

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 2696

By: Kendrix

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7 COMMITTEE SUBSTITUTE

8 An Act relating to state government; amending 74 O.S.  
9 2021, Section 213.2, which relates to performance  
10 audits; modifying provisions related to certain  
11 examinations by the State Auditor and Inspector;  
12 providing an effective date; and declaring an  
13 emergency.

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

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

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

23 B. The State Auditor and Inspector, deputies and agents of the  
24 Performance Audit Division may examine all books and accounts of all

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

18 C. The cost of the examinations authorized pursuant to  
19 subsection B of this section shall be borne by the examined agency  
20 in an amount not to exceed the actual costs of the examination.  
21 Prior to the start of such an examination, the State Auditor and  
22 Inspector shall prepare in writing and present to the affected state  
23 agency an estimate of the cost of the examination. If the estimate  
24 requires revision, the State Auditor and Inspector shall notify the

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

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

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

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

23 SECTION 3. It being immediately necessary for the preservation  
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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