

1-1 By: Bettencourt S.B. No. 2016
1-2 (In the Senate - Filed March 6, 2025; March 17, 2025, read
1-3 first time and referred to Committee on Local Government;
1-4 March 31, 2025, reported favorably by the following vote: Yeas 4,
1-5 Nays 1; March 31, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Middleton	X			
1-9 Cook	X			
1-10 Gutierrez			X	
1-11 Nichols			X	
1-12 Paxton	X			
1-13 West		X		

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the administration and operations of the state
1-18 auditor's office.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Section 321.002(a), Government Code, is amended
1-21 to read as follows:

1-22 (a) The legislative audit committee consists of:

1-23 (1) the lieutenant governor;

1-24 (2) the speaker of the house of representatives;

1-25 (3) the chairman of the senate finance committee;

1-26 (4) three members ~~[one member]~~ of the senate appointed
1-27 by the lieutenant governor;

1-28 (5) the chairman of the house appropriations
1-29 committee; ~~[and]~~

1-30 (6) the chairman of the house ways and means
1-31 committee; and

1-32 (7) two members of the house of representatives
1-33 appointed by the speaker of the house of representatives.

1-34 SECTION 2. Section 321.004(b), Government Code, is amended
1-35 to read as follows:

1-36 (b) The eleventh ~~[seventh]~~ member's duty to the committee
1-37 ends when the member casts the tie-breaking vote and the matter is
1-38 resolved.

1-39 SECTION 3. Chapter 321, Government Code, is amended by
1-40 adding Section 321.0139 to read as follows:

1-41 Sec. 321.0139. AUDIT OF POPULOUS COUNTIES. (a) In this
1-42 section, "federal funds" means money received by a county from the
1-43 federal government as a result of an act of the United States
1-44 Congress.

1-45 (b) Not later than January 1, 2026, the State Auditor shall
1-46 conduct a one-time audit of each county in this state with a
1-47 population of one million or more concerning the use by the county
1-48 of federal funds received on or after January 1, 2021.

1-49 (c) The audit under this section is a compliance audit to
1-50 determine:

1-51 (1) whether the county has obligated, expended,
1-52 received, and used federal funds in accordance with the purpose for
1-53 which those funds were made available to the county;

1-54 (2) whether the county has obligated, expended,
1-55 received, and used federal funds in accordance with any
1-56 limitations, restrictions, conditions, or mandatory directions
1-57 imposed by law on those obligations, expenditures, receipts, or
1-58 uses;

1-59 (3) whether the records, books, and accounts of the
1-60 county fairly and accurately reflect the county's financial and
1-61 fiscal operations relating to the obligation, receipt,

expenditure, and use of federal funds;

(4) whether the collection of federal funds by the county is in accordance with applicable laws and regulations; and

(5) whether federal funds received by the county from the federal government and held by the county have been properly and legally administered while in the county's custody.

(d) The State Auditor shall prepare a written audit report for each audit conducted under this section in the manner required by Section 321.014.

(e) This section expires January 1, 2027.

SECTION 4. As soon as practicable after the effective date of this Act, the lieutenant governor and the speaker of the house of representatives shall appoint the additional members of the legislative audit committee in accordance with Section 321.002(a), Government Code, as amended by this Act.

SECTION 5. This Act takes effect September 1, 2025.

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