

SUBJECT: Transferring certain functions from the state auditor to the comptroller

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 11 ayes — Paddie, Deshotel, Harless, Howard, Hunter, P. King, Lucio,  
Metcalf, Raymond, Shaheen, Slawson

0 nays

2 absent — Hernandez, Smithee

WITNESSES: For — None

Against — None

On — (*Registered, but did not testify*: Rob Coleman, Texas Comptroller  
of Public Accounts)

BACKGROUND: Government Code sec. 661.151 requires the state auditor to provide a uniform interpretation of state employee leave policies and to report to the governor and the Legislature any state agency or institution of higher education that practices an exception to these policies. Sec. 661.9041(c) requires the state auditor to adopt guidelines to assist state agencies in determining the amount of emergency leave to grant an employee as differential pay.

Sec. 661.202(j) specifies that state agencies must provide a written statement covering the policies and procedures for an extension of leave, and that a copy of this statement must be made available to the state auditor on request. Sec. 661.923(c) requires state agencies to submit, by the last day of each quarter of a state fiscal year, a report to the state auditor's office and the Legislative Budget Board including certain information on employee leave.

Some have suggested that the oversight of state employee leave should be conducted by the same agency that administers the central accounting and

payroll system because these functions are linked. Currently, the state auditor oversees state employee leave and the comptroller of public accounts administers payroll.

DIGEST:

HB 3997 would transfer the duties and rights of the state auditor's office in Government Code secs. 661.151, 661.202(j), 661.9041(c), and 661.923(c) to the comptroller.

By September 10, 2021, the powers and duties of the state auditor relating to state employee leave under Government Code ch. 661 would have to be transferred to the comptroller. All property and records in the custody of the state auditor related to a power or duty transferred under the bill and all funds appropriated by the Legislature for that power or duty also would have to be transferred to the comptroller by this date.

A rule, form, policy, procedure, or decision of the state auditor related to a power or duty transferred to the comptroller would continue in effect until superseded by an act of the comptroller. A reference in law or administrative rule to the state auditor relating to a power or duty transferred under the bill would mean the comptroller.

As soon as practicable after the bill's effective date, but no later than September 10, 2021, the state auditor and comptroller of public accounts would have to enter into a memorandum of understanding that:

- identified in detail the applicable powers and duties transferred by the bill; and
- established a plan for the identification and transfer of the records, property, and unspent appropriations of the state auditor that are used for purposes of the state auditor's powers and duties transferred by the bill.

The bill would take effect September 1, 2021.