

SENATE BILL NO. 292

BY SENATOR STINE

1 AN ACT

2 To amend and reenact R.S. 49:220.21, 220.23, and 220.24 and to repeal R.S. 49:220.26,
3 relative to the powers and duties of the office of the state inspector general; to
4 provide for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 49:220.21, 220.23, and 220.24 are hereby amended and reenacted to
7 read as follows:

8 §220.21. Office of the state inspector general; policy and purpose

9 A. ~~The prevention and detection of waste, inefficiencies, mismanagement,~~
10 ~~misconduct, abuse, fraud, and corruption in all departments, offices, agencies,~~
11 ~~boards, commissions, task forces, authorities, and divisions of the executive branch~~
12 ~~of state government as specifically provided in Title 36 of the Louisiana Revised~~
13 ~~Statutes of 1950, all hereinafter referred to in this Part collectively as "covered~~
14 ~~agencies" and individually as "covered agency", is an important responsibility of the~~
15 ~~state. The efficient and optimal execution of legislative will is an important~~
16 ~~responsibility of the executive branch. The executive branch is compelled to find~~
17 ~~efficiency and optimization, to detect waste, inefficiency, and mismanagement,~~
18 ~~and to prevent misconduct, abuse, fraud, and corruption in all departments,~~
19 ~~offices, agencies, boards, commissions, task forces, authorities, and divisions of~~
20 ~~the executive branch of state government as specifically provided in Title 36 of~~
21 ~~the Louisiana Revised Statutes of 1950, referred to in this Part collectively as~~

1 "covered agencies" and individually as "covered agency".

2 B. In view of the responsibility of the state, it is the purpose of this Part to
3 establish an independent office of the state inspector general in the office of the
4 governor to examine and investigate the management and affairs of covered
5 agencies.

6 * * *

7 §220.23. State inspector general and chief integrity officer; appointment; term;
8 vacancy; compensation; removal

9 A.(+) There shall be a state inspector general, hereinafter referred to as the
10 "inspector general" and "chief integrity officer", who shall be appointed by the
11 governor with the consent of the Senate. No person appointed inspector general shall
12 hold or be a candidate for any elective office, including elective political party office,
13 or any other public office or political party office. ~~No person shall be appointed~~
14 ~~inspector general who has held any elective office or political party office within two~~
15 ~~years immediately preceding his appointment.~~ No former inspector general shall be
16 eligible to qualify as a candidate for any elective office, including elective political
17 party office, nor shall he assume any elective office or political party office within
18 four years after the termination of his service as inspector general.

19 ~~(2) If a vacancy exists in the office of the state inspector general for more~~
20 ~~than six months, then the holder of the next highest level administrative position in~~
21 ~~the office shall become the inspector general, subject to confirmation by the Senate.~~

22 ~~(3) Not later than one year from the date of appointment, if not already~~
23 ~~certified, the inspector general shall obtain certification as a Certified Inspector~~
24 ~~General from the Association of Inspectors General.~~

25 B. The inspector general shall serve a six-year term.

26 C. The salary of the inspector general shall be fixed by the governor, which
27 amount shall not exceed the amount approved for such position by the legislature
28 while in session. The salary of the inspector general may not be reduced by the
29 governor or the legislature during his term of office.

30 D.(+) Notwithstanding the provisions of Subsection B of this Section, the

1 inspector general may be removed by the governor provided such removal is
2 approved by a majority vote of each house of the legislature.

3 ~~(2) In order to obtain the consent of a majority of the elected members of~~
4 ~~each house of the legislature, the clerk of the House of Representatives and the~~
5 ~~secretary of the Senate shall prepare and transmit a ballot to each member of the~~
6 ~~legislature by certified mail with return receipt requested, unless it is determined that~~
7 ~~the legislature will be in session in time for the ballots to be distributed to them and~~
8 ~~returned by them during the session. The ballot shall be uniform and include~~
9 ~~pertinent information as the clerk and secretary shall determine.~~

10 §220.24. Authority; duties; powers; standards; functions

11 A. The inspector general shall serve as the executive head and chief
12 administrative officer of the office and shall have responsibility for the policies of
13 the office, except as otherwise provided by this Part, and for the administration,
14 control, and operation of the functions and affairs of the office.

