

HOUSE BILL 853

By Favors

AN ACT, to amend Tennessee Code Annotated, Title 4;
Title 7, Chapter 57; Title 8 and Title 68 relative to
private act metropolitan hospital authorities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 57, Part 5, is amended by adding the following as a new section:

(a) To ensure the financial integrity of private act metropolitan hospital authorities that operate Level I trauma centers due to the critical role played by these entities in the hospital system in this state, each private act metropolitan hospital authority operating under this part through its board shall be subject to audits by the comptroller of the treasury in accordance with § 8-4-109. Such audits may be undertaken at any time at the sole discretion of the comptroller; provided, however, that the comptroller shall conduct, or contract for, an annual financial audit of the authority. The comptroller of the treasury, or the comptroller's designated representatives, shall have access to the authority's books, records, and accounts whenever deemed necessary by such office.

(b) The authority shall be responsible, as an operating expense, for reimbursement of the costs of audits prepared by the comptroller of the treasury and for the payment of fees for audits prepared by a licensed independent certified public accountant or firm. All audits shall be prepared in accordance with generally accepted governmental auditing standards.

(c) Any other audits conducted pursuant to this chapter or the authority's private act shall be separate from audits prescribed by this section.

(d) The results of all audits conducted pursuant to this section, including any board responses to findings contained in such audits, shall be published on the comptroller of the treasury's website, using existing resources, within thirty (30) days of the completion of such audit.

(e) On completion the audit of the authority may be subject to a hearing before the government operations committees of the senate and the house of representatives in order to afford the committees the opportunity to review and comment on the audit.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.