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**ENGROSSED SUBSTITUTE HOUSE BILL 2148**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** House General Government & Information Technology (originally sponsored by Representatives Chandler, Pike, and Hudgins)

AN ACT Relating to the state auditor including allowing for audits to be conducted by a private entity and establishing an appeal process; and amending RCW 43.09.245.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 43.09.245 and 1995 c 301 s 14 are each amended to read as follows:

(1) The state auditor has the power to examine all the financial affairs of every local government and its officers and employees.

(2) Local governments may request a financial audit from a certified public accountant firm licensed under chapter 18.04 RCW in lieu of an audit by the state auditor. Any firm performing a financial audit under this section must comply with generally accepted government auditing standards. At least once every four financial audits local governments must have a financial audit by the state auditor.

(3) Following the completion of a local government financial audit by the state auditor, the state auditor must provide up to sixty days to discuss with the local entity being audited and reconcile the audit report and findings prior to publishing the report.

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