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Indicates New Matter

COMMITTEE REPORT

April 26, 2017

**H. 4036**

Introduced by Reps. Murphy, Arrington, Bennett, Daning, Crosby, Sottile, Cogswell, McCoy, Collins, Clary, Davis, Putnam, S. Rivers and Thayer

S. Printed 4/26/17--H.

Read the first time March 22, 2017.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (H. 4036) to amend Section 2‑15‑50, as amended, Code of Laws of South Carolina, 1976, relating to definitions concerning the Legislative Audit Council, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, page 1, beginning on line 23, by striking Section 2‑15‑50, as contained in SECTION 1 AND INSERTING:

/ “ Section 2‑15‑50. For the purpose of this chapter "state agencies" means all officers, departments, boards, commissions, institutions, universities, colleges, school districts, bodies politic and corporate of the State and any other person or any other administrative unit of state government or corporate outgrowth of state government, expending or encumbering state funds by virtue of an appropriation from the General Assembly, or handling money on behalf of the State, or holding any trust funds from any source derived, but does not mean or include counties.

For the purposes of this chapter, "audit" means a full‑scope examination of and investigation into all state agency matters necessary to make a determination of:

(a)(1) whether the entity is acquiring, protecting, and using its resources, such as personnel, property, and space, economically and efficiently;

(2) the causes of inefficiencies or uneconomical practices; and

(3) whether the entity has complied with laws and regulations concerning matters of economy and efficiency; and

(b)(1) the extent to which the desired results or benefits established by the General Assembly or other authorizing body are achieved;

(2) the effectiveness of organizations, programs, activities, or functions and whether these organizations, programs, activities, or functions should be continued, revised, or eliminated; and

(3) whether the entity has complied with laws and regulations applicable to the program.

When the Legislative Audit Council is requested to conduct an audit in the manner authorized by law, the audit must be completed and copies must be furnished to the relevant parties by the conclusion of the fiscal year following the fiscal year when the request was made unless, before the deadline, the Audit Council explains in writing to the requesting parties legitimate reasons why the audit cannot be completed during this time frame.” /

Renumber sections to conform.

Amend title to conform.

F. GREGORY DELLENEY, JR. for Committee.

**A** **BILL**

TO AMEND SECTION 2‑15‑50, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS CONCERNING THE LEGISLATIVE AUDIT COUNCIL, SO AS TO EXPAND THE DEFINITION OF “STATE AGENCIES” TO INCLUDE SCHOOL DISTRICTS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 2‑15‑50, as last amended by Act 121 of 2014, is further amended to read:

“Section 2‑15‑50. For the purpose of this chapter ‘state agencies’ means all officers, departments, boards, commissions, institutions, universities, colleges, school districts, bodies politic and corporate of the State and any other person or any other administrative unit of state government or corporate outgrowth of state government, expending or encumbering state funds by virtue of an appropriation from the General Assembly, or handling money on behalf of the State, or holding any trust funds from any source derived, but does not mean or include counties.

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(2) the effectiveness of organizations, programs, activities, or functions and whether these organizations, programs, activities, or functions should be continued, revised, or eliminated; and

(3) whether the entity has complied with laws and regulations applicable to the program.”

SECTION 2. This act takes effect upon approval by the Governor.”

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