

By: Kolkhorst

S.B. No. 595

A BILL TO BE ENTITLED

AN ACT

relating to an annual audit by the state auditor regarding certain community development block grant disaster recovery program money.

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

SECTION 1. Chapter 321, Government Code, is amended by adding Section 321.024 to read as follows:

Sec. 321.024. ANNUAL AUDIT REGARDING CERTAIN COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY PROGRAM MONEY. (a) The state auditor shall conduct an audit of the distribution and expenditure of community development block grant disaster recovery program money authorized by the Further Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2018 (Subdivision 1 of Division B of Pub. L. No. 115-123), that is received by this state and distributed to a council of government or other political subdivision or another entity. An audit under this subsection shall be conducted for each state fiscal year in which a distribution described by this subsection is made, including a distribution from a council of government to another entity. In conducting an audit, the state auditor shall develop an audit plan and establish the scope of the audit and objectives for the audit that are consistent with generally accepted government auditing standards and with other audits conducted by the state auditor under this chapter.

(b) An audit conducted under Subsection (a) must:

1 (1) identify each recipient of grant money, including
2 each political subdivision or other person who receives grant money
3 distributed by a council of government; and

4 (2) specify the amount of grant money received by each
5 recipient.

6 (c) The General Land Office and a political subdivision
7 receiving the grant money described by Subsection (a) shall
8 cooperate with and provide assistance to the state auditor in
9 conducting an audit under this section.

10 (d) Subject to this subsection, a council of government that
11 receives the grant money described by Subsection (a) shall provide
12 to the state auditor all relevant records maintained by the council
13 regarding the distribution and expenditure of the money. The state
14 auditor is entitled to access to the records of information of the
15 council in the manner provided by this chapter for access to the
16 records of an entity subject to audit under this chapter.

17 (e) The state auditor shall prepare a report of an audit
18 conducted under this section not later than December 1 following
19 the end of the state fiscal year in which the audit is completed.
20 The report must include the information described by Subsection
21 (b). The state auditor shall file the report with the governor, the
22 lieutenant governor, the speaker of the house of representatives,
23 and each member of the legislature, and the General Land Office
24 shall publish the report on its Internet website.

25 SECTION 2. As soon as practicable after the effective date
26 of this Act, the state auditor shall conduct an initial audit under
27 Section 321.024, Government Code, as added by this Act, covering

1 the state fiscal year ending August 31, 2019. Notwithstanding the
2 deadline provided by Section 321.024(e), Government Code, as added
3 by this Act, the state auditor may file the report of the initial
4 audit as soon as practicable after the date on which the audit is
5 completed.

6 SECTION 3. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2019.