

By: Otto

H.B. No. 3290

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to expanding the scope of an audit by the state auditor  
3 when the state auditor finds evidence of gross mismanagement.

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

5 SECTION 1. Chapter 321, Government Code, is amended by  
6 adding Section 321.0161 to read as follows:

7 Sec. 321.0161. GROSS MISMANAGEMENT; EXPANDING SCOPE OF  
8 AUDIT. If in the course of an audit of a state agency or institution  
9 the State Auditor finds evidence of gross mismanagement or grossly  
10 improper management oversight practices, the State Auditor, after  
11 consulting with the head of the agency or institution, shall as soon  
12 as is practicable expand the scope of the audit into other aspects  
13 of the operations of the agency or institution to determine whether  
14 similar problems exist elsewhere.

15 SECTION 2. This Act takes effect September 1, 2007.