

Regular Session, 2014

SENATE BILL NO. 220

BY SENATOR MURRAY

LEGIS POWERS/FUNCTIONS. Provides relative to notification of the legislative auditor and district attorney. (8/1/14)

1 AN ACT

2 To amend and reenact R.S. 24:523, relative to the legislative auditor; to provide for  
3 notification of the legislative auditor and the district attorney of the misappropriation  
4 of certain public funds; to provide for authorization for the attorney general to pursue  
5 misappropriated funds; to provide for definitions; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 24:523 is hereby amended and reenacted to read as follows:

8 §523. Notification of the legislative auditor and district attorney

9 A. An agency head of an auditee who reasonably suspects, because of an  
10 action including but not limited to an investigation; the filing of a police report;  
11 an internal audit finding; or who has actual knowledge of any misappropriation  
12 of the public funds or assets of his agency shall immediately notify, in writing, the  
13 legislative auditor and the district attorney of the parish in which the agency is  
14 domiciled of such misappropriation. The district attorney, or other prosecutorial  
15 agency, notified of such misappropriation may request audit assistance from the  
16 legislative auditor with respect to the misappropriation.

17 B. For the purposes of this Section the terms "agency head" and "his agency"

1 shall have the same meanings as provided in R.S. 42:1102.

2 **C. When misappropriation is discovered and reported, the attorney**  
 3 **general, at the request of the legislative auditor, shall be authorized to recover**  
 4 **misappropriated funds from the responsible party by civil suit. The attorney**  
 5 **general shall also seek restitution from the responsible party of those costs**  
 6 **incurred by the legislative auditor to audit, investigate, or report an allegation**  
 7 **of misappropriation and all costs and reasonable attorney fees incurred by the**  
 8 **attorney general in the civil suit shall be recoverable from the responsible party.**

9 **D. For the purposes of this Section, "responsible party" means the**  
 10 **person or entity actually responsible for the reported misappropriation.**

The original instrument was prepared by Tim Prather. The following digest, which does not constitute a part of the legislative instrument, was prepared by Ashley Menou.

#### DIGEST

Murray (SB 220)

Present law provides that an agency head of an auditee who has actual knowledge of any misappropriation of the public funds or assets of his agency will immediately notify, in writing, the legislative auditor and the district attorney of the parish in which the agency is domiciled of such misappropriation.

Proposed law provides that such agency head of an auditee who reasonably suspects, because of an action including but not limited to an investigation; the filing of a police report; an internal audit finding, or who has actual knowledge of any misappropriation of the public funds or assets of his agency shall immediately notify, in writing, the legislative auditor and the district attorney of the parish in which the agency is domiciled of such misappropriation.

Present law provides that the district attorney, or other prosecutorial agency, notified of such misappropriation may request audit assistance from the legislative auditor with respect to the misappropriation.

Proposed law provides that when misappropriation is discovered and reported, the attorney general, at the request of the legislative auditor, will be authorized to recover misappropriated funds from the responsible party by civil suit.

Proposed law provides that the attorney general will also seek restitution from the responsible party of those costs incurred by the legislative auditor to audit, investigate, or report on allegation of misappropriation.

Proposed law defines "responsible party" as the person or entity actually responsible for the reported misappropriation.

Proposed law provides that all costs and reasonable attorney fees incurred by the attorney general in the civil suit shall be recoverable from the responsible party.

Effective August 1, 2014.

(Amends R.S. 24:523)

Summary of Amendments Adopted by Senate

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

1. Provides that all costs and reasonable attorney fees incurred by the attorney general in the civil suit shall be recoverable from the responsible party.