby authorized and directed to deposit in and credit to the Recovery Fund three hundred million dollars of the federal monies allocated to Louisiana pursuant to Section 5001 of the CARES Act. The monies in the Recovery Fund shall be invested in the same manner as monies in the state general fund. Interest earned on the investment of monies in the Recovery Fund shall be deposited in and credited to the Recovery Fund. Except as provided in this Section and applicable under federal guidelines, unexpended and unencumbered monies in the Recovery Fund shall remain in the Recovery Fund. Monies in the Recovery Fund shall be appropriated and used solely as provided in this Section.

D. Up to five percent of the monies initially deposited in the Recovery Fund shall be appropriated to the treasurer for use in Fiscal Years 2020 and 2021 to develop procedures for the administration of and for the costs of administering the Louisiana Main Street Recovery Program. Such expenses may include costs for the treasurer and the legislative auditor for work performed in execution of the program. Notwithstanding any provision of law to the contrary, the treasurer may enter into a consulting services contract as an emergency procurement, to expedite the distribution of the funds appropriated for the Recovery Program. The cost of such contract shall be an administrative expense of the Recovery Program.

E. All remaining monies in the Recovery Fund, after providing for administrative expenses, shall be appropriated for grants to eligible businesses that submit applications pursuant to this Section provided that any grant programs have been approved by the Joint Legislative Committee on the Budget.

F.(1) No later than June 20, 2020, the treasurer shall submit a proposal for distribution of grants available through the Louisiana Main Street Recovery Program to the Joint Legislative Committee on the Budget for approval prior to any disbursement. The proposal shall contain recommendations from the treasurer and shall reflect the work product of any contract consultants and the legislative auditor. The proposal shall include details of the program, including the amount of each grant, the purpose of the grant, the category of recipients of each grant, the number of eligible recipients, documentation required for receipt of a grant and the planned method of distribution. Any proposal submitted to the Joint Legislative Committee on the Budget shall contain recommended proposals to address, within the first twenty-one days, the needs of eligible businesses that meet all of the following criteria:

(a) The eligible business did not receive a United States Small Business Administration-Guaranty Paycheck Protection Program loan or a United States Small Business Administration Economic Injury Disaster Loan Emergency Advance.

(b) The eligible business did not receive and has not been awarded reimbursement under any other federal program for the expenses that will be reimbursed by a grant under this Section.

(c) The eligible business did not received compensation from an insurance company for the interruption of business.

(2) The proposal shall next address the needs of eligible businesses after the initial twenty-one day period.

G. The treasurer shall develop application forms to be used in operation of the Recovery Program.

H. In no event shall any grant exceed fifteen thousand dollars.

I. The treasurer shall work with the Department of Revenue to verify applicant tax information and with the Department of Education to promote applications by childcare organizations.

J. Notwithstanding any provision of this Section to the contrary, the treasurer shall ensure that within the first sixty days of the Recovery Program no less than forty million dollars in grants, exclusive of administrative expenses, shall be awarded to minority business enterprises.

K. Each recipient of a grant shall provide a certification, on a form developed by the treasurer, signed by the authorized chief executive of the eligible business, as defined in the program approved by the Joint Legislative Committee on the Budget, that the proposed use of the funds are consistent with the CARES Act. The certification shall also provide that the business shall hold the State harmless and indemnify the State in the event that payments were misappropriated, converted, and/or spent for any purpose other than those authorized by and in accordance with th CARES Act as determined by any executive, administrative, or judicial body of competent jurisdiction.

L. Within fifteen calendar days after receiving a submission pursuant to this Section, the treasurer shall review and, if the grant is eligible under the provisions of this Section and the procedures developed by the treasurer and approved by the Joint Legislative Committee on the Budget, the treasurer may approve the grant, funds appropriated for verified claims shall be disbursed by the treasurer within five business days of the approval.

M. Any claims for expenses incurred after December 30, 2020, or submitted to the treasurer after January 31, 2021, shall be ineligible for payment pursuant to the provisions of the CARES Act.

