

BILL ANALYSIS

Senate Research Center
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S.B. 1436
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, multi-county emergency services districts do not have the same oversight in regard to the audit requirement as do single county emergency service districts (ESD).

As proposed, S.B. 1436 places multi-county ESDs under the same audit requirement as applies to single county ESDs and sets out a procedure to follow if the counties choose to conduct an audit for a multi-county ESD. The bill also allows an ESD with an annual tax levy under \$250,000 to do a compilation which is less intensive and less costly than an audit.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to county auditors in SECTION 1 (Section 775.082, Health and Safety Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Section 775.082, Health and Safety Code, to read as follows:

Sec. 775.082. AUDIT OF DISTRICT.

SECTION 2. Amends Sections 775.082(a), (b), (e), and (f), Health and Safety Code, as follows:

(a) Requires the county auditor of a county that contains any part of the [emergency services] district to have access to the books, records, officials, and assets of the district. Deletes existing text related to a district located wholly in an entire county.

(b) Requires a district, except as provided by Section 775.0825, to prepare and file with the commissioners court of each county, rather than the county, that contains any part of the district on or before June 1 of each year an audit report of the district's fiscal accounts and records. Requires the county auditors, if a district is located in more than one county, with the approval of the commissioners court of each county in which the district is located, to adopt uniform rules relating to the format of the audit and report.

(e) Requires the commissioners court of each county in which the district is located, if a district is located in more than one county, to designate by joint order a county auditor of one of the counties to perform the audit and issue the audit report.

(f) Requires the district to pay all costs incurred by the county auditor to perform an audit and issue the report required by this section, unless otherwise ordered by the commissioners court or by joint order of the commissioners, if the district is located in more than one county.

SECTION 3. Amends Subchapter E, Chapter 775, Health and Safety Code, by adding Section 775.0825, as follows:

Sec. 775.0825. AUDIT OF DISTRICT; EXCEPTION. (a) Provides that Section 775.082 does not apply to a district that imposed taxes of \$250,000 or less during the fiscal year.

(b) Authorizes a district to which this section applies to file with the commissioners court of each county in which the district is located a compiled financial statement of the district's fiscal accounts and records, no later than the 90th day after the date on which the fiscal year ends. Requires the financial statement, if the district files a financial statement under this section, to be prepared by an independent certified public accountant or firm of certified public accountants licensed in this state.

(c) Requires the district to pay for any compiled financial statement under this Section.

SECTION 4. Effective date: September 1, 2005.