

1-1 By: Casteel (Senate Sponsor - Armbrister) H.B. No. 3024
1-2 (In the Senate - Received from the House May 5, 2003;
1-3 May 7, 2003, read first time and referred to Committee on
1-4 Government Organization; May 23, 2003, reported favorably by the
1-5 following vote: Yeas 6, Nays 0; May 23, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to increasing governmental efficiency through the
1-9 reduction of duplicative reporting and auditing requirements.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Chapter 783, Government Code, is amended by
1-12 adding Section 783.010 to read as follows:

1-13 Sec. 783.010. STATE AGENCY REPORTING AND AUDITING
1-14 COORDINATION. (a) A state agency that requires reports of local
1-15 governments shall, during the second year of each state biennium,
1-16 conduct a zero-based review of reporting requirements imposed on
1-17 local governments and shall simplify the reporting requirements and
1-18 determine and eliminate unnecessary, duplicative, or overly
1-19 burdensome reporting requirements.

1-20 (b) Based on the results of these reviews, the state agency
1-21 shall recommend to the legislature statutory changes to minimize
1-22 cost, duplication, and paperwork and to maximize the efficient and
1-23 effective use of public funds.

1-24 (c) A state agency may not require local governments to
1-25 submit reports on items not required by law, rule, or performance
1-26 measures.

1-27 (d) To achieve greater efficiency in the use of governmental
1-28 funds expended on governmental audits, a state agency, except as
1-29 shown necessary to further protect public funds, shall:

1-30 (1) accept, and not duplicate with state resources, an
1-31 independent audit of a local government if it is performed by a
1-32 certified public accountant in accordance with generally accepted
1-33 governmental auditing standards and the standards of the
1-34 Governmental Accounting Standards Board;

1-35 (2) at the time of approval of a contract with or a
1-36 grant to a local government, specify any special or unique auditing
1-37 requirements that must be performed by the local government's
1-38 independent auditors; and

1-39 (3) as may be allowed by law or rule, provide in the
1-40 contract or grant award for the payment of costs incurred by the
1-41 local government in complying with any special or unique auditing
1-42 requirements not required by generally accepted governmental
1-43 auditing standards or the standards of the Governmental Accounting
1-44 Standards Board.

1-45 (e) Nothing in this section shall be construed to limit the
1-46 authority of a state agency to monitor or audit a local government's
1-47 expenditure of state or federal funds received via contract or
1-48 grant.

1-49 (f) The state auditor may audit for compliance with these
1-50 provisions.

1-51 SECTION 2. This Act takes effect immediately if it receives
1-52 a vote of two-thirds of all the members elected to each house, as
1-53 provided by Section 39, Article III, Texas Constitution. If this
1-54 Act does not receive the vote necessary for immediate effect, this
1-55 Act takes effect September 1, 2003.

1-56 * * * * *