

ENROLLED HOUSE
BILL NO. 2704

By: Rice of the House

and

Easley and Wilkerson of
the Senate

An Act relating to cities and towns; requiring the State Auditor and Inspector to notify municipalities of certain request within specified time period; requiring the State Auditor and Inspector to provide municipalities with copies of certain petition and section of law; providing that copies of petition not include signatures; requiring petition to contain certain acknowledgement; requiring municipalities to notify the State Auditor and Inspector of certain audit; requiring the State Auditor and Inspector to review audit under certain conditions; prohibiting the State Auditor and Inspector from proceeding with audit under certain circumstances; requiring the State Auditor and Inspector to give certain notification to municipalities; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 17-105.2 of Title 11, unless there is created a duplication in numbering, reads as follows:

A. When a petition for an audit of a municipality is presented to the State Auditor and Inspector in accordance with Section 212 of Title 74 of the Oklahoma Statutes, the State Auditor and Inspector shall notify the municipality of the request within ten (10) days of receipt of the petition by providing copies of the petition to the municipality along with a statement of the sections of law governing the petition procedure. The copies of the petition provided to the municipality shall not include the signatures of the individuals signing the petition. The petition shall contain an acknowledgement that all persons signing the petition are registered voters within the municipality.

B. The municipality shall notify the State Auditor and Inspector whether an audit of its books has been prepared in accordance with state law. If an audit has been prepared for a period covering the twelve (12) months preceding the petition, the State Auditor and Inspector shall review the existing audit and consult with the preparer of the existing audit. If the subjects of the audit petition have been addressed by a grand jury, external audit, or other state or federal investigation, the State Auditor and Inspector shall not proceed. If the State Auditor and Inspector determines that an additional audit would be necessary, the State Auditor and Inspector shall notify the municipality in writing of the specific grounds for the determination.

SECTION 2. This act shall become effective November 1, 1996.
Passed the House of Representatives the 22nd day of May, 1996.

Speaker of the House of
Representatives

Passed the Senate the 28th day of May, 1996.

President of the Senate