## HOUSE BILL REPORT

## **HB 1407**

As Passed House March 10, 1993

**Title:** An act relating to duties of the legislative auditor and the attorney general.

Brief Description: Changing duties of the legislative auditor and attorney general regarding the legislative budget committee.

**Sponsors:** Representatives Sommers, Silver, Chandler, Fuhrman, Locke, Ogden and Brough; by request of Legislative Budget Committee.

## Brief History:

Reported by House Committee on: State Government, March 2, 1993, DP; Passed House, March 10, 1993, 97-0.

## HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: Do pass. Signed by 9 members: Representatives Anderson, Chair; Veloria, Vice Chair; Reams, Ranking Minority Member; Vance, Assistant Ranking Minority Member; Campbell; Conway; Dyer; King; and Pruitt.

Staff: Bonnie Austin (786-7135).

Background: State officers and employees are prohibited from over-expending appropriations, failing to properly account for expenditures, or expending funds contrary to the terms of an appropriation. Possible penalties for violation of this prohibition include: a \$500 civil fine; all costs incurred by the state in bringing the action, including attorney's fees; any damages sustained by the state resulting from the violation; and immediate forfeiture of the officer's or employee's employment.

The legislative auditor is the executive officer of the Legislative Budget Committee (LBC). The legislative auditor is currently authorized to file with the attorney general any audit exceptions or findings that indicate a violation of the prohibitions relating to expenditures of funds. However, the legislative auditor is not authorized to file with the attorney general findings of other types of violations of state law. In a recent case, the LBC tried to

refer findings of possible violations of the state's competitive bidding requirements to the attorney general, but was told that the referral had to be made through the state agency being audited.

Summary of Bill: The legislative auditor is authorized to file with the attorney general acts of malfeasance, misfeasance, or nonfeasance on the part of any state officer or employee. The attorney general will promptly review such filings and may act upon them under the applicable statutes. The attorney general is required to advise the LBC of the status of exceptions or findings referred by the LBC.

Fiscal Note: Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This gives the LBC the same authority that the state auditor has to refer cases to the attorney general. This recommendation was unanimously passed by the LBC.

Testimony Against: None.

Witnesses: Representative Jean Silver (pro).