

1 legislative auditor, the attorney general, and the state treasurer decide that a political
2 subdivision is reasonably certain to not have sufficient revenue to pay current expenditures,
3 excluding civil judgments, or to fail to make a debt service payment; and

4 WHEREAS, R.S. 39:1351 et seq. requires the court to appoint a fiscal administrator
5 when a political subdivision has failed to provide an audit required by law to the legislative
6 auditor for a period of three consecutive fiscal years; and

7 WHEREAS, R.S. 39:1351 et seq. grants the fiscal administrator, subject to approval
8 of the court, authority to direct all fiscal operations of the political subdivision and to take
9 whatever action he deems necessary to return the political subdivision to financial stability
10 including the authority to appoint, remove, supervise, and control all personnel and to
11 reorganize, consolidate, or abolish departments, commissions, authorities, boards, offices,
12 or functions; and

13 WHEREAS, R.S. 39:1351 et seq. requires the fiscal administrator to file a report with
14 the court after his investigation containing specified estimates, proposals, and
15 recommendations and to file other reports the court requires; and

16 WHEREAS, House Bill No. 1164 of the 2014 Regular Session of the Legislature
17 proposes to amend R.S. 39:1352(A)(3)(h) and to repeal R.S. 39:1352(A)(3)(e) in order to
18 limit the powers granted to the fiscal administrator by authorizing him to appoint, remove,
19 supervise, and control all personnel only if he takes action to reorganize, consolidate, or
20 abolish departments, commissions, authorities, boards, offices, or functions; and

21 WHEREAS, House Bill No. 1164 of the 2014 Regular Session of the Legislature also
22 proposes to amend R.S. 39:1352(A)(1) and (B)(1) to require the fiscal administrator, during
23 his investigation, to file a written status report with the political subdivision on the last day
24 of each month and further to require him to complete his investigation within six months if
25 the political subdivision has an annual budget of five hundred thousand dollars or less; and

26 WHEREAS, although the state of Louisiana has a vested interest in the financial
27 stability of its local governments, the state should be careful not to infringe upon the rights
28 of the citizens of its local governments by granting too much power to fiscal administrators
29 and taking too much power away from the local officials elected by those citizens and
30 arguably leaving them without representation.

1 THEREFORE, BE IT RESOLVED that the House of Representatives of the
2 Legislature of Louisiana does hereby urge and request the House Committee on Municipal,
3 Parochial and Cultural Affairs to study and make recommendations relative to the duties and
4 responsibilities that fiscal administrators have while investigating the financial stability of
5 political subdivisions of the state of Louisiana.

6 BE IT FURTHER RESOLVED that the committee shall report its findings and
7 recommendations to the legislature not later than sixty days prior to the convening of the
8 2015 Regular Session of the Legislature.

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)]

Barrow

HR No. 223

Requests the House Committee on Municipal, Parochial and Cultural Affairs to study and make recommendations relative to the duties and responsibilities that fiscal administrators have while investigating the financial stability of political subdivisions of the state. Provides for a report of study findings and recommendations at least 60 days prior to the 2015 R.S.