

HOUSE BILL 1668

By Daniel

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 29; Title 4, Chapter 3, Part 17 and Title 4, Chapter 3, Part 3, relative to the department of audit.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-3-304, is amended by designating the existing language as subsection (a) and adding the following as new subsections:

(b) In addition to the performance of its duties as enumerated in subsection (a), the department of audit shall conduct an analysis of state agencies listed in subsection (h). The analysis shall be conducted in accordance with generally accepted auditing standards and such procedures as may be established by the comptroller of the treasury. The analysis shall be included as part of all audit reports prepared by the department of audit and used by joint evaluation committees in their review of state agencies pursuant to title 4, chapter 29. The analysis shall include an evaluation of:

(1) The efficiency and effectiveness with which the agency operates;

(2)

(A) The agency's mission, goals, and objectives, and the problem or need the agency was intended to address by its creation; and

(B) The extent to which the agency's mission, goals, and objectives have been achieved and the extent to which the problem or need has been addressed;

(3)

(A) An identification of the agency's activities, including, but not limited to, those activities authorized or required by law; and the authority for such activities; and

(B) The extent to which the agency's activities are necessary to achieve its mission, goals, and objectives;

(4) An assessment of the agency's authority relating to fees, inspections, enforcement, and penalties;

(5) Whether less restrictive or alternative methods of performing any function that the agency performs could adequately protect or provide service to the public;

(6) The extent to which the agency's jurisdiction and the programs administered by the agency overlap or duplicate those of other agencies, the extent to which the agency coordinates with those agencies, and the extent to which the programs administered by the agency can be consolidated with the programs of other state agencies;

(7) The promptness and effectiveness with which the agency addresses complaints concerning entities or other persons affected by the agency, including an assessment of the agency's administrative hearings process;

(8) An assessment of the agency's rulemaking process, the extent to which the agency has encouraged public participation in promulgating its rules and decisions, and the extent to which the public participation has resulted in rules that benefit the public;

(9) The extent to which the agency has complied with:

(A) Federal and state laws and applicable rules regarding equality of employment opportunities and the rights and privacy of individuals; and

(B) State law and applicable rules of any state agency regarding purchasing guidelines and programs for historically underutilized businesses; and

(10) The extent to which the agency complies with the open meetings law, compiled in title 8, chapter 44; the open records law, compiled in title 10, chapter 7; and the extent to which the agency follows records management practices that enable the agency to respond efficiently to requests for public information.

(c) In its analysis of state agencies as prescribed in subsection (b), the department of audit shall also make recommendations:

(1) On the abolition, continuation, or reorganization of each affected state agency and on the need for the performance of the functions of the agency;

(2) On the consolidation, transfer, or reorganization of duplicative programs within state agencies;

(3) To improve the operations of the agency; and

(4) On the continuation or abolition of each reporting requirement imposed on the agency by law.

(d) The department of audit shall include the estimated fiscal impact of its recommendations in its analysis of state agencies and may recommend appropriation levels for certain programs to improve the operations of the state agency. The information required under this subsection (d) shall be forwarded to the office of legislative budget analysis, created by § 3-14-201.

(e) The comptroller shall have legislative bill drafts prepared to carry out the department of audit's recommendations under subsection (c).

(f) If an employee of a state agency is displaced because the agency has been abolished, reorganized, or continued, the state agency and the department of human resources shall make a reasonable effort to relocate the displaced employee.

(g) The department of audit shall submit a copy of the analysis prescribed in subsections (b)-(d) no later than sixty (60) days prior to each scheduled review of the state agencies under chapter 29 of this title.

(h) Subsections (b)-(g) shall apply to the following state agencies:

(1) Department of commerce and insurance, created by §§ 4-3-101 and 4-3-1301;

(2) Department of education, created by §§ 4-3-101 and 4-3-801;

(3) Department of environment and conservation, created by §§ 4-3-101 and 4-3-501;

(4) Department of health, created by §§ 4-3-101 and 4-3-1801;

(5) Department of human resources, created by §§ 4-3-101 and 4-3-1701;

(6) Department of labor and workforce development, created by §§ 4-3-101 and 4-3-1403;

(7) Department of general services, created by §§ 4-3-101 and 4-3-1101;

(8) Department of finance and administration, created by §§ 4-3-101 and 4-3-1001;

(9) Department of safety, created by §§ 4-3-101 and 4-3-2001;

(10) Department of transportation, created by §§ 4-3-101 and 4-3-2301;

(11) Department of human services, created by §§ 4-3-101 and 4-3-1201;

(12) Department of children's services, created by §§ 4-3-101 and 37-5-101;

(13) Department of economic and community development, created by §§ 4-3-101 and 4-3-701; and

(14) Tennessee higher education commission, created by § 49-7-201.

SECTION 2. Tennessee Code Annotated, Section 4-29-106, is amended by adding the following as a new subdivision:

() The results of the analyses conducted by the department of audit as prescribed in § 4-3-304(b)-(h).

SECTION 3. This act shall take effect July 1, 2018, the public welfare requiring it.