



HOUSE BILL 461: State Auditor Clarifying Amendments.

2021-2022 General Assembly

Committee:	House Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 29, 2021
Introduced by:	Reps. Howard, Szoka, Setzer, Bradford	Prepared by:	Greg Roney
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 461 would make clarifying and technical changes to the authority of the North Carolina State Auditor including:*

- *Clarify that the definition of State agency includes political subdivisions*
- *Clarify the State Auditor's authority to conduct audits and investigate allegations of improper governmental activity*
- *Define the term "investigation" for the purposes of the State Auditor's office*

CURRENT LAW: Article 5A of Chapter 147 sets out the legislative policy, duties and responsibilities, and reporting requirements for the North Carolina State Auditor.

G.S. 147-64.2 states the General Assembly's policy that all State agencies, and entities supported, partially or entirely, by public funds are subject to audit under the policy guidance of the Auditor. The Auditor conducts independent review of government organizations, programs, activities, and functions. This includes review for financial operation compliance, economy and efficiency, and program results. Current law also requires the Auditor to receive reports of allegations of improper governmental activity within the scope of the Auditor's office, investigate those reports, and make referrals to other appropriate State agencies based on the allegations.

BILL ANALYSIS: House Bill 461 would:

- Clarify that the definition of State agency includes political subdivisions
- Clarify the State Auditor's authority to conduct audits and investigate allegations of improper governmental activity
- Define the term "investigation" for the purposes of the State Auditor's office as an independent review or examination of an allegation of an improper governmental activity regarding a State agency organization, program, activity, or function
- Make various technical and conforming changes

EFFECTIVE DATE: House Bill 461 is effective when it becomes law.

Howard Marsilio, with the Legislative Analysis Division, substantially contributed to this summary.

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