15 B. The inspector general is authorized to examine and investigate the
16 management and affairs of the covered agencies ~~concerning waste, inefficiencies,~~
17 ~~mismanagement, misconduct, abuse, fraud, and corruption,~~ **to find efficiency and**
18 **optimization, to detect waste, inefficiency, and mismanagement, and to prevent**
19 **misconduct, abuse, fraud, and corruption;** and he may conduct all necessary
20 investigations into such areas, including but not limited to: **for the purpose of:**

21 ~~(1) Misuse of state-owned automobiles, planes, watercraft, and all other~~
22 ~~movable and immovable property.~~

23 ~~(2) Evidence of a pattern of excessive bills on state contracts.~~

24 ~~(3) Unauthorized use of leave.~~

25 ~~(4) Mismanagement of governmental operations.~~

26 ~~(5) Waste or abuse of things of value belonging to or used by the covered~~
27 ~~agencies.~~

28 ~~(6) Construction, operation, and maintenance of facilities.~~

29 **(1) Eliminating wasteful spending.**

30 **(2) Improving government efficiency.**

1 **(3) Optimizing and modernizing government operations.**

2 C.(1) The inspector general shall help prevent waste, inefficiency,
3 mismanagement, misconduct, abuse, fraud, and corruption in covered agencies by
4 periodically reviewing policies and procedures and monitoring operations and
5 making recommendations for improvement.

6 (2) The inspector general shall receive complaints of waste, inefficiency,
7 mismanagement, misconduct, abuse, fraud, or corruption in covered agencies and
8 determine whether they warrant investigation by the inspector general or by
9 appropriate federal, state, or local agencies or may conduct such investigations upon
10 his own initiative. In order to accomplish this, the office of the inspector general
11 shall maintain a toll-free fraud hotline number and web site **website** for anonymous
12 reporting **complaints**.

13 ~~(3) The inspector general shall investigate complaints of waste, inefficiencies,
14 mismanagement, misconduct, abuse, fraud, and corruption and, when appropriate,
15 recommend whether disciplinary action or further investigation by appropriate
16 federal, state, or local agencies is warranted and take further action as appropriate.~~

17 ~~(4) The inspector general shall report complaints of fraud, abuse, or
18 corruption to such federal, state, or local agencies when there is evidence of what
19 may be criminal activity and when otherwise appropriate and shall otherwise
20 cooperate with such agencies in any further action.~~

21 ~~(5) The inspector general shall make reports of his findings to the governor.
22 Such reports shall be subject to the provisions of R.S. 44:1 et seq.~~

23 ~~(6) The inspector general shall submit an annual report to the governor and
24 the Joint Legislative Committee on the Budget at the end of each fiscal year that
25 describes the accomplishments and contributions made by the office toward
26 achieving the mission of helping to prevent and detect waste, fraud, and abuse in
27 Louisiana government. Upon completion, as indicated by signature of the inspector
28 general, all final reports of the inspector general immediately shall be filed with the
29 Joint Legislative Committee on the Budget and shall include the response of the
30 agency, if any. All such reports shall be provided to the staff of the governor's office~~

1 and the Joint Legislative Committee on the Budget upon request.

2 D. The inspector general shall provide for an opportunity for agency response
3 to respond prior to the release of a report unless the inspector general, in conjunction
4 with a United States attorney, the state attorney general, district attorneys, or other
5 prosecutorial agencies, determines that supplying the affected person or entity with
6 such report will jeopardize a pending or potential criminal investigation. **(1) The**
7 **inspector general shall submit an annual report to the governor and the Joint**
8 **Legislative Committee on the Budget at the end of each fiscal year that**
9 **describes the accomplishments and contributions made by the office toward**
10 **achieving the mission of helping to prevent and detect waste, fraud, and abuse**
11 **in Louisiana government.**

12 **(2) The inspector general shall make reports of his findings to the**
13 **governor. Such reports shall be subject to the provisions of R.S. 44:1 et seq. The**
14 **inspector general shall provide for an opportunity for a covered agency to**
15 **respond prior to release of a report unless the inspector general, in consultation**
16 **with a United States attorney, the state attorney general, district attorney, or**
17 **other prosecutorial agencies, determines that supplying the affected person or**
18 **covered agency with such report will jeopardize a pending or potential criminal**
19 **investigation. Upon completion, as indicated by the signature of the inspector**
20 **general, all final reports of the inspector general shall be filed immediately with**
21 **the Joint Legislative Committee on the Budget and shall include the response**
22 **of the covered agency, if any.**

23 E. All officers and employees of covered agencies shall extend full
24 cooperation and all reasonable assistance to the inspector general.

