

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 409** HLS 14RS 661

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 28, 2014 7:29 AM	Author: CHAMPAGNE
Dept./Agy.: Legislative Auditor	Analyst: Matthew LaBruyere
Subject: Audits & Investigations	

LEGISLATIVE AUDITOR

EG INCREASE SG RV See Note

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Provides relative to the authority and duties of the legislative auditor

Proposed law provides that the legislative auditor may audit or investigate a local auditee when the local auditee is a quasi public agency or body in receipt of public funds from any source. Provides that in such case, the legislative auditor may audit the public funds at his discretion for financial accountability, statutory compliance, and evaluation of performance relative to the functions and activities of the quasi public agency or body. Proposed law provides that the legislative auditor shall be reimbursed in accordance with present law for audits of a local auditee performed pursuant to present law and proposed law.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. The Legislative Auditor has indicated that any costs associated with auditing or investigating a local auditee that is a quasi public agency that receives any public funding could be absorbed within its current budget.

REVENUE EXPLANATION

The proposed legislation may result in an increase in self-generated revenue as a result of auditing or investigating a local auditee that is a quasi public agency that receives any public funding. The Legislative Auditor's Office estimates that the office could complete 5 auditing or investigation projects each year, which would result in reimbursement of approximately \$40,000 (5 projects x 80 hours per project x \$100 per hour). Each audit project is based on an average project taking 80 hours to complete at an average rate of \$100 per hour.

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|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux

Evan Brasseaux
Staff Director