



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 220** SLS 21RS 336
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 16, 2021 2:33 PM	Author: CLOUD
Dept./Agy.: Secretary of State and Legislative Auditor	Analyst: Patrice Thomas
Subject: Annual Audit of Elections by the Legislative Auditor	

LEGISLATIVE AUDITOR RE INCREASE GF EX See Note Page 1 of 1
 Provides relative to the legislative auditor. (8/1/21)

Proposed law requires the Louisiana Legislative Auditor to examine, audit, or review local, state, and federal elections that are held according to LA Election Code (Title 18). Proposed law allows the auditor to set the scope, frequency, and methodology of the examinations and provides that the auditor may utilize a performance-based or risk-based approach for the examinations of elections. Proposed law provides for records retention of at least two years. Proposed law requires the Legislative Auditor to submit an annual report to the Senate and Governmental Affairs Committee and the House and Governmental Affairs Committee by May 1st of each year and present the report to both committees, meeting separately or jointly, by May 31st of each year. Proposed law is effective 8/01/2021.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0					\$0

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in an increase in SGF expenditures related to audit services (see discussion regarding scope and frequency in next paragraph) and may result in a minimal increase in local expenditures for parish election officials related to storing and maintaining election records for two years. The proposed law requires the LA Legislative Auditor (LLA) to examine, audit, and review local, state, and federal elections to ensure that elections were held in accordance with the LA Election Code. Also, the proposed law requires the LLA to submit an annual report to the Senate and Governmental Affairs Committee and the House and Governmental Affairs Committee by May 1st of each year as well as present the report to both committees, meeting separately or jointly, by May 31st of each year.

Under present law, the LLA is responsible for conducting regularly scheduled performance audits on each executive branch department at least once every seven years. The Dept. of State (DoS) is scheduled for a performance audit in FY 22. Therefore, LLA will not incur any additional expenses to audit the DoS in FY 22 under this measure. The proposed law allows LLA to set the scope, frequency, and methodology of examinations. **The scope and associated annual costs will be more clearly defined after LLA performs the scheduled performance audit in FY 22.** To the extent the performance audit finds it necessary to conduct annual audits on the DoS beginning in FY 23, the LLA reports needing up to five dedicated positions with an average salary and related benefits of \$120,000 per position, totaling \$600,000. LLA assesses annual fees on all departments within the executive branch to fund audit services. The Legislative Fiscal Office (LFO) presumes that the DoS will be assessed additional fees to cover the costs of annual audits, and the department will require additional SGF appropriation to pay any increase in auditor fees. The proposed law prohibits LLA from assessing additional fees on local governmental units. The LFO assumes any local audits would be paid by appropriation of state resources.

The proposed law requires a 2-year retention of all election records including but not limited to ballot applications, mail ballots, and voting rolls. The DoS reports their records will be stored and maintained at the State Archives building at no additional cost. The LFO is unable to determine how parish election officials will provide storage and maintenance. Presently, election records must be retained a minimum of 6 months for state elections and two years for federal elections. Parishes with limited storage availability may incur additional expenditures for storage under this measure, but the cost is anticipated to be minimal.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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