

2026 Regular Session

HOUSE BILL NO. 1045

BY REPRESENTATIVE LACOMBE

LEGISLATIVE AUDITOR: Provides for the audit threshold for local auditees

1 AN ACT

2 To amend and reenact R.S. 24:513(J)(1)(c)(iii) and to enact R.S. 24:513(J)(1)(c)(v), relative
3 to the legislative auditor; to provide relative to the powers and duties of the
4 legislative auditor; to provide relative to local auditees; to provide for the threshold
5 amount for certain local auditees to be audited annually; to provide for the
6 adjustment of the threshold amount; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 24:513(J)(1)(c)(iii) is hereby amended and reenacted and R.S.
9 24:513(J)(1)(c)(v) is hereby enacted to read as follows:

10 §513. Powers and duties of legislative auditor; audit reports as public records;
11 assistance and opinions of attorney general; frequency of audits; subpoena
12 power

13 * * *

14 J.(1) The audits enumerated in Subsection A of this Section shall be
15 conducted frequently enough to control and safeguard the assets of the auditee as
16 follows:

17 * * *

18 (c) The financial statements of local auditees as defined in Paragraph (A)(3)
19 of this Section shall be audited as follows:

20 * * *

1 (iii) Any local auditee that receives two hundred thousand dollars or more
 2 in revenues and other sources in any one fiscal year, but less than ~~five hundred~~
 3 ~~thousand dollars~~ the audit threshold amount provided pursuant to Item (iv) or (v) of
 4 this Subparagraph, shall cause to be conducted an annual review of its financial
 5 statements to be accompanied by an attestation report in accordance with the
 6 Louisiana Governmental Audit Guide. However, the legislative auditor, at his
 7 discretion, may require said local auditee to have an audit of its books and accounts.

8 * * *

9 (v)(aa) Notwithstanding Item (iv) of this Subparagraph, any local auditee in
 10 a parish having a population in excess of twenty thousand two hundred persons and
 11 less than twenty-one thousand persons as of the latest federal decennial census that
 12 receives six hundred thousand dollars or more in revenues and other sources in any
 13 one fiscal year shall be audited annually.

14 (bb) Beginning on July 1, 2027, and on July first of each year thereafter, if
 15 there has been an increase in the unadjusted Consumer Price Index as published by
 16 the United States Department of Labor, Bureau of Labor Statistics, in January of
 17 each year, the audit threshold amount provided in Subitem (aa) of this Item shall be
 18 increased by the same percentage as the percentage by which the Consumer Price
 19 Index is increased, rounded to the nearest dollar. The legislative auditor shall adjust
 20 the audit threshold amount according to the Consumer Price Index as provided in this
 21 Subitem.

22 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 1045 Engrossed

2026 Regular Session

LaCombe

Abstract: Provides for the threshold amount for an annual review of certain local auditees by the legislative auditor.

Present law (R.S. 24:513(J)) provides that the financial statements of the state of La. are audited annually and further provides that the financial statements of individual state

agencies, departments, boards, and commissions are audited at least once every two years. Provides that any local auditee that receives \$75,000 or less in revenues and other sources in any one fiscal year shall not be required to have an audit but must file a certification with the legislative auditor indicating that it received \$75,000 or less in funds for the fiscal year. Provides that any local auditee that receives more than \$75,000 in revenues and other sources in any one fiscal year, but less than \$200,000, shall cause to be conducted an annual compilation of its financial statements, in accordance with the La. Governmental Audit Guide. Provides that any local auditee that receives \$200,000 or more in revenues and other sources in any one fiscal year, but less than \$500,000, shall cause to be conducted an annual review of its financial statements to be accompanied by an attestation report in accordance with the La. Governmental Audit Guide. Authorizes the legislative auditor, at his discretion, to require a local auditee to have an audit of its books and accounts.

Present law provides that any local auditee that receives \$500,000 or more in revenues and other sources in any one fiscal year shall be audited annually.

Proposed law retains present law.

Proposed law provides any local auditee in a parish having a population in excess of 20,200 and less than 21,000 persons as of the latest federal decennial census that receives \$200,000 or more in revenues and other sources in any one fiscal year, but less than \$600,000, shall cause to be conducted an annual review of its financial statements to be accompanied by an attestation report in accordance with the La. Governmental Audit Guide. Provides that any local auditee in such a parish that receives \$600,000 or more in revenues and other sources in any one fiscal year shall be audited annually.

Proposed law provides that if there is an increase in the unadjusted Consumer Price Index (CPI) the audit threshold is increased by the same percentage as the percentage by which the CPI is increased, rounded to the nearest dollar. Requires the legislative auditor to adjust the audit threshold amount in accordance with proposed law.

(Amends R.S. 24:513(J)(1)(c)(iii); Adds R.S. 24:513(J)(1)(c)(v))

Summary of Amendments Adopted by House

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

1. Make technical changes.
2. Provide that any local auditee in a parish having a population in excess of 20,200 and less than 21,000 persons as of the latest federal decennial census that receives \$600,000 or more in revenues and other sources in any one fiscal year shall be audited annually.