

1-1 By: Campbell S.B. No. 1571
 1-2 (In the Senate - Filed March 5, 2019; March 14, 2019, read
 1-3 first time and referred to Committee on Finance; April 3, 2019,
 1-4 reported favorably by the following vote: Yeas 15, Nays 0;
 1-5 April 3, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Hinojosa	X			
1-9 Bettencourt	X			
1-10 Birdwell	X			
1-11 Campbell	X			
1-12 Flores	X			
1-13 Hancock	X			
1-14 Huffman	X			
1-15 Kolthorst	X			
1-16 Nichols	X			
1-17 Perry	X			
1-18 Taylor	X			
1-19 Watson	X			
1-20 West	X			
1-21 Whitmire	X			

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to recovery audits of payments made by state agencies to
 1-26 vendors.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Sections 2115.002(a) and (b), Government Code,
 1-29 are amended to read as follows:

1-30 (a) The comptroller ~~may~~ ~~[shall]~~ contract with one or more
 1-31 consultants to conduct recovery audits of payments made by state
 1-32 agencies to vendors. The audits must be designed to detect and
 1-33 recover overpayments to the vendors and to recommend improved state
 1-34 agency accounting operations.

1-35 (b) A contract under this section:

1-36 (1) may provide for reasonable compensation for
 1-37 services provided under the contract, including compensation
 1-38 determined by the application of a specified percentage of the
 1-39 total amount recovered because of the consultant's audit activities
 1-40 or recommendations as a fee for services;

1-41 (2) may permit or require the consultant to pursue a
 1-42 judicial action in a court inside or outside this state to recover
 1-43 an overpaid amount; and

1-44 (3) ~~[to allow time for the performance of existing~~
 1-45 ~~state payment auditing procedures,]~~ may not allow a recovery audit
 1-46 of a payment during the 180-day period after the date the payment
 1-47 was made in order to allow time for the performance of existing
 1-48 state payment auditing procedures.

1-49 SECTION 2. Section 2115.003, Government Code, is amended by
 1-50 amending Subsection (a) and adding Subsection (a-1) to read as
 1-51 follows:

1-52 (a) The comptroller ~~may~~ ~~[shall]~~ require ~~[that]~~ recovery
 1-53 audits ~~[be performed]~~ on the payments to vendors made by each state
 1-54 agency that has total expenditures during a state fiscal biennium
 1-55 in an amount that exceeds \$50 ~~[\$100]~~ million. A [Each] state agency
 1-56 subject to required audits under [described by] this subsection
 1-57 shall provide the recovery audit consultant with all information
 1-58 necessary for the audit.

1-59 (a-1) The comptroller may determine the frequency of
 1-60 recovery audits authorized by this section.

1-61 SECTION 3. Sections 2115.005(b) and (c), Government Code,

2-1 are amended to read as follows:

2-2 (b) The comptroller shall provide the copies required by
2-3 Subsection (a) not later than the 15th [~~seventh~~] day after the date
2-4 the comptroller receives the consultant's report.

2-5 (c) Not later than February [~~January~~] 1 of each odd-numbered
2-6 year, the comptroller shall issue a report to the legislature
2-7 summarizing the activities conducted [~~contents of all reports~~
2-8 ~~received~~] under this chapter during the state fiscal biennium
2-9 ending August 31 of the previous year.

2-10 SECTION 4. This Act takes effect September 1, 2019.

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