CHAPTER 843

S.B. No. 1246

An Act relating to the State Auditor and to the coordination of the functions of certain state agencies; amending Chapter 293, Acts of the 48th Legislature, 1943, by adding Sections 8D and 15A; by amending Sections 3 and 4; and by repealing Sections 6 and 7a; and adding Section 2A to Chapter 3, Acts of the 65th Legislature, Regular Session, 1977 (Articles 4413a-7a et seq., 4413a-9, 4413a-10, and 5429a, Vernon's Texas Civil Statutes).

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 293, Acts of the 48th Legislature, 1943 (Article 4413a-7a et seq., Vernon's Texas Civil Statutes), is amended by adding Sections 8D and 15A to read as follows:

"Section 8D. The State Auditor shall conduct an audit of each department at least once in each state fiscal biennium."

"Section 15A. At least once in each six-year period, a comprehensive management evaluation shall be conducted to analyze the administration and operation of the State Auditor's office. The Legislative Audit Committee shall select an independent person or firm to perform the evaluation. The person or firm conducting an evaluation under this section shall file a report of the evaluation with the Legislative Audit Committee. The report is public information."

SECTION 2. Sections 3 and 4, Chapter 293, Acts of the 48th Legislature, 1943 (Articles 4413a-9 and 4413a-10, Vernon's Texas Civil Statutes), are amended to read as follows:

"Section 3. Such Committee, or the majority of the membership thereof, shall appoint an investigator of all custodians of public funds, disbursing agents, and personnel of departments, the title of such officer to be State Auditor. The [appointment shall be made during the period from February 1st to February 15th of each odd numbered year, and the] person so appointed State Auditor serves at the will of the Committee [shall hold the office until his successor is appointed and qualifies; provided; however, that within ten (10) days of the effective date of this Act, or as soon thereafter as practicable; such Committee shall appoint an Auditor for the period expiring February 15, 1945. Such Auditor shall be a Certified Public Accountant of Texas].

"Section 4. (a) To be eligible for appointment as [The person appointed] State Auditor, a person must [shall have had at least five (5) years experience as a Gertified Public Accountant immediately preceding his appointment, and he shall] be [a man] of unquestioned integrity and moral character and must have had a minimum of five years' experience in both of the following:

- "(1) as a certified public accountant in this or another state; and
- "(2) in a professional or administrative position a major duty of which involved fiscal management, the review of fiscal management, or the auditing or review of operational efficiency or program performance.
- "(b) The person appointed [who has had sufficient experience in business and finance to properly discharge the functions of the office. He shall have been a citizen and resident of Texas for at least five (5) years immediately preceding his appointment. He] shall qualify by taking the Constitutional oath of office and executing a bond to be approved by the appointing power, payable to the Governor of the State of Texas and his successors in office, in an amount determined by the Legislative Audit Committee to be sufficient to protect the interests of the state [the sum of Twenty/five Thousand (\$25,000.00) Dollars], conditioned upon the faithful discharge of the duties of the [his] office, with a solvent surety company as surety. At least once in each five-year period the Legislative Audit Committee shall review the amount of the bond and adjust the amount as necessary to take account of changed conditions. The premium due the surety company for the execution of the [sueh] bond shall be paid by the state."

SECTION 3. Chapter 3, Acts of the 65th Legislature, Regular Session, 1977 (Article 5429g, Vernon's Texas Civil Statutes), is amended by adding Section 2A to read as follows:

"Section 2A. The State Auditor's Office, Legislative Budget Board, and Sunset Advisory Commission shall form a committee to meet on a regular basis, not less often than quarterly, to make recommendations relating to the coordination of the agencies' functions. The State Auditor shall call each meeting. Each agency shall designate a supervisory level staff member as its representative on the committee. The committee shall submit its recommendations in writing to the head of each agency not later than one month after the date of a meeting."

SECTION 4. Sections 6 and 7a, Chapter 293, Acts of the 48th Legislature, 1943 (Article 4413a-7a et seq., Vernon's Texas Civil Statutes), are repealed.

SECTION 5. (a) The Legislative Audit Committee shall select the person or firm for the initial evaluation required by Section 15A, Chapter 293, Acts of the 48th Legislature, 1943 (Article 4413a-7a et seq., Vernon's Texas Civil Statutes), before January 1, 1990.

(b) The State Auditor shall call the initial meeting of the committee provided for by Section 2A, Chapter 3, Acts of the 65th Legislature, Regular Session, 1977 (Article 5429g, Vernon's Texas Civil Statutes), before the 90th day after the effective date of this Act.

SECTION 6. Section 2 of this Act applies to any appointment of a State Auditor, either to a full or an unexpired term, occurring on or after the effective date of this Act.

SECTION 7. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on April 22, 1985, by the following vote: Yeas 28, Nays 0; May 16, 1985, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 23, 1985, House granted request of the Senate; May 27, 1985, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0; passed the House, with amendments, on May 14, 1985, by the following vote: Yeas 135, Nays 0, one present not voting; May 23, 1985, House granted request of the Senate for appointment of Conference Committee; May 27, 1985, House adopted Conference Committee Report by a non-record vote.

Filed: June 15, 1985, without signature.

Effective: August 26, 1985