

RÉSUMÉ DIGEST

ACT 467 (SB 245)

2025 Regular Session

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Existing law requires the commissioner of administration to establish and maintain the Louisiana Checkbook website, a centralized, searchable website, that provides information to the public about data and reports of state expenditures, contracts, incentive expenditures, revenues, and other financial matters. The website serves as an interactive portal for the public to access state fiscal information.

New law retains existing law and further requires the commissioner to ensure the website includes a nongovernmental entity database that includes the type of service that the nongovernmental entity provides and is electronically searchable by the public.

New law requires all state agencies to provide information as provided by rules promulgated by the commissioner. Further requires the database to have the following functionality:

- (1) Search and aggregate records by agency.
- (2) Search and aggregate records by nongovernmental entities.
- (3) Search and aggregate records by the category of service the nongovernmental entity provides.
- (4) Download information yielded by a search of the database.
- (5) Integrate into the La. Checkbook database.

New law requires the nongovernmental entity database to include but not be limited to the following data:

- (1) The name and physical address of the nongovernmental entity, excluding the physical address of an entity that is confidential under state or federal law, rule, or regulation.
- (2) The amount of the contract or appropriation and total means of finance, including state and federal sources, if applicable.
- (3) The contract effective date and the contract end date.
- (4) The purpose of the contract or appropriation and an outcome assessment by the state agency administering the contract of whether the nongovernmental entity has completed the purposes of the contract or appropriation or met performance goals as defined in a cooperative endeavor agreement.
- (5) A keyword index for the category of service the nongovernmental entity is providing.
- (6) The compliance status of all reports submitted pursuant to new law.

New law requires the division of administration to submit a comprehensive annual report to the Joint Legislative Committee on the Budget, on or before Jan. 1st of each year, on information contained in the nongovernmental entity database and the compliance status of all reports submitted pursuant to new law. Further requires the report to be categorized by the type of service and include the amount of investment made in the service that the nongovernmental entity provides.

Existing law requires any nongovernmental entity which is neither a budget unit nor a political subdivision of the state that is requesting funding from the state to transmit certain information to the legislature in an online, searchable database.

New law retains existing law.

Existing law provides disclosure requirements for elected officials or their immediate family members who received compensation from, held an ownership interest in, or contracted with a nongovernmental entity requesting state funding.

New law repeals prior law.

Existing law (R.S. 14:133) provides for the crime of filing or maintaining false public records and provides for penalties including imprisonment for not more than five years with or without hard labor or a fine of not more than \$5,000 or both.

New law retains existing law and further provides that knowingly submitting false or misleading information in a nongovernmental entity funding request form shall constitute a violation of existing law.

New law establishes the "Transparent Responsible Use of State Tax-dollars Act" or "T.R.U.S.T. Act".

New law provides for legislative intent including the purpose of establishing clear expectations and consistent standards for nongovernmental entities in order to protect the interests of the taxpayers of La. and promoting accountability for funds appropriated to nongovernmental entities by enabling access to data through the nongovernmental entity database within La. Checkbook maintained by the division of administration.

New law requires each nongovernmental entity that receives a legislative appropriation or an appropriation as part of a departmental or agency budget, including any federal funding sources, to submit to the state agency distributing the appropriation or administering the contract or cooperative endeavor agreement the following information prior to the disbursement of funds:

- (1) An itemized report of the nongovernmental entity's administrative expenses associated with the distribution and utilization of state appropriated funds.
- (2) The nongovernmental entity's most recent financial report in accordance with audit requirements of existing law. Further requires the report to be a sworn financial statement, compilation, review, or audit, as required based on the total revenues and other funding sources received by the entity in any one fiscal year.

New law requires the completed financial report to be submitted to and formally accepted by the legislative auditor in order to be deemed compliant for purposes of eligibility to receive appropriated funds.

New law requires certain audit reports to include an auditor's unqualified opinion and a certification that there are no unresolved audit findings, or that the nongovernmental entity is actively working with the appropriate governmental authority to resolve them.

New law requires all financial reports to be reviewed and accepted by the legislative auditor pursuant to the audit provisions of existing law. No report shall be deemed compliant without such acceptance.

New law authorizes the state agency distributing the appropriation or administering the contract or cooperative endeavor agreement to require the nongovernmental entity to submit a corrective action plan to address noncompliance or any outstanding audit issues or findings.

New law prohibits any noncompliant nongovernmental entity from receiving disbursement of an appropriation for a period of three years or until the entity has achieved compliance as determined by the state agency distributing the appropriation or administering the contract or cooperative endeavor agreement.

New law prohibits any public official, public employee, or immediate family member thereof from receiving anything of economic value or any form of compensation, whether direct or indirect, from a nongovernmental entity or contract with a nongovernmental entity receiving appropriated funds. The prohibition does not apply if the nongovernmental entity contracted with the Dept. of Education or with a city, parish, or other local public school system to provide standards-based educational services.

New law does not preclude a public official or public employee from accepting a thing of economic value, gift, or complimentary admission, lodging, and reasonable transportation in compliance with the ethics provisions of existing law.

New law requires nongovernmental entities that receive appropriated funds to refrain from political activities, including endorsement of any political party or candidate for public office, or the use of machinery, equipment, postage, stationary, or personnel on behalf of any political party or candidate.

New law prohibits nongovernmental entities from using appropriated funds for the following purposes:

- (1) Lobbying the legislature or a state or local government agency, including funding for employee hours spent lobbying.
- (2) Making contributions, directly or indirectly, to political action committees, political parties, or candidates for public office.

New law provides that a nongovernmental entity shall not include any school governing authority required to post fiscal information through the School Transparency Project Portal pursuant to existing law.

New law requires the head of each state agency distributing or awarding appropriated funds to a nongovernmental entity to ensure compliance with the nongovernmental entity database requirements.

New law requires each state agency distributing or awarding appropriated funds to nongovernmental entities to comply with the requirements of new law and submit all required documentation upon receipt and by rules promulgated by the commissioner.

Effective June 30, 2025.

(Amends R.S. 39:51.1(B)(11); adds R.S. 39:16.15, 51.1(I) and (J), and 89.1-89.4; repeals R.S. 39:51.1(B)(10) and (F))