

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 30, 2007

TO: Honorable David Swinford, Chair, House Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3290 by Otto (Relating to expanding the scope of an audit by the state auditor when the state auditor finds evidence of gross mismanagement.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would allow the State Auditor to expand the scope of an audit of a state agency or institution in the event the State Auditor finds gross mismanagement or grossly improper management. The bill would take effect September 1, 2007.

The State Auditor estimates that based on past audits, one additional audit expansion would occur during fiscal year 2008 and 2009 resulting in approximately 1,500 hours for the 2008-09 biennium. Using the agency's billing rate of \$96 per hour, this would total \$144,000 for the biennium but could be absorbed within the agency's existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 308 State Auditor's Office

LBB Staff: JOB, KJG, MS