

2022 Regular Session

HOUSE BILL NO. 78

BY REPRESENTATIVE ZERINGUE

FISCAL CONTROLS: Provides relative to the state's annual comprehensive financial report

1 AN ACT

2 To amend and reenact R.S. 24:513(A)(2) and (3) and R.S. 39:75(A)(3), 80(A) and
3 (B)(1)(introductory paragraph), 1302(3)(i), and 1538(E) and to repeal R.S.
4 24:513(J)(1)(c)(v), relative to certain annual state financial reports; to provide
5 definitions; to provide requirements; to provide for resolution in the event of conflict
6 with other provisions of law; to provide an effective date; and to provide for related
7 matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 24:513(A)(2) and (3) are hereby amended and reenacted to read as
10 follows:

11 §513. Powers and duties of legislative auditor; audit reports as public records;
12 assistance and opinions of attorney general; frequency of audits; subpoena
13 power

14 A.

15 * * *

16 (2) The financial statements of individual state agencies, departments,
17 boards, and commissions that are included within the ~~state's Comprehensive Annual~~
18 ~~Financial Report~~ annual comprehensive financial report required pursuant to R.S.
19 39:80 shall be audited by the legislative auditor, but may be audited by a licensed
20 certified public accountant pursuant to the provisions of this Subsection.

1 (3) The financial statements of the offices of the independently elected public
2 local officials, including judges, sheriffs, clerks of court, assessors, and district
3 attorneys, all parish governing authorities, all political subdivisions created by parish
4 governing authorities or by law, and all districts, boards, and commissions created
5 by parish governing authorities either independently or in conjunction with other
6 units of government, school boards, district public defender offices, municipalities,
7 all political subdivisions created by municipal governing authorities, and all boards
8 and commissions created by municipalities, either independently or in conjunction
9 with other units of government, city courts, quasi-public agencies, housing
10 authorities, mortgage authorities, or other political subdivisions of the state not
11 included within the ~~state's Comprehensive Annual Financial Reports~~ annual
12 comprehensive financial reports required pursuant to R.S. 39:80, hereinafter
13 collectively referred to as "local auditee", shall be audited or reviewed by licensed
14 certified public accountants subject to Paragraphs (5) and (6) of this Subsection, but
15 may be audited by the legislative auditor pursuant to Paragraph (4) of this
16 Subsection. The total compensation, reimbursements, and benefits of an agency head
17 or political subdivision head or chief executive officer related to the position,
18 including but not limited to travel, housing, unvouchered expenses, per diem, and
19 registration fees shall be reported as a supplemental report within the financial
20 statement of the local auditee; however, nongovernmental entities or not-for-profit
21 entities that receive public funds shall report only the use of public funds for the
22 expenditures itemized in the supplemental report. Any person authorized to conduct
23 an audit of a governmental entity pursuant to R.S. 37:77, shall be permitted to
24 continue auditing that governmental entity subject to the approval of the legislative
25 auditor provided for in Paragraphs (5) and (6) of this Subsection.

* * *

27 Section 2. R.S. 39:75(A)(3), 80(A) and (B)(1)(introductory paragraph), and
28 1302(3)(i) are hereby amended and reenacted to read as follows:

1 §75. Avoidance of budget deficits

2 A.

3 * * *

4 (3)(a) At the first meeting of the Joint Legislative Committee on the Budget
5 after publication of the ~~Comprehensive Annual Financial Report for the state of~~
6 ~~Louisiana~~, annual comprehensive financial report required pursuant to R.S. 39:80,
7 the commissioner of administration shall certify to the committee the actual
8 expenditures paid by warrant or transfer and the actual monies received and any
9 monies or balances carried forward for any fund at the close of the previous fiscal
10 year which shall be reflected in the budget status report.

11 (b) At the first meeting of the Joint Legislative Committee on the Budget
12 after publication of the ~~Comprehensive Annual Financial Report for the state of~~
13 ~~Louisiana~~, annual comprehensive financial report required pursuant to R.S. 39:80,
14 the commissioner of administration and the legislative auditor shall present the report
15 to the committee.

16 * * *

17 §80. Fiscal reporting

18 A. Within six months after the close of each fiscal year, the commissioner
19 of administration shall cause to be prepared a an annual comprehensive ~~annual~~
20 financial report containing those financial statements, including notes thereto, which
21 are necessary for a fair presentation of the financial position and results of operations
22 of the state in conformity with generally accepted accounting principles.

23 B.(1) At the same time as the annual comprehensive ~~annual~~ financial report
24 is prepared as provided in Subsection A of this Section, the commissioner of
25 administration shall cause to be prepared a narrative report covering the same fiscal
26 year as the annual comprehensive financial report being prepared and explaining the
27 financial condition and the operations of the state for the fiscal year covered, ~~by the~~
28 ~~comprehensive annual financial report~~. The narrative report shall be prepared with
29 the express purpose of providing a brief, objective, and easily understood analysis

1 of state government's financial performance for the preceding year, as well as
2 facilitating wide dissemination of the report to the public. The narrative report shall
3 include but not be limited to the following:

4 * * *

5 §1302. Definitions

6 For the purposes of this Chapter:

7 * * *

8 (3) "Political subdivision" means any:

9 * * *

10 (i) Political subdivisions of the state not included within the state's
11 ~~Comprehensive Annual Financial Reports~~ annual comprehensive financial reports
12 required pursuant to R.S. 39:80.

13 * * *

14 Section 3. R.S. 39:1538(E) is hereby amended and reenacted to read as follows:

15 §1538. Claims against the state

16 * * *

17 E. The division of administration, in cooperation with the attorney general
18 as provided in R.S. 49:257(B), shall prepare a list of all final judgments against the
19 state that are the result of a claim under Article XII, Section 10 of the Constitution
20 of Louisiana and this Section and which remain unpaid. The list shall be updated
21 quarterly, provided to the attorney general pursuant to R.S. 49:257(B), and
22 information contained therein shall be included within the annual comprehensive
23 ~~annual~~ financial report required pursuant to R.S. 39:80 in a manner determined by
24 the commissioner of administration.

25 Section 4. R.S. 24:513(J)(1)(c)(v) is hereby repealed in its entirety.

26 Section 5. If the bill that originated as House Bill No. 228 of the 2022 Regular
27 Session of the Legislature is enacted and becomes law, the provisions of Section 3 of this
28 Act shall be null and void.

1 Section 6. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

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 78 Engrossed

2022 Regular Session

Zeringue

Abstract: Changes the name of the state's "comprehensive annual financial report" to the "annual comprehensive financial report" and makes technical changes throughout the Revised Statutes in conformity with this change.

Present law (R.S. 39:80) establishes a requirement that the commissioner of administration cause to be prepared an annual financial report that must contain "those financial statements, including notes thereto, which are necessary for a fair presentation of the financial position and result of operations of the state in conformity with generally accepted accounting principles."

Proposed law changes the name of the report from the comprehensive annual financial report to the annual comprehensive financial report. Further makes technical changes throughout the Revised Statutes in conformity with proposed law change.

Present law requires enhanced additional oversight by the legislative auditor for parishes having a population of not less than 225,000 and not more than 250,000 persons according to the latest federal decennial census. Proposed law repeals present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 24:513(A)(2) and (3) and R.S. 39:75(A)(3), 80(A) and (B)(1)(intro. para.), 1302(3)(i), and 1538(E); Repeals R.S. 24:513(J)(1)(c)(v))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Repeals provisions requiring enhanced audit oversight and requirements for parishes with a population between 225,000 and 250,000 persons according to the latest federal decennial census.