

By: Casteel

H.B. No. 3024

A BILL TO BE ENTITLED

AN ACT

relating to increasing governmental efficiency through the reduction of duplicative reporting and auditing requirements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 783, Government Code is amended by adding a new section to read as follows:

Sec. 783.010 STATE AGENCY REPORTING AND AUDITING COORDINATION. (a) State agencies that require reports of local governments shall, during the second year of each state biennium conduct a zero-based review of reporting requirements placed on local governments and shall determine and eliminate unnecessary, duplicative, or overly burdensome reporting requirements and simplify reporting requirements.

(b) Agencies shall report the results of the reviews to the state auditor and may recommend statutory changes to minimize cost, duplication, and paperwork and to maximize the efficient and effective use of public funds.

(c) State agencies may not require local governments to submit reports on items not required by law, rule, or performance measures.

(d) To achieve greater efficiency in the use of governmental funds expended on governmental audits, state agencies must:

(1) accept, and not duplicate with state resources, the independent audit of a local government if it is performed by a

1 Certified Public Accountant in accordance with generally accepted  
2 governmental auditing practices (GAAP) and the standards of the  
3 Governmental Accounting Standards Board (GASB);

4 (2) at the time of approval of a contract with or grant  
5 to a local government, specify any special or unique auditing  
6 requirements that must be performed by the local government's  
7 independent auditors; and

8 (3) provide in the contract or grant award for the  
9 payment of any unique or special auditing requirements not required  
10 by generally accepted accounting practices or the standards of the  
11 Governmental Accounting Standards Board.

12 (e) The state auditor shall report to the legislature and  
13 the governor each biennium on state agency compliance with these  
14 provisions.

15 SECTION 2. This Act takes effect immediately if it receives  
16 a vote of two-thirds of all the members elected to each house, as  
17 provided by Section 39, Article III, Texas Constitution. If this  
18 Act does not receive the vote necessary for immediate effect, this  
19 Act takes effect September 1, 2003.