25 F.(1) In the performance of his duties, the inspector general and any member
26 of his staff designated by him may seek and obtain sworn testimony from any person
27 using the same procedure as is provided for taking depositions provided for in
28 Article 1443 in the Code of Civil Procedure **Article 1443.**

29 (2) In the performance of his duties, the inspector general or any member of
30 his staff designated by him may compel the attendance of witnesses to be deposed

1 under oath or the production of public and private records by issuing a subpoena.
2 However, ~~such~~ a subpoena or subpoena duces tecum shall be issued only upon
3 approval of a judge of the district court of the parish in which the office of inspector
4 general is domiciled upon application in writing by the inspector general. ~~The judge~~
5 ~~shall issue a written decision within seventy-two hours after receipt of such~~
6 ~~application.~~ Any subpoena for production of private records shall be in compliance
7 with all applicable constitutionally established rights and processes. The subpoena
8 may be served by certified mail, return receipt requested, at the addressee's residence
9 or business address, or by representatives appointed by the inspector general, or may
10 be directed for service to the office of the state police. If a person refuses to obey a
11 subpoena issued by the inspector general, upon application by the inspector general,
12 the district court of the parish in which the office of inspector general is domiciled
13 may issue an order to the person requiring the person to appear before the court to
14 show cause why an order shall not be issued ordering such person to obey the
15 subpoena, and the person may be adjudged in contempt of court.

16 ~~(3)~~G. The inspector general shall have access to all records, information,
17 data, reports, plans, projections, matters, contracts, memoranda, correspondence, and
18 any other materials of a covered agency and shall be deemed to be an authorized
19 representative and agent of each covered agency for the purposes of:

20 ~~(a)~~(1) Examining and investigating the records of all contractors,
21 subcontractors, grantees, or subgrantees of covered agencies, which records relate
22 to contracts, subcontracts, grants, or subgrants with a covered agency.

23 ~~(b)~~(2) Obtaining access to any records of a covered agency in the possession
24 of a third party, including but not limited to bank account records.

25 ~~G.~~H. The inspector general and employees of the inspector general shall
26 carry identifying cards.

27 ~~H.~~I. The office of the state inspector general shall adhere to professional
28 standards for initiating and conducting audits, investigations, inspections, and
29 reviews such as those promulgated by the Association of Inspectors General. ~~The~~
30 ~~office shall develop an operations manual that contains such standards and shall~~

1 ~~make it available to the public.~~

2 ~~I.~~**J.** The inspector general shall engage in prevention activities, including but
3 not limited to reviewing legislation, rules, regulations, policies, procedures, and
4 transactions; providing for training and education; and making recommendations to
5 the governor and the legislature to strengthen public integrity laws.

6 ~~J.~~**K.** The office of the state inspector general is hereby designated as a law
7 enforcement agency and conferred all investigative powers and privileges
8 appurtenant to a law enforcement agency under state law as necessary and in
9 furtherance of the authority, duties, powers, and functions set forth in this Part. These
10 powers and privileges ~~shall not include arrest powers but~~ shall include access to
11 computer systems, information maintained for the use of law enforcement personnel,
12 and any information contained in the criminal history record and identification file
13 of the Louisiana Bureau of Criminal Identification and Information. **These powers**
14 **shall not include arrest powers.**

15 ~~K.~~**L.** ~~Upon credible information of corruption or fraud, the office of the state~~
16 inspector general shall notify the appropriate law enforcement agencies. Subsequent
17 to notifying the appropriate law enforcement agency, the inspector general may assist
18 the law enforcement agency in conducting the investigation. Upon detecting a
19 violation of one of the provisions of the Code of Governmental Ethics, the office of
20 the state inspector general may file a complaint with the Board of Ethics.

21 ~~L.~~**M.** The office of the state inspector general may conduct joint
22 investigations and projects with other oversight or law enforcement agencies.

23 ~~M.~~**N.** **In order to fulfill the requirements of this Part, the inspector**
24 **general shall have the authority to contract for such professional services,**
25 **without public bid, as are reasonably necessary.**

26 **O.** The inspector general shall do all things necessary to carry out the
27 functions set forth in this Part.

28 Section 2. R.S. 49:220.26 is hereby repealed in its entirety.

29 Section 3. This Act shall become effective upon signature by the governor or, if not
30 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
3 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____