

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1102

Introduced by Davis, 43; Krist, 10.

Read first time January 20, 2016

Committee: Executive Board

1 A BILL FOR AN ACT relating to the Legislative Performance Audit Act; to
2 amend section 50-1202, Revised Statutes Cumulative Supplement, 2014,
3 and section 50-1203, Revised Statutes Supplement, 2015; to redefine
4 a term in order to authorize performance audits of tax-increment
5 financing projects; to harmonize provisions; and to repeal the
6 original sections.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 50-1202, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 50-1202 (1) The Legislature hereby finds and declares that pursuant
4 to section 50-402 it is the duty of the Legislative Council to do
5 independent assessments of the performance of state government
6 organizations, programs, activities, and functions in order to provide
7 information to improve public accountability and facilitate
8 decisionmaking by parties with responsibility to oversee or initiate
9 corrective action.

10 (2) The purpose of the Legislative Performance Audit Act is to
11 provide for a system of performance audits to be conducted by the office
12 of Legislative Audit as directed by the Legislative Performance Audit
13 Committee.

14 (3) It is not the purpose of the act to interfere with the duties of
15 the Public Counsel or the Legislative Fiscal Analyst or to interfere with
16 the statutorily defined investigative responsibilities or prerogative of
17 any executive state officer, agency, board, bureau, commission,
18 association, society, or institution, except that the act shall not be
19 construed to preclude a performance audit of an agency on the basis that
20 another agency has the same responsibility. The act shall not be
21 construed to interfere with or supplant the responsibilities or
22 prerogative of the Governor to monitor and report on the performance of
23 the agencies, boards, bureaus, commissions, associations, societies, and
24 institutions under his or her administrative direction.

25 Sec. 2. Section 50-1203, Revised Statutes Supplement, 2015, is
26 amended to read:

27 50-1203 For purposes of the Legislative Performance Audit Act:

28 (1) Agency means any department, board, commission, or other
29 governmental unit of the State of Nebraska acting or purporting to act by
30 reason of connection with the State of Nebraska and any authority as
31 defined in section 18-2103 that uses tax-increment financing as

1 authorized in section 18-2147 but does not include (a) any court, (b) the
2 Governor or his or her personal staff, (c) any political subdivision or
3 entity thereof other than an authority as defined in section 18-2103 that
4 uses tax-increment financing as authorized in section 18-2147, or (d) any
5 entity of the federal government;

6 (2) Auditor of Public Accounts means the Auditor of Public Accounts
7 whose powers and duties are prescribed in section 84-304;

8 (3) Business day means a day on which state offices are open for
9 regular business;

10 (4) Committee means the Legislative Performance Audit Committee;

11 (5) Committee report means the report released by the committee at
12 the conclusion of a performance audit;

13 (6) Legislative Auditor means the Legislative Auditor appointed by
14 the Executive Board of the Legislative Council under section 50-401.01;

15 (7) Majority vote means a vote by the majority of the committee's
16 members;

17 (8) Office means the office of Legislative Audit;

18 (9) Performance audit means an objective and systematic examination
19 of evidence for the purpose of providing an independent assessment of the
20 performance of a government organization, program, activity, or function
21 in order to provide information to improve public accountability and
22 facilitate decisionmaking by parties with responsibility to oversee or
23 initiate corrective action. Performance audits may have a variety of
24 objectives, including the assessment of a program's effectiveness and
25 results, economy and efficiency, internal control, and compliance with
26 legal or other requirements;

27 (10) Preaudit inquiry means an investigatory process during which
28 the office gathers and examines evidence to determine if a performance
29 audit topic has merit;

30 (11) Tax incentive performance audit means an evaluation of a tax
31 incentive program pursuant to section 50-1209; and

1 (12) Working papers means those documents containing evidence to
2 support the office's findings, opinions, conclusions, and judgments and
3 includes the collection of evidence prepared or obtained by the office
4 during the performance audit or preaudit inquiry.

5 Sec. 3. Original section 50-1202, Revised Statutes Cumulative
6 Supplement, 2014, and section 50-1203, Revised Statutes Supplement, 2015,
7 are repealed.