

1 ENGROSSED HOUSE
2 BILL NO. 2696

By: Kendrix and Roberts of the
House

3 and

4 Bergstrom of the Senate

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6
7 An Act relating to state government; amending 74 O.S.
8 2021, Section 213.2, which relates to performance
9 audits; modifying provisions related to certain
10 examinations by the State Auditor and Inspector;
11 providing an effective date; and declaring an
12 emergency.

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

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

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

22 B. The State Auditor and Inspector, deputies and agents of the
23 Performance Audit Division may examine all books and accounts of all
24 public officers, institutions and other governmental entities

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

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

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

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

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

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

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

3 Passed the House of Representatives the 7th day of March, 2023.

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6 Presiding Officer of the House
7 of Representatives

8 Passed the Senate the ____ day of _____, 2023.

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11 Presiding Officer of the Senate
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