

The House Committee on Science and Technology offers the following substitute to SB 300:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 50 of the Official Code of Georgia Annotated, relating to state government,
2 so as to require each department, commission, authority, and agency of the executive branch
3 of government to provide certain financial reports annually to the General Assembly; to
4 provide for audits and the examination of books and records; to provide for the contents of
5 such reports; to provide for the time of submitting such reports; to provide for the creation
6 and maintenance of a website which provides public access to certain state expenditure
7 information; to provide for a short title; to provide for procedures, conditions, and
8 limitations; to provide for powers, duties, and authority of the Department of Audits and
9 Accounts and the Department of Revenue; to provide for related matters; to repeal
10 conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 style="text-align:center">**SECTION 1.**

13 Title 50 of the Official Code of Georgia Annotated, relating to state government, is amended
14 by adding a new Code section to read as follows:

15 "50-6-3.1.

16 (a) As used in this Code section, the term 'agency' means each department, commission,
17 authority, and agency of the executive branch of government.

18 (b) On or before September 30, 2010, and on or before September 30 of each following
19 year, each agency shall file with the presiding officers of each house of the General
20 Assembly and with the chairpersons of the Senate Appropriations Committee, the House
21 Committee on Appropriations, the House Budget Office, the Senate Budget Office, and the
22 Department of Audits and Accounts a report covering the immediately preceding fiscal
23 year that contains the information required by this Code section.

24 (c) The report required by this Code section shall contain:

25 (1) A statement of the tax revenues and operating revenues received by the agency
26 during the immediately preceding fiscal year;

1 (2) A statement of the total expenditures made by the agency during the immediately
2 preceding fiscal year;

3 (3) A list of all written contracts entered into by the agency during the immediately
4 preceding fiscal year which call for the agency to expend at any time in the aggregate
5 more than \$50,000.00;

6 (4) A list of any employment or consultant contracts, whether or not in writing, under
7 which the employee or consultant is to be compensated more than \$20,000.00 in the
8 aggregate, including direct and indirect or deferred benefits. When a person or firm
9 whose salary or fee is reportable under this paragraph shall have his or her compensation
10 increased, the amount of such increase and the total new rate shall be reported. The list
11 of contracts shall state the anticipated amount of funds to be paid thereunder or the
12 formula for determining such amount;

13 (5) A list of the names of each person, firm, or corporation that has received from the
14 agency during the immediately preceding fiscal year payments in excess of \$20,000.00
15 in the aggregate, including the amount paid to such person, firm, or corporation during
16 such period; and

17 (6) A list of consultant expenses and other professional services expenses; salaries and
18 expenses of full-time and part-time employees and board members; and payments
19 rendered by outside companies or agencies to the agency for any and all services. Social
20 security numbers shall not be used as employee identifiers in these reports.

21 (d) The report required by this Code section shall be in addition to any other reports that
22 an agency shall make to the General Assembly pursuant to other provisions of law."

23 SECTION 2.

24 Said title is further amended by revising Code Section 50-6-4, relating to special
25 examinations, audits, and vulnerability assessments, as follows:

26 "50-6-4.

27 ~~Either the~~ The Governor, the Appropriations Committee of the House of Representatives,
28 or the Appropriations Committee of the Senate shall have the right and authority to direct
29 and require the state auditor to make a special examination into and audit of all the books,
30 records, accounts, vouchers, warrants, bills, and other papers, records, financial
31 transactions, and management of any department, institution, agency, commission, bureau,
32 authority, or office of the state at any time. The state auditor may conduct special
33 examinations and audits which are, without limitation, financial audits (including financial
34 related audits and financial statement audits), compliance audits, performance audits, and
35 vulnerability assessments or reviews. Without limitation, vulnerability assessments or
36 reviews may be made with respect to any electronic financial information systems; other

1 information, management, or operational systems; computers; computer operating and
 2 applications software; computing networks; Internet websites; and data processing centers.
 3 Tests conducted in connection with such reviews and assessments may include, but are not
 4 limited to, penetration testing and network, web, and data base scanning."

5 **SECTION 3.**

6 Said title is further amended by revising Code Section 50-6-7, relating to state officials to
 7 produce books, records, and other papers to the state auditor for examination, as follows:

8 "50-6-7.

9 All officers, agents, employees, departments, institutions, commissions, authorities, and
 10 bureaus of the state shall produce and turn over to the state auditor or his or her assistants
 11 for examination and audit, whenever demanded by the state auditor, all of their books,
 12 records, accounts, vouchers, warrants, bills, and other papers dealing with or reflecting
 13 upon the financial transactions and management of such department, institution, agency,
 14 commission, authority, bureau, or ~~officer~~ office, including any and all cash on hand, but
 15 not including cash in banks, the amount of cash in banks to be ascertained by certificate
 16 furnished to the state auditor by the bank."

