

## RÉSUMÉ DIGEST

ACT 446 (HB 597)

2023 Regular Session

Ivey

New law provides for the La. Transparency Portal and requires the legislative auditor (auditor) to establish and maintain the portal as a central, searchable website for the public to access fiscal information.

Existing law requires state agencies in the executive branch of government to furnish specified information and reports to the commissioner of administration (commissioner) relative state fiscal transparency.

Prior law provided for the La. Fiscal Transparency Website and required the commissioner to establish and maintain the La. Fiscal Transparency Website as a central, searchable website, known as "La. Checkbook". Required the website to serve as an interactive portal for the public to access state fiscal information, including data and reports of state expenditures, contracts, incentive expenditures, revenue, and other financial matters for the executive, judicial, and legislative branches of state government. Required La. Checkbook to have specified functionality. New law removes these requirements.

New law provides instead that the commissioner maintain the information obtained from executive branch agencies pursuant to existing law as datasets and provides for the transfer of those datasets to the auditor for the La. Transparency Portal. Provides that the datasets provided to the auditor by the commissioner pursuant to new law meet the information requirements for the transparency portal for the state agencies that are included in the LaGov statewide enterprise resource planning system (LaGov). New law removes the prior law requirement that the legislative branch and the judicial branch agencies submit information to the commissioner and new law instead requires legislative and judicial branch agencies to furnish the information to the auditor for the transparency portal.

New law requirements for the La. Transparency Portal include:

- (1) A requirement that all agencies, boards, commissions, departments, and institutions of higher education, the legislature, and the judiciary furnish information, reports, aid, services, and assistance necessary for the portal as may be requested by the auditor.
- (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 portal in the time and manner required by the auditor.

Further requires the portal to 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 new law.

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

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

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

Further requires the auditor to establish a schedule for including fiscal information regarding local auditees in the portal, subject to approval by the Legislative Audit Advisory Council.

New 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 \$3.5 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 new law. Provides for a deposit into the fund if the Revenue Estimating Conference recognizes additional recurring revenue above the official forecast between July 1, 2023 and June 30, 2024.

Proposed law provides that the commissioner has until July 1, 2025, to include any information in a dataset required by existing 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 and the auditor to develop a transition plan from La. Fiscal Transparency Website to the La. Transparency Portal and to report progress quarterly to the legislature.

Provides that provisions relative to the fund and provisions for the transition become effective upon signature of governor (June 28, 2023); provides that the new law provisions for the auditor's duties and the La. Transparency Portal become effective when monies are deposited into the fund; and provides that revisions and repeals related to the La. Fiscal Transparency Website (La. Checkbook), the fiscal transparency datasets, and commissioner's duties relative thereto become effective on July 1, 2026, or the day after the commissioner of administration and the legislative auditor report to the legislature that the transition is complete, whichever is earlier.

(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)(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)