

By: Armbrister

S.B. No. 1516

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 Section 783.010 to read as follows:

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

(b) A state agency shall report the results of the reviews required by Subsection (a) 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) A state agency 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, a state agency shall:

(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 standards and the standards of the
3 Governmental Accounting Standards Board;

4 (2) at the time of approval of a contract with or a
5 grant 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 costs incurred by the local government in complying with
10 any special or unique auditing requirements not required by
11 generally accepted accounting principles or the standards of the
12 Governmental Accounting Standards Board.

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

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