

ADVISORY GROUP ON Efficiency and Benchmarking **PROPOSAL#:** AGEB # 6
SUBJECT: Appropriations to an NGO **DATE ADOPTED BY ADVISORY GROUP:** 9-8-09
COMMISSION ACTION: _____ **DATE:** _____

RECOMMENDATION: To prohibit all state appropriations to nongovernmental entities.

| Summary Description/Nature of Change | Key Implementation Responsibilities | Need | Action Needed | Benefit/Saving | Done/Study |
|--|--|--|---|----------------|------------|
| Prohibit all state appropriations to nongovernmental entities. | Legislature | To save money by eliminating a class of non-competitive, non-statewide expenditures. | Enactment of statute or constitutional amendment. | | |

Earmarks are funds provided by the Louisiana Legislature for projects, programs or grants where the purported legislative direction circumvents otherwise applicable merit-based or competitive allocation processes, or specifies the location or recipient, or otherwise curtails the ability of the executive branch to manage its statutory and constitutional responsibilities pertaining to the funds allocation process. Non-governmental organization (NGO) earmarks are earmarks appropriated by the Louisiana Legislature to corporations or entities outside of government. Each year, the Louisiana Legislature appropriates millions of dollars to NGO earmarks, such as the Purple Circle Social Club. The Louisiana Streamlining Government Commission recommends to the governor and the Louisiana Legislature that Louisiana law be changed to prohibit all NGO earmarks.