



This Bill Analysis reflects the contents of the bill as it was presented in committee.

# SENATE BILL 1013: 2026 Office of the State Auditor Agency Bill.

2025-2026 General Assembly

<b>Committee:</b>	Senate State and Local Government	<b>Date:</b>	June 16, 2026
<b>Introduced by:</b>	Sens. Sawrey, Jones	<b>Prepared by:</b>	Ike McRee
<b>Analysis of:</b>	First Edition		Karyl Smith Committee Co-Counsel

**OVERVIEW:** Senate Bill 1013 makes various changes to the duties and responsibilities for the Office of State Auditor.

### CURRENT LAW and BILL ANALYSIS:

Section 1 of the bill would do the following:

- Make technical changes to G.S. 147-64.6(c) to (i) move the requirement that the State Auditor collect actual audit costs from governmental agencies to new G.S. 147-64.6(f) and (ii) require and auditee's written response in final audit reports of economy and efficiency and program results to be included in the final report if the written response is received within 15 days from receipt of the draft report. Current law requires inclusion of the auditee's written response in the final report if the written response is received within 15 to 30 days from receipt of the draft report.
- Enact new subdivisions related to the State Auditor's responsibilities that would do the following:
  - Authorize the State Auditor to elect exemption from the Department of Administration oversight on purchasing, contracts, acquisition and maintenance of real property, and leasing of office space under various sections of Chapters 143 and 146 of the General Statutes and would require that the exemption election be made in writing and sent to the Secretary of Administration.
  - Authorize the State Auditor to enter into agreements with the Conference of District Attorneys to assign resource prosecutors to district attorneys to handle financial crimes and any criminal matters that result from a State Auditor's investigation and assist the State Auditor in criminal matters.
  - Authorize the State Auditor to enter into an agreement with the State Bureau of Investigation to assign agents to State Auditor referred matters.
  - Authorize the State Auditor to enter into contracts with experts to assist in auditing Medicaid providers and would direct the State Auditor and contractors to work with the Department of Health and Human Services and refer matters to appropriate law enforcement agencies as necessary.
- Make technical changes to G.S. 147-64.7(b)(2) and remove the exception to State Auditor approval requirements for audits called by the Governor under G.S. 143C-2-1. Under current law, the Governor may cause an audit to be made of a State agency and the State agency may contract for auditing services without consultation with, and the prior written approval of the State Auditor.

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**Section 2** of the bill would provide that the State Auditor may change existing appropriated benefits and positions for performing financial statement audits to receipt-supported positions and benefits without the appropriated funds reverting to the General Fund.

**EFFECTIVE DATE:** Section 1 of the act would become effective on October 1, 2026. Section 2 of the act would become effective July 1, 2026. Except as otherwise provided, the act would become effective when it becomes law.