
DIGEST

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Greene

HB No. 439

Abstract: Relative to misappropriation of public funds and assets, requires certain notifications by agency heads and provides for recovery of misappropriated funds or assets and for restitution of related costs incurred by the legislative auditor.

Present law requires an agency head of an auditee who has actual knowledge of any misappropriation of the public funds or assets of his agency to immediately notify, in writing, the legislative auditor and the district attorney of the parish in which the agency is domiciled of such misappropriation. Authorizes the district attorney, or other prosecutorial agency, so notified to request audit assistance from the legislative auditor with respect to the misappropriation. Defines "agency head" and "his agency" as defined in the Code of Governmental Ethics.

Proposed law retains present law and additionally requires an agency head who reasonably suspects, because of an action, including but not limited to an investigation, filing of a police report, or an internal audit finding, any misappropriation of public funds or agency assets to give written notice of such misappropriation to the legislative auditor and the district attorney.

Proposed law further authorizes the attorney general, at the request of the legislative auditor, to recover misappropriated funds or assets from the responsible party by civil suit when misappropriation is discovered and reported. Requires the attorney general also to seek restitution from the responsible party of costs incurred by the legislative auditor to audit, investigate, or report on allegations of misappropriation.

Proposed law provides that all costs incurred by the legislative auditor to audit, investigate, or report possible fraud, theft, or other misappropriation shall be recoverable by civil suit against the responsible party. Authorizes the attorney general, at the request of the legislative auditor, to seek recovery of such costs on behalf of the legislative auditor through such a suit. Requires the attorney general or the local district attorney prosecuting such crimes to also seek restitution of such costs incurred by the legislative auditor.

Proposed law provides that "responsible party" means the person or entity actually responsible for the reported misappropriation.

(Amends R.S. 24:523; Adds R.S. 24:524)