

April 12, 2001
Opinion Number 01-112

Mr. Mark C. Drennen
Commissioner of Administration
Division of Administration
P.O. Box 94095
Baton Rouge, LA 70804-9095

8 Appropriations Constitutional Law

Article VIII, §16, Article VIII, §19 and Article VII, §10

State Visa bills which accrue prior to effective date of appropriations act but after beginning of new fiscal year, can be paid when the appropriations act becomes effective.

Dear Mr. Drennen:

You requested the opinion of this office concerning the timing of the payment of purchasing cards. The program allows state agencies to use VISA credit cards to purchase low dollar goods from various vendors.

You advised that the service provider bills the State on the 5th of each month. The ACH payment to the service provider for these charges is scheduled to automatically issue on the 25th of each month. In July, the statement billing will cover the period of June 5th through July 5th. Your concern is if the General Appropriations Act is not effective until after July 1st, whether the Louisiana Constitution would prohibit the use of the purchasing card until such time as the Appropriations Act is fully enacted.

As you noted in your opinion request, Article III, Section 16(A) of the Louisiana Constitution states "Except as otherwise provided by this constitution, no money shall be withdrawn from the state treasury except through specific appropriation, and no appropriation shall be made under the heading of contingencies or for longer than one year." Article VII, Section 10(D) states "(1) Except as otherwise provided by this constitution, money shall be drawn from the state treasury only pursuant to an appropriation made in accordance with law..."

Op.Atty.Gen. 79-930 involved a similar question, where the 1979 Appropriations Act did not become effective until July 10, when the bill was signed by the Governor. The issue was whether employees' salaries and liabilities accruing from July 1 through July 10 could be paid. This office determined, based upon Article III, Section 19 of the Louisiana Constitution that because the Act specified a July 1st effective date, then all salaries and liabilities which accrued from July 1 through the 10th payable from funds appropriated in the 1979 Appropriations Act could legally be paid as the Act was effective on July 1, 1979.

Likewise, in this instance where the majority of the provisions in the Appropriations Act will have an effective date of July 1, 2001, whether the Appropriations Act is signed by the

Governor before or after July 1, payment can be made to the Visa service provider, once the appropriations become effective. Of course, until the Appropriations Act becomes effective, no money may be withdrawn from the state treasury.

Trusting this adequately responds to your request, we remain

Yours very truly,

RICHARD P. IEYOUNG
Attorney General

BY:

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RPI/MSH

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Syllabus

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Martha S. Hess
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