N. No later than the fifteenth day of each month, the treasurer shall submit a report to the Joint Legislative Committee on the Budget detailing the number of grant submissions, the number of grants awarded, the amount of each grant awarded, the purpose of the grant, the recipient of each grant, the number of eligible recipients who have requested a grant and have not received an award, and the obligated and unobligated balances in the Recovery Fund, and the average time for disbursing funds to each recipient of a grant.

O. No later than July 1, 2020, the treasurer shall announce the date the program shall begin.

P. Notice of the Recovery Program, and the availability of awards from the Recovery Fund shall be provided to the commissioner to be published on the web pages of each department in the executive branch, the main pages for the legislative website, and in statewide news outlets at least ten days to the beginning of the program.

Q. Any unobligated balance in the fund on December 1, 2020, shall be transferred to the State Coronavirus Relief Fund.

§100.45. State Coronavirus Relief Fund

A. There is hereby created and established in the state treasury, as a special fund, the State Coronavirus Relief Fund, hereinafter the "Relief Fund". The treasurer is authorized and directed to deposit monies appropriated by the legislature from the CARES Fund to the Relief Fund. On December 1, 2020, the treasurer is authorized and directed to transfer any unobligated monies in the Coronavirus Local Recovery Allocation Fund and the Louisiana Main Street Recovery Fund to the Relief Fund. Monies in the Relief Fund may be used by the State, subject to appropriation, for the purposes of providing monies to local government units, eligible businesses, or the state in accordance with the provisions of this Subpart and the CARES Act.

B. The monies in the Relief Fund shall be invested in the same manner as monies in the state general fund. Interest earned on the investment of monies in the Relief Fund shall be deposited in and credited to the Relief Fund. If applicable under federal guidelines, unexpended and unencumbered monies in the Relief Fund shall remain in the Relief Fund.

§100.46. Changes in federal legislation

If federal legislation introduced and enacted which authorizes federal disaster funds to be used for revenue loss, the Joint Legislative Committee on the Budget is authorized to transfer any remaining funds to the Coronavirus Local Recovery Allocation Fund for disbursement.

§100.47. Duties of the legislative auditor

For purposes of this Subpart, the legislative auditor is hereby authorized to review all applications for compliance with the provisions of the programs

established in this Subpart. The treasurer's office and the Governor's Office of Homeland Security and Emergency Preparedness shall be responsible for providing the legislative auditor all claims and necessary documentation to carry out his reviews. The legislative auditor shall report any findings to the Legislative Audit Advisory Council and the Joint Legislative Committee on the Budget.

Section 2. R.S. 47:1508(B)(43) is hereby enacted to read as follows:
§1508. Confidentiality of tax records

* * *

B. Nothing herein contained shall be construed to prevent:

* * *

(43) The sharing or furnishing, in the discretion of the secretary, of information to the Department of the Treasury to be used solely for the purposes of administering the Louisiana Main Street Recovery Program and Fund as provided in R.S. 39:100.44. The secretary shall not disclose any data from returns or reports provided by the Internal Revenue Service. Any information shared or furnished shall be considered and held confidential and privileged by the Department of the Treasury to the same extent provided for in Subsection A of this Section.

* * *

Section 3. This Act shall become effective upon signature of the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval."

Respectfully submitted,

Senators:

Representatives:

Senator Mack A. "Bodi" White, Jr.

Representative Jerome "Zee" Zeringue

Senator Patrick Page Cortez

Representative Clay Schexnayder

Senator Gregory W. Tarver, Sr.

Representative Gary M. Carter, Jr.

The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha Hess.

