

GREEN SHEET REDIGEST

HB 597

2023 Regular Session

Ivey

LEGISLATIVE AUDITOR: Provides for a portal to provide comprehensive financial and other information to the public.

DIGEST

Present law provides for the La. Fiscal Transparency Website and provides for the duties of the commissioner of administration relative to the website. Requires the commissioner to establish and maintain the La. Fiscal Transparency Website as a centralized, searchable website, to be known as "La. Checkbook". Requires that it provide information to the public about data and reports of state expenditures, contracts, incentive expenditures, revenues, and other financial matters. Provides that the website serve as an interactive portal for the public to access state fiscal information.

Proposed law revises present law and provides that the commissioner instead maintains the information as datasets and provides for the transfer of those datasets to the legislative auditor for La. Transparency Portal. Proposed law removes the legislative branch and the judicial branch from requirements for submission of information to the commissioner of administration. Further provides for the powers and duties of the legislative auditor relative to the La. Transparency portal. Proposed law provides that the datasets provided to the auditor meet the information requirements for the portal, including:

- (1) Requires all agencies, boards, commissions, departments, institutions of higher education, legislature, and judiciary to furnish information, reports, aid, services, and assistance necessary for the portal (website) as may be requested.
- (2) Requires all state agencies which do not maintain data on LaGov to report to the auditor the required information in the dataset for inclusion on the website monthly.

Further requires the portal to present information to the public and provide certain functions and information. Requires the following databases which shall include specific content and be electronically searchable within specific parameters outlined for each:

- (1) An expenditure database containing reporting of expenditures by each budget unit in the executive budget.
- (2) A budget database for each branch of government that includes current and past fiscal years and proposed appropriations and capital outlay bills.
- (3) A contract database for all state contracts.
- (4) An employment and payroll database.
- (5) A report database containing certain reports required by law.
- (6) A boards and commissions database.
- (7) A state debt database with information regarding debt by agency, debt categories, debt sources, debt obligations, per capita debt, and debt comparisons.
- (8) An incentives database with information regarding incentive expenditure programs administered by state agencies.
- (9) A dedicated funds database with information regarding appropriations from dedicated funds and the state treasurer's report on special funds.

- (10) A performance database including information provided by the executive branch through the La. Performance Accountability System.

Imposes reporting and information sharing requirements upon state agencies and state contractors in order to fulfill the requirements of proposed law.

Provides protection for information not subject to disclosure pursuant to present law.

Requires state agencies to submit comprehensive data sufficient to comply with the provisions of proposed law in a type, extent, format, frequency, and timing specified by the auditor.

Provides that the datasets provided to the legislative auditor pursuant to present law meet the information requirements for the transparency portal and website. for the state agencies that are included in the LaGov statewide enterprise resource planning system.

Requires internal auditors of state agencies to report any findings of state agencies, contractors, grantees, vendors, or recipients of state funding that are not in compliance with the requirements of proposed law. Requires the auditor to report agency noncompliance with proposed law to the Joint Legislative Committee on the Budget and the Legislative Audit Advisory Council on at least a quarterly basis. Requires the legislative auditor to perform periodic and unscheduled reviews of state agencies, contractors, grantees, vendors, or recipients of state funds to ensure compliance with proposed law.

Provides that any state agency whose internal audit or legislative audit contains findings indicating a violation of the constitution or laws of this state or findings of fraud, waste, and abuse, shall be subject to periodic and unscheduled investigative audits by the internal auditor or the legislative auditor for a probationary period of not less than three years.

Requires that the auditor make available on the website, all audits performed as authorized by a state agency contract, expenditure, or incentive expenditure.

Further authorizes the auditor to establish a schedule to include fiscal information regarding local auditees in the portal.

Proposed law establishes the La. Transparency Fund to provide monies to fund the development and maintenance of the La. Transparency Portal and the auditor's duties and responsibilities related thereto. Requires the treasurer to annually deposit into the fund two million. Unencumbered monies remain in the fund and the monies are subject to appropriation and use by the Legislative Budgetary Control Council for the purposes specified in proposed law.

Proposed law provides that the commissioner of administration has until July 1, 2025, to include any information in a dataset required by present law that is not included as of July 1, 2023. Provides that prior to July 1, 2026, the auditor is not required to include any information on the portal for any agency which does not maintain data on LaGov. Provides for the commissioner of administration and the legislative auditor to develop a transition plan from La. Fiscal Transparency Website to the La. Transparency Portal and to report progress monthly to the legislature.

Provides that provisions relative to the revisions to the La. Fiscal Transparency Website (DOA), and the transition are effective upon signature of governor or lapse of time for gubernatorial action; and provides that provisions for the fund and the proposed law provisions for the auditor's duties and the La. Transparency Portal become effective upon an appropriation.

(Amends title of Subpart D of Part I of Chapter I of Subtitle I of Title 39, R.S. 39:16.1(4), 16.2, 16.3(A)(1), (3)(intro. para.), and (5) and (D), 16.4(A)(1), 16.5(A)(1) and (B)(intro. para.) and (4)(intro. para.), 16.6(A)(1) and (C)(7), 16.8(A) and (C), 16.10(A)(1) and (3) and (C)(intro. para) and (3), 16.12(A), and 16.13(C); adds R.S. 24:513(D)(7) and R.S. 24:571-

586 and R.S. 39:16.10(C)(8) and (9); repeals R.S. 39:16.3(B), 16.4(B), 16.5(B)(1), (2), and (3) and (D), 16.6(B), 16.7, 16.8(B), 16.9, 16.10(B), 16.11, 16.13(D)(2), and 16.14)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on House and Governmental Affairs to the original bill:

1. Add a requirement for the auditor to include a budget database in the La. Transparency Portal.
2. Provide that the contracts database include the city and state of the contractor's domicile rather than of the contractor.
3. Remove the requirement for the state treasurer to establish and maintain the state debt database and his related duties and the requirement that state debt database include local debt backed by the full faith and credit of the state.
4. Change the requirement of the auditor to establish a schedule for the inclusion of fiscal information regarding local auditees on the website to an authorization for the auditor to do so.
5. Change the effective date of the proposed provisions relative to the La. Transparency Portal from Jan. 1, 2024, to Dec. 31, 2024.
6. Change the effective date of the repeal of provisions relative to the La. Fiscal Transparency Website from Jan. 1, 2024, to June 30, 2026.
7. Make technical changes to the definition of "contract" and make other technical changes.

The House Floor Amendments to the engrossed bill:

1. Rather than repeal provisions for La. Fiscal Transparency Website and the commissioner of administration's duties related thereto, revise those provisions to require the maintenance of datasets and databases and for the regular transfer of the data to the auditor for the La. Transparency Portal.
2. Remove advanced data analytics requirements on the auditor.
3. Remove requirement that the budget database on the La. Transparency Portal be electronically searchable and be presented in a dynamic and interactive format.
4. Remove requirement on a contractor to submit certain verifications to the Dept. of Revenue for the La. Transparency Portal relative to the contract database.
5. Include additional data requirements in the incentives databases for the La. Transparency Portal.
6. Give that the commissioner of administration until July 1, 2025, to include any information in a dataset required by present law that is not included as of July 1, 2023, and provides that prior to July 1, 2026, the auditor is not required to include any information on the portal for any agency which does not maintain data on LaGov.
7. Change effectiveness provisions.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Senate and Governmental Affairs to the reengrossed bill

1. Provide that the datasets provided to the legislative auditor pursuant to R.S. 39:16.2 meet the information requirements for the transparency portal for the state agencies that are included in the LaGov statewide enterprise resource planning system.