

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 8, 2003

TO: Honorable David Swinford, Chair, House Committee on Government Reform

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB3024 by Casteel (Relating to increasing governmental efficiency through the reduction of duplicative reporting and auditing requirements.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Chapter 783 of the Government Code to increase governmental efficiency through the reduction of duplicative auditing and reporting requirements for local governments. The bill would require a state agency that requires reports from local governments to conduct, during the second year of each biennium, a zero-based review of those reporting requirements and determine and eliminate unnecessary, duplicative, or overly burdensome reporting requirements. A state agency would report the results of the review to the State Auditor and could recommend statutory changes to minimize cost and duplication and to maximize the efficient, effective use of public funds.

The bill would require a state agency to accept the independent audit of a local government if it was performed by a certified public accountant in accordance with generally accepted governmental auditing practices and the standards of the Governmental Accounting Standards Board. The bill would require the State Auditor to report to the Governor and the Legislature each biennium on state agency compliance with the bill.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2003

Several agencies indicated that implementation of the legislation would have a fiscal impact, including the Department of Health (\$9,664); the State Auditor's Office (\$76,416) and the Comptroller of Public Accounts (\$12,939). For the purposes of this fiscal note, it is anticipated that these costs could be absorbed within the agencies' current resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 308 State Auditor's Office, 477 Commission on State Emergency Communications, 501 Department of Health, 529 Health and Human Services Commission, 582 Commission on Environmental Quality, 601 Department of Transportation, 696 Department of Criminal Justice

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