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FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/07

SPONSOR Lunstrum LAST UPDATED _____ HB 155

SHORT TITLE Reducing Audit Requirements for Certain State Agencies SB _____

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Office of the State Auditor

Responses Received From

Office of the State Auditor (OSA)

SUMMARY

Synopsis of Bill

House Bill 155 is Reducing Audit Requirements for Certain State Agencies. House Bill 155 places annual budget thresholds on how certain state agencies should be audited. The bill adds language that requires individual state agencies with total annual budgets in excess of one million dollars (\$1,000,000) to have audits conducted in accordance with general accepted auditing standards and rules issued by the State Auditor. The bill further states that individual state agencies with total annual budgets of one million dollars (\$1,000,000) or less may have audit reviews conducted in accordance with generally accepted auditing standards and rules issued by the State Auditor.

FISCAL IMPLICATIONS

The State Auditor does not report any fiscal implications.

SIGNIFICANT ISSUES

The State Auditor reports that the majority of judicial branch court units have budgets that total more than one million dollars (\$1,000,000). The only court units that have annual budgets less than or equal to one million dollars (\$1,000,000) are the Supreme Court Building Commission, the Judicial Standards Commission, and the Tenth Judicial District Court. The bill does not indicate whether or not the annual audit cost will be reduced for these court units as a result of less formal audit requirements

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The State Auditor reports no consequences of not enacting this bill.

WEP/nt:csd