
DIGEST

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Stokes

HB No. 482

Abstract: Provides that an agency head of an auditee or local auditee that receives a disclaimer of opinion audit report for three consecutive years during his service as agency head shall be guilty of certain offenses and subject to certain penalties.

Present law grants the legislative auditor authority to compile financial statements and to examine, audit, or review the books and accounts of auditees. For local auditees provides that their financial statements shall be audited or reviewed by licensed certified public accountants but may be audited by the legislative auditor under certain conditions. Defines "auditees" as the state treasurer, all public boards, commissions, agencies, departments, political subdivisions of the state, public officials and employees, specified public retirement systems, municipalities, and all other public or quasi-public agencies or bodies. Defines "local auditees" as independently elected public local officials, including judges, sheriffs, clerks of court, assessors, and district attorneys, all parish governing authorities and all districts, boards, and commissions created by parish governing authorities either independently or in conjunction with other units of government, school boards, district public defender offices, municipalities, and all boards and commissions created by municipalities, either independently or in conjunction with other units of government, city courts, quasi-public agencies, housing authorities, mortgage authorities, or other political subdivisions of the state not included within the state's Comprehensive Annual Financial Reports.

Present law defines the crime of malfeasance in office and provides that whoever commits the crime of malfeasance in office shall be imprisoned for not more than five years with or without hard labor or shall be fined not more than \$5,000, or both. Further provides that a person convicted under R.S. 14:134 may be ordered to pay restitution to the state if the state suffered a loss as a result of the offense, to include the payment of legal interest.

Proposed law provides that if the type of audit report received by an auditee or a local auditee for three consecutive years is a disclaimer of opinion, and the same person serves as agency head of such auditee or local auditee for those three consecutive years, the agency head of the auditee or local auditee shall be guilty of malfeasance in office pursuant to R.S. 14:134 and gross misconduct in office and, in addition, shall be subject to a fine of not less than \$500 nor more than \$5,000. Provides that "agency head" has the meaning provided in the Code of Governmental Ethics.

(Adds R.S. 24:518(D))