

## **BILL ANALYSIS**

Senate Research Center  
81R7769 SGA-D

S.B. 795  
By: Fraser  
Natural Resources  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Current Water Code provisions allow the State Auditor's Office to perform audits of financial transactions of any district; however, there is nothing in current law that states who will provide funding for these audits.

As proposed, S.B. 795 provides that special water authorities are included in districts that can be audited by the state auditor. The bill also requires that the district reimburse the state auditor for the cost of conducting the audit. S.B. 795 also requires the state auditor to conduct a financial audit of the Lower Colorado River Authority and the Brazos River Authority, and requires the river authorities to reimburse the state auditor for the cost of performing the audits.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 49.199(b), Water Code, as follows:

(b) Authorizes the state auditor to audit the financial transactions of any district, including a special water authority, if the state auditor determines that the audit is necessary. Requires a district audited under this subsection to reimburse the state auditor for the cost of performing the audit.

SECTION 2. (a) Requires the state auditor, notwithstanding Section 49.199(b), Water Code, as amended by this Act, and subject to approval by the Legislative Audit Committee for inclusion in the audit plan under Section 321.013(c) (relating to the recommendation of an audit plan for the state by the state auditor), Government Code, to conduct financial audits of the Brazos River Authority and the Lower Colorado River Authority.

(b) Requires a river authority audited under this section to cooperate and provide assistance and access to all necessary records, confidential or nonconfidential, to the state auditor in conducting the audit under this section.

(c) Requires the state auditor, not later than January 1, 2011, to prepare a written report for each audit conducted under this section and file a report in accordance with Section 321.014 (Audit Reports), Government Code.

(d) Requires a river authority audited under this section to reimburse the state auditor for the cost of performing the audit.

SECTION 3. Effective date: upon passage or September 1, 2009.