

Bill Summary
1st Session of the 57th Legislature

Bill No.:	SB 1
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Bill Analysis

The CCS on SB 1 creates the Legislative Office of Fiscal Transparency (LOFT) within the Legislative Service Bureau and a bicameral oversight committee. LOFT responsibilities will include:

- 1) Gather information regarding the executive branch agencies' proposed budgets,
- 2) Analyze whether the proposed budget fulfills an agency's primary duties and responsibilities,
- 3) Analyze and forecast revenues available to agencies,
- 4) Compare agency budget information to prior fiscal years, and
- 5) Conduct investigations of agency operations.

The oversight committee will be composed of fourteen members from the Senate and the House. The President Pro Tempore of the Senate and Speaker of the House will appoint seven members from the Senate and House respectively to the committee. The President Pro Tempore and the Speaker must respectively appoint at least two members of the minority party from their chamber to the committee. The Pro Tempore and Speaker will each designate a co-chair. Additionally, the committee shall ensure that its functions do not duplicate the efforts of the House and Senate Appropriation Committees and respective staff. Members of the oversight committee shall receive travel reimbursements from the Legislative Service Bureau.

Agencies are required to cooperate with LOFT and furnish all records requested by the Office. Records made confidential by law will be maintained as confidential by the Office. Evaluations and reports created by LOFT will be made available to the public, provided all information designated as confidential will not be included in the reports. SB 1 authorizes the oversight committee to issue subpoenas for the purposes of compelling the production of records and attendance of witnesses.

The Office is further authorized to conduct independent comprehensive performance audits (ICPA's). An ICPA, as defined by the measure, is a review and analysis of the economy, efficiency, effectiveness and compliance of the policies, management, fiscal affairs and operations of state agencies, divisions, programs and accounts. Subject to the approval of the President Pro Tempore of the Senate and Speaker of the House, the Office may contract with private companies, the Office of the State Auditor and Inspector, nonprofit organizations, or academic institutions to assist with an ICPA or administrative support services. All ICPA's must focus on the policies of an agency as it relates to its constitutional and statutory obligations, all sources of funding received by the agency, management of the agency, and a schedule to

implement agency-specific recommendations. The Legislature may utilize the results of an ICPA to craft a budget for the agency under review.

The measure repeals the Agency Performance and Accountability Act.

Conference Committee Report

The CCS on SB 1 modifies the membership of the oversight committee by increasing the number of members from twelve to fourteen members and removes the requirement to appoint members of the Senate and House Appropriations committees. The measure also modifies the duties of the Office and authorizes the Office to conduct independent comprehensive performance audits (ICPAs). The contents of ICPAs are outlined in the measure. The CCS further authorizes the Office to contract with outside entities, including the Office of the State Auditor and Inspector. The CCS also repeals the Agency Performance and Accountability Act.

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