17 **SECTION 4.**

18 Said title is further amended by revising Code Section 50-6-24, relating to duties and powers
 19 of the state auditor, as follows:

20 "50-6-24.

21 The duties and powers of the state auditor shall be as follows:

22 (1) Reserved;

23 (2) To examine thoroughly all financial transactions of all the state departments,
 24 institutions, agencies, commissions, bureaus, authorities, and officers and to keep such
 25 accounting records as are necessary to provide and maintain a current check upon the
 26 fiscal affairs and transactions of all state departments, institutions, agencies, etc.;

27 (3) To examine and audit thoroughly, at least once a year and more frequently if
 28 possible, each and all of the books, records, accounts, vouchers, warrants, bills, and all
 29 other papers and records of each and every department, institution, agency, commission,
 30 bureau, authority, and officer of the state which or who receives funds from the state or
 31 which is maintained in whole or in part by public funds, fees, or commissions. Upon the
 32 completion of each audit the state auditor shall prepare a complete report of the same in
 33 triplicate, one copy of which ~~he~~ shall ~~file~~ be filed with the official in charge of the
 34 department, institution, etc., so examined, one copy of which ~~he~~ shall ~~transmit~~ be
 35 transmitted to the Governor, and the third copy of which shall be filed in the office of the

1 state auditor as a permanent record and for the use of the press of the state. In any such
 2 report, the state auditor shall call special attention to any illegal, improper, or unnecessary
 3 expenditures; all failures to keep records and vouchers required by the law; and all
 4 inaccuracies, irregularities, and shortages and shall make specific recommendations for
 5 the future avoidance of the same;

6 (4) To prepare annual and, whenever required, special reports to the Governor and the
 7 General Assembly showing the general financial operation and management of each state
 8 department, institution, agency, commission, authority, and bureau; showing whether or
 9 not the same is being handled in an efficient and economical manner; and calling special
 10 attention to any excessive cost of operation or maintenance, any excessive expense, and
 11 any excessive price paid for goods, supplies, or labor by any such department, institution,
 12 agency, etc.; and

13 (5) To make special examination into and report of the place and manner in which the
 14 funds of the state are kept by the several departments, institutions, agencies,
 15 commissions, bureaus, authorities, and officers after the same have been drawn from the
 16 state treasury or after the same have been collected and to report who has possession of
 17 the same or where the same are deposited, whether the same draw interest, the rate of
 18 interest, and whether the same are properly protected by bond, provided that this chapter
 19 shall not be construed so as to authorize the state auditor to remove or in any way
 20 interfere with any funds so deposited."

21 SECTION 5.

22 Said title is further amended by revising Code Section 50-6-25, relating to maintenance of
 23 statistics on architectural and engineering firms doing business with the state and ineligibility
 24 of firms, as follows:

25 "50-6-25.

26 (a)(1) The state auditor shall maintain statistics on all architectural and engineering firms
 27 doing business with the various departments, agencies, authorities, and public
 28 corporations of the state, except the Department of Transportation which shall be
 29 governed by paragraph (2) of this subsection. The statistics shall show the percentage of
 30 the total state business done by each such firm and shall be made available to the General
 31 Assembly and all departments, agencies, authorities, and public corporations of the state
 32 using architectural and engineering services. The state auditor shall compile the statistics
 33 and shall maintain the statistics current on a monthly basis.

34 (2) The state auditor shall include in the statistics provided for in paragraph (1) of this
 35 subsection all architectural and engineering firms doing business with the Department of
 36 Transportation. The Department of Transportation shall report its architectural and

