

ACT No. 792

2024 Regular Session

HOUSE BILL NO. 925

BY REPRESENTATIVES MACK AND KNOX

1 AN ACT

2 To enact R.S. 24:513.5, relative to the legislative auditor; to require certain political
3 subdivisions to report to the auditor on outstanding judgments; to require the auditor
4 to report to the governor and the legislature; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 24:513.5 is hereby enacted to read as follows:

7 §513.5. Political subdivisions; reports of outstanding judgments

8 A. The legislature hereby recognizes that judgments against political
9 subdivisions established by statute should be timely paid; that delays in payment of
10 judgments create burdens to taxpayers through the accrual of judicial or legal interest
11 and potential decreases in bonding capacity; and that simple, regular, and full
12 reporting of judgments against political subdivisions established by statute will
13 promote transparency and accountability and inform this legislature in allocating
14 state funds to political subdivisions by creating a measure of financial health and
15 financial need. Therefore, it is the intent of the legislature, in the interest of the
16 public, to require political subdivisions to report their unpaid judgments on a regular
17 basis.

18 B. Each year, each political subdivision that is established by statute and that
19 at any point in the then current or immediately prior year had total outstanding
20 judgments, whether by a court of law or consent of the parties, in excess of seven
21 million five hundred thousand dollars, exclusive of interest accrued thereupon, shall
22 include in the information required to be submitted to the legislative auditor pursuant
23 to R.S. 24:513 a complete list of all judgments, including consent judgments,
24 settlement agreements, and compromise agreements, outstanding in any amount,
25 including the following:

26 (1) The caption and number of the matter.

1 (2) The court in which the matter was filed.

2 (3) The date of the judgment or the date the agreement was entered.

3 (4) The amount of the original judgment or agreement.

4 C. The legislative auditor shall develop, supervise, and require the use of
5 uniform, standardized, and consistent forms and terminology for use in reporting
6 pursuant to this Section in order to provide for clarity and uniformity.

7 D. The legislative auditor shall compile the reports required by this Section
8 into a single biennial report and shall submit this biennial report to the Joint
9 Legislative Committee on the Budget and the governor no later than December first.

10 E. The reporting requirements of this Section shall terminate on January 1,
11 2031.

12 F. The provisions of this Section shall not apply to any political subdivision
13 created by home rule charter or governed by a police jury.

14 Section 2. The first reports required by R.S. 24:513.5(B) as enacted by this Act shall
15 be submitted to the auditor in the information required by R.S. 24:513 in 2025. The first
16 biennial report required by R.S. 24:513.5(D) as enacted by this Act shall be submitted to the
17 Joint Legislative Committee on the Budget and the governor no later than December 1, 2025.

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____