

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2696

By: Kendrix of the House

and

Bergstrom of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to state government; amending 74 O.S.
12 2021, Section 213.2, which relates to performance
13 audits; modifying provisions related to certain
14 examinations by the State Auditor and Inspector;
15 providing an effective date; and declaring an
16 emergency.

17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. AMENDATORY 74 O.S. 2021, Section 213.2, is
19 amended to read as follows:

20 Section 213.2 A. There is hereby created in the Office of the
21 State Auditor and Inspector a Performance Audit Division, subject to
22 the discretion of the State Auditor and Inspector. An Assistant
23 State Auditor and Inspector may be appointed to direct the
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1 operations of the Division, subject to the supervision and control
2 of the State Auditor and Inspector at all times.

3 B. The State Auditor and Inspector, deputies and agents of the
4 Performance Audit Division may examine all books and accounts of all
5 public officers, institutions and other governmental entities
6 specified in Sections 212 through 227.9 of this title to instruct
7 the proper officers thereof in the performance of their duties and
8 to prescribe cost-effective methods of operating such governmental
9 entities; provided, however, the State Auditor and Inspector shall
10 perform the examinations authorized in this subsection upon
11 receiving a written request to do so by the Governor, Speaker of the
12 Oklahoma House of Representatives, President Pro Tempore of the
13 Oklahoma State Senate, the chief executive officer of a governmental
14 entity or pursuant to a joint or concurrent resolution of the
15 Legislature. A copy of the examination shall be given to the
16 examined entity. A copy of any examination conducted pursuant to
17 this subsection shall be submitted to the Governor, the Speaker of
18 the House of Representatives, the President Pro Tempore of the
19 Senate, the appropriations and budget chairs of the House of
20 Representatives and the Senate, and the Minority Leader of the House
21 of Representatives and of the Senate.

22 C. The cost of the examinations authorized pursuant to
23 subsection B of this section shall be borne by the examined agency
24 in an amount not to exceed the actual costs of the examination.

1 Prior to the start of such an examination, the State Auditor and
2 Inspector shall prepare in writing and present to the affected state
3 agency an estimate of the cost of the examination. If the estimate
4 requires revision, the State Auditor and Inspector shall notify the
5 agency in a prompt manner. Except as otherwise provided, the State
6 Auditor and Inspector shall recover its costs for the examination
7 pursuant to monthly progress billings presented by the State Auditor
8 and Inspector to the Office of Management and Enterprise Services
9 detailing current monthly costs for each examination. In addition,
10 the State Auditor and Inspector shall provide a copy of the billing
11 to the affected state agency. The Office of Management and
12 Enterprise Services may deduct the amounts billed from the next
13 subsequent allotment for the corresponding state agency and transfer
14 the funds to the State Auditor and Inspector Revolving Fund.

15 D. The salaries and traveling expenses of the Assistant State
16 Auditor and Inspector, deputies and agents of the Performance Audit
17 Division and the costs of material, supplies and equipment for the
18 Division shall be paid from funds made available through
19 appropriation by the Legislature.

20 E. The State Auditor and Inspector shall submit an annual
21 report of the Performance Audit Division to the Governor, the
22 President Pro Tempore of the Senate, the Speaker of the House of
23 Representatives, appropriations and budget chairs of the House of
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1 Representatives and the Senate, and the Minority Leader of the
2 Senate and of the House of Representatives.

3 SECTION 2. This act shall become effective July 1, 2023.

4 SECTION 3. It being immediately necessary for the preservation
5 of the public peace, health or safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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9 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT, dated
10 03/01/2023 - DO PASS, As Amended and Coauthored.

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