

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 497** HLS 20RS 441

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

REVISED

Date: May 13, 2020	8:48 AM	Author: IVEY
Dept./Agy.: Legislature/Legislative Auditor		Analyst: Willie Marie Scott
Subject:		

LEGISLATIVE AUDITOR OR INCREASE GF EX See Note Page 1 of 1
Requires each auditee in state government to provide the legislative auditor with direct access to data.

The proposed legislation provides that each auditee of state government shall provide the LA Legislative Auditor (LLA) with direct, electronic access to its data points, including but not limited to those regarding expenditures, revenues, contracts, and financial matters. The LA shall comply with any and all restrictions imposed by law on any of the data received that is deemed confidential, privileged, or otherwise restricted. It further provides that the LLA shall develop a plan for the implementation of the proposed law; and shall be subject to the review and approval of the Legislative Audit Advisory Council. The legislature shall be responsible for all reasonable and verifiable costs related to establishment of portals or connectivity necessary for auditees to comply with the proposed legislation.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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>	<u>\$0</u>
Annual Total						

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
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>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation may result in an indeterminable increase in expenditures for each auditee to provide the LLA with direct, electronic access to its data points, including but not limited to those regarding revenues, expenses, contracts, and financial matters. According to the LLA, development of a detailed plan must be performed with approximately 200+ entities; and will include the identification of project goals and objectives to address the various computing systems relative to existing connectivity, security protocols, databases, underlining infrastructure, access requirements, and necessary hardware and software licensing. The LLA was unable to provide the timeline or costs for the development of the plan. The increase in expenses may include any or all of the following; testing the system compatibility with various agency systems and capabilities; purchase of necessary hardware; acquisition of software licensing; system(s) maintenance; training end-users; and the potential implementation costs for affected entities to employ internal auditors.

REVENUE EXPLANATION

The present law provides that any person who violates R.S. 24:513 shall be fined not more than \$1,000 and deemed guilty of malfeasance and gross misconduct in office; and subject to removal. The present law penalties apply to violations of the proposed law. Potential SGF revenue generated from fines is indeterminable since the LLA has not collected from fines in over 20 years.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director