

1 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE
2 2ND SESSION OF THE 53RD OKLAHOMA LEGISLATURE:

3 SECTION 1. The Secretary of State shall refer to the people for
4 their approval or rejection, as and in the manner provided by law,
5 the following proposed amendment to the Constitution of the State of
6 Oklahoma by adding a new Section 19A to Article VI thereof, to read
7 as follows:

8 Section 19A. A. The State Auditor and Inspector is hereby
9 granted full authority to conduct independent performance audits on
10 any nonfederal governmental entity or program in Oklahoma. Such
11 audits shall be conducted in accordance with Government Auditing
12 Standards as issued by the United States Government Accountability
13 Office or its successor organization.

14 B. The performance audits shall be at the discretion of the
15 State Auditor and Inspector. The scope of the audits shall include,
16 as applicable given the audit objectives, but not be limited to the
17 following:

18 1. Identification of cost savings and recommendations for
19 achieving such;

20 2. Identification of services that can be reduced or
21 eliminated;

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1 3. Identification of programs/services which could be
2 transferred to the private sector and operate in a more cost-
3 effective manner;

4 4. Identification of duplication of services by
5 programs/entities which could be consolidated into a single
6 program/entity;

7 5. Identification of gaps in programs/services that could
8 adversely affect the entity and/or state;

9 6. Analyzing the objectives of programs/entities against their
10 performance measures;

11 7. Verifying compliance with significant laws and regulations;

12 8. Identification of best practices;

13 9. Recommendations for statutory or regulatory changes to
14 enhance the effectiveness of the program/entity;

15 10. Recommendations for improvement or enhancement of
16 operations or other matters relevant to the audit objectives.

17 The State Auditor and Inspector will seek written responses to
18 the recommendations from the program/entity officials. When
19 program/entity officials disagree or do not plan to implement such
20 recommendations, they shall report this with their reasoning within
21 thirty (30) days of public release of the audit to the Governor, the
22 President Pro Tempore of the Senate, and the Speaker of the House of
23 Representatives.

1 C. The State Auditor and Inspector may, at any time, conduct a
2 performance audit or a follow-up on previous performance audits as
3 deemed necessary.

4 D. The State Auditor and Inspector may issue subpoenas or
5 require other written affidavits in such form and in such manner as
6 he or she may prescribe. Any public official, elected or otherwise,
7 or any employee of any program or entity being audited who shall
8 obstruct or refuse access to information or documents relevant to
9 such audits shall be guilty of a misdemeanor.

10 E. All performance audits shall become a public record upon
11 completion of said audit. In addition, copies of each performance
12 audit report shall be furnished to the Governor, the President Pro
13 Tempore of the Senate, the Speaker of the House of Representatives,
14 the chairpersons of the appropriate legislative committees and the
15 responsible officials of the program/entity being audited.

16 F. Performance audits authorized herein shall not limit or
17 restrict other public officials from requesting performance audits
18 by the State Auditor and Inspector as provided by law.

19 G. Where appropriate, the State Auditor and Inspector may, at
20 his or her discretion, contract out any or all aspects of any
21 performance audit.

22 H. Funding for performance audits shall be provided by
23 dedicating one-tenth of one percent (1/10 of 1%) of all sales and
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1 use taxes collected by the State of Oklahoma. The provisions of
2 this subsection shall not apply to sales and use tax revenue derived
3 from a levy imposed by a political subdivision. Such amounts shall
4 be accumulated and apportioned monthly to a separate revolving fund
5 in the State Treasury. These revenues may only be used in
6 conducting performance audits performed under the authority of this
7 section, which can include costs associated with personnel,
8 services, equipment, supplies, or other direct costs of performing
9 such audits. Only the State Auditor and Inspector or the State
10 Auditor and Inspector's designee may authorize expenditures from
11 said account.

12 I. By September 30 of each year, the State Auditor and
13 Inspector shall issue an annual report summarizing the results of
14 performance audits completed. This annual report shall include a
15 summary of all recommended cost savings, as applicable, in such
16 performance audit reports as were issued in the preceding fiscal
17 year. Copies of this report shall be made available to the public
18 and provided to the Governor, the President Pro Tempore of the
19 Senate, and the Speaker of the House of Representatives.

20 J. The Legislature is hereby authorized to enact laws to
21 implement the provisions of this section.

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1 SECTION 2. The Ballot Title for the proposed Constitutional
2 amendment as set forth in SECTION 1 of this resolution shall be in
3 the following form:

4 BALLOT TITLE

5 Legislative Referendum No. _____ State Question No. _____

6 THE GIST OF THE PROPOSITION IS AS FOLLOWS:

7 This measure amends the Oklahoma Constitution. It adds a new
8 Section 19A to Article 6. The State Auditor and Inspector would
9 be given the power to conduct performance audits. The State
10 Auditor and Inspector would decide when and under what
11 conditions to conduct a performance audit. The State Auditor
12 and Inspector would have the power to issue subpoenas. Audits
13 would be a matter of public record. Performance audits could be
14 performed on a contract basis. Funding for performance audits
15 would come from 1/10 of 1% of state sales and use taxes. The
16 State Auditor and Inspector would be required to issue an annual
17 report. The Legislature would be able to enact laws to
18 implement the provisions of this section.

19 SHALL THE PROPOSAL BE APPROVED?

20 FOR THE PROPOSAL - YES _____

21 AGAINST THE PROPOSAL - NO _____

22 SECTION 3. The Chief Clerk of the House of Representatives,
23 immediately after the passage of this resolution, shall prepare and
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1 file one copy thereof, including the Ballot Title set forth in
2 SECTION 2 hereof, with the Secretary of State and one copy with the
3 Attorney General.

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5 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 02/09/2012 - DO PASS,
6 As Amended and Coauthored.
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UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.