1 engineering contracts to the state auditor in two divisions. In the first division, such
2 department shall report those contracts which are under a gross value of \$1 million at the
3 time of execution by the total contract amount without accounting for any subcontracts.
4 In the second division, such department shall report those contracts with a gross value in
5 excess of \$1 million at the time of execution and shall report all subcontracts thereunder
6 which are in excess of \$25,000.00 as further provided for in this Code section. The
7 statistics shall show the total percentage of state business done by each such firm and
8 shall be made available to the General Assembly and the Department of Transportation.
9 The state auditor shall compile the statistics and shall maintain the statistics current on
10 a monthly basis. With respect to any contract of the Department of Transportation in
11 excess of \$1 million with an architectural or engineering firm which awards a portion of
12 the business in an amount in excess of \$25,000.00 under such contract to one or more
13 subcontractors or joint-venture partners, such department shall report to the state auditor
14 the amount of each subcontractor or joint-venture partner with that portion of the business
15 awarded to such subcontractor or joint-venture partner, and such amounts shall not be
16 listed or included as business of the Department of Transportation awarded to the
17 architectural or engineering firm receiving the state contract. The architectural or
18 engineering firm shall report to the Department of Transportation, as part of its preaward
19 audit conducted by such department, the amount of business in excess of \$25,000.00
20 under an anticipated contract which the contractor intends to award to any subcontractor
21 or joint-venture partner, and, after verification that the information reported is correct, the
22 Department of Transportation shall furnish such information to the state auditor. The
23 state auditor shall revise the statistics with respect to architectural and engineering firms
24 currently doing business with the Department of Transportation with respect to contracts
25 outstanding on April 19, 1995, under which all services have not been performed by such
26 architectural and engineering firms in satisfaction of the contract. Such revised statistics
27 shall be computed in accordance with the provisions of this subsection crediting
28 subcontractors and joint-venture partners with business awarded to them and providing
29 that such amounts credited shall not be listed or included as business of the state awarded
30 to the architectural or engineering firm receiving the state contract. Such revised
31 statistics shall be provided by the contractor within 60 days of April 19, 1995, and, after
32 such time, the state auditor shall not be required to revise such statistics.

33 (b) Any architectural or engineering firm which has received more than 10 percent of the
34 total awarded for such services by the departments, agencies, authorities, and public
35 corporations of the state during any period of 36 months, as calculated pursuant to the
36 provisions of subsection (a) of this Code section and shown by the statistics of the state
37 auditor, shall be ineligible to contract with any department, agency, authority, or public

1 corporation of the state until the firm, during any period of 36 months, has been awarded
 2 less than 10 percent of the total awarded for such services; provided, however, that any
 3 architectural or engineering firm may contract with the Department of Transportation for
 4 not more than 30 percent of the total awarded for such services, 10 percent for
 5 transportation purposes, and 20 percent for tollway purposes."

6 SECTION 6.

7 Said title is further amended by revising Code Section 50-6-27, relating to annual personnel
 8 report, copies for the General Assembly, and public inspection, as follows:

9 "50-6-27.

10 The state auditor shall prepare each year a report showing the entire personnel of every
 11 office, institution, board, department, and commission in the executive department of the
 12 state government, of every state authority, of every university or college in the University
 13 System of Georgia, and of every local board of education. The report shall list the name,
 14 title or functional area, salary, and travel expense incurred by each such individual, which
 15 information shall be allocated to the respective office, institution, board, department,
 16 commission, authority, university, college, or local board of education affected. The report
 17 shall be kept in the state auditor's office and shall be available for public inspection during
 18 regular business hours. Copies of the report or portions of the report shall be made
 19 available on request and posted online in a searchable data base. Each office, institution,
 20 board, department, commission, authority, university, college, and local board of education
 21 is required and directed to submit to the state auditor, in a format prescribed by the state
 22 auditor, a listing of all personnel of such office, institution, board, department, commission,
 23 authority, university, college, or local board of education showing name, title or functional
 24 area, salary, and travel expense for each individual. The state auditor shall furnish each
 25 member of the General Assembly a card or form so that a copy of such report may be
 26 requested by any member who desires one."

27 SECTION 7.

28 Said title is further amended by revising Code Section 50-6-30, relating to conducting
 29 hearings and assistance of the Attorney General, as follows:

30 "50-6-30.

31 A hearing as provided in Code Section 50-6-29 shall be held in the county where the
 32 department or institution being investigated is located and shall be presided over by the
 33 state auditor. The state auditor shall, at any time when he or she deems necessary, request
 34 of the Governor, Lieutenant Governor, or Speaker of the House of Representatives legal
 35 assistance in conducting the investigation. Upon such request, the Governor shall

1 designate the Attorney General, his or her assistants, or any special assistant attorney
2 general for the purpose of assisting the state auditor in the prosecution of the investigation."

3 SECTION 8.

4 Said title is further amended by adding a new Code section to read as follows:

5 "50-6-32.

6 (a) This Code section shall be known and may be cited as the 'Transparency in
7 Government Act.'

8 (b) As used in this Code section, the term 'searchable website' means a website that allows
9 the public to review and analyze information identified in subsection (c) of this Code
10 section.

11 (c) No later than January 1, 2009, the department shall develop and operate a single
12 searchable website accessible by the public, at