CONFERENCE COMMITTEE REPORT DIGEST

SB 189

2020 Regular Session

White

Keyword and summary of the bill as proposed by the Conference Committee

FUNDS/FUNDING. Provides for the creation, transfer, deposit, and use of certain funds in the state treasury. (gov sig)

Report rejects House amendments which would have:

Report amends the bill to:

1. Creates the Coronavirus Local Recovery Allocation Program for economic relief for local entities due to COVID-19, as established in the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
2. Creates the Coronavirus Local Recovery Allocation Fund in order to fund economic relief to local entities, and provides for deposit and disbursement of monies from the fund to be administered by the commissioner of administration with the assistance of the Governor's Office of Homeland Security and Emergency Preparedness and the Office of Community Development.
3. Creates the La. Main Street Recovery Program to provide economic support to businesses due to COVID-19, as provided in the CARES Act.
4. Creates the La. Main Street Recovery Fund in order to fund the economic support to businesses and provides for deposit and disbursement of monies from the fund to be administered by the state treasurer.
5. Creates the State Coronavirus Relief Fund and provides for deposit and disbursement of monies from the allocation fund.
6. Provides for the duties of the legislative auditor.

Digest of the bill as proposed by the Conference Committee

Proposed law provides for legislative intent regarding the Coronavirus Local Recovery Allocation Program and the La. Main Street Recovery Program.

Proposed law creates the Coronavirus Local Recovery Allocation Fund (allocation fund) as a special fund in the treasury to provide funding to local governments for expenditures incurred due to the COVID-19 pandemic. Requires that the treasurer deposit into the allocation fund \$511,178,704 of the federal monies allocated to Louisiana pursuant to Section 5001 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, P.L. 116-136.

Provides that monies in the allocation fund be invested and interest earned be deposited and credited to the fund and unexpended and unencumbered monies remain in the allocation fund., except as provided in proposed law or federal guidelines. Requires that monies in the allocation fund be appropriated to the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) and used solely as provided in proposed law. Requires the treasurer to allocate 0.5% monies deposited in the allocation fund to GOHSEP and 0.5% of the monies to the legislative auditor for the purpose of performing the duties provided under proposed law.

Proposed law authorizes the commissioner of administration, in consultation with GOHSEP, to develop procedures to govern the administration of the program and may promulgate emergency rules.

Proposed law provides that within fifteen calendar days after receiving a submission for reimbursement pursuant to the allocation fund, GOHSEP and the division of administration shall review the submission and, if eligible, approve the submission, and forward the approved eligible expenditures to GOHSEP for disbursement. Funds for verified claims shall be disbursed by GOHSEP within five days of receipt by GOHSEP.

Proposed law provides that only expenditures incurred due to COVID-19 between March 1, 2020, and December 30, 2020, are eligible for reimbursement from the allocation fund and any claim submitted after December 30, 2020, is ineligible for payment.

Provides that no later than the fifteenth of each month, the director of GOHSEP and the commissioner of administration jointly shall submit a report to the Joint Legislative Committee on the Budget detailing by parish the amounts requested for reimbursement under proposed law, the amounts actually reimbursed, and the average time for disbursing funds to each parish.

Proposed law creates the Louisiana Main Street Recovery Program and creates the Louisiana Main Street Recovery Fund, the "Recovery Fund". Monies in the Recovery Fund are to be used to provide economic support to eligible businesses for costs incurred in connection with COVID-19.

Provides that expenses reimbursed by business interruption insurance or disallowed by the CARES Act or any guidance or regulation issued by the U.S. Department of the Treasury shall not be eligible expenses under proposed law.

Proposed law defines an "eligible business" to mean a for-profit corporation, a limited liability company, a partnership, or a sole proprietorship that meets all of the following criteria:

- (a) Was domiciled in Louisiana as of March 1, 2020.
- (b) Is in good standing with the Secretary of State, if applicable.
- (c) Suffered an interruption of business.
- (d) Has a controlling interest owned by one or more Louisiana residents, whether individual resident citizens or Louisiana domestic business entities.
- (e) Filed Louisiana taxes for tax year 2018 or 2019, or, for an eligible business formed on or after January 1, 2020, intends to file Louisiana taxes for tax year 2020.
- (f) Has customers or employees coming to its physical premises.
- (g) Had no more than 50 full-time equivalent employees as of March 1, 2020.
- (h) Is not a subsidiary of a business with more than 50 full-time equivalent employees, is not part of a larger business enterprise with more than 50 full-time equivalent employees, and is not owned by a business with more than 50 full-time equivalent employees.
- (i) Does not exist for the purpose of advancing partisan political activities and does not directly lobby federal or state officials.
- (j) Does not derive income from passive investments without active participation in business operations.

Proposed law defines the following terms:

(1) "Grant" means an award by the state treasurer to an eligible business as provided in proposed law.

(2) "Interruption of business" means disruption of regular business operations resulting from required or voluntary closure related to COVID-19.

(3) "Louisiana taxes" means all taxes administered by the secretary of the Department of Revenue pursuant to Title 47 of the La. Revised Statutes.

(4) "Minority business enterprise" means a small business organized for profit performing a commercially useful function which is at least 50% owned by one or more minority individuals, women, or veterans who also control and operate the business.

Provides that if more than one person owns the enterprise, then requires at least 50% of the owners be resident citizens of the state. Provides that "control" means exercising the power to make policy decisions and "operate" means being actively involved in the day-to-day management of the business.

(5) "Recovery Program" means the Louisiana Main Street Recovery Program.

Proposed law requires the state treasurer to deposit in and credit to the Recovery Fund \$300 million of the federal monies allocated to Louisiana pursuant to Section 5001 of the CARES Act.

Proposed law requires that monies in the Recovery Fund be invested in the same manner as monies in the state general fund; that interest earned on the investment of monies in the fund be deposited in and credited to the fund; that except as provided in proposed law and applicable federal guidelines, unexpended and unencumbered monies in the fund shall remain in the fund; and that monies in the fund be appropriated and used solely as provided by proposed law.

Proposed law establishes the Louisiana Main Street Recovery Program, to be administered by the treasurer for the purpose of making grants to eligible businesses. Requires that monies in the fund be disbursed in compliance with the guidelines, guidance, rules, regulations and other criteria of the U.S. Department of the Treasury regarding the use of monies from the coronavirus relief fund established in the CARES Act.

Requires that the treasurer develop procedures to govern the administration of the program and may promulgate emergency rules. Requires that the treasurer use monies in the fund to make grants to eligible businesses and that he may retain an amount not to exceed 5% of the initial deposit for administrative expenses which expenses may include costs for the treasurer and the legislative auditor for work performed in execution of the program.

Authorizes the treasurer to enter into a consulting services contract as an emergency procurement to expedite the distribution of the funds and that the cost of the contract is an administrative expense.

Provides that no later than June 20, 2020, the treasurer shall submit a proposal for distribution of grants to the Joint Legislative Committee on the Budget (JLCB) for approval prior to any disbursement. Any proposal submitted to the JLCB, shall contain recommended proposals that would first address within the first 21 days the needs of eligible businesses that meet all of the following criteria:

(a) The eligible business did not receive a United States Small Business Administration-Guaranty Paycheck Protection Program loan or a United States Small Business Administration Economic Injury Disaster Loan Emergency Advance.

(b) The eligible business did not receive and has not been awarded reimbursement under any other federal program for the expenses that will be reimbursed by a grant under this Section.

(c) The eligible business did not receive compensation from an insurance company for the interruption of business.

Requires that the treasurer ensure that within the first 60 days of the program no less than \$40 million in grants, exclusive of administrative expenses retained by his office, be awarded to minority business enterprises.

Provides that no later than July 1, 2020, the treasurer shall announce the date the program shall begin.

Provides that any unobligated balance in the allocation fund on December 1, 2020 shall be transferred to the State Coronavirus Relief Fund to be used for local governmental units, businesses, or the state.

Provides for purposes of proposed law, the legislative auditor is authorized to review all applications and conduct audits for compliance with the provisions of the programs established in proposed law. The legislative auditor shall report any findings to the Legislative Audit Advisory Council and the Joint Legislative Committee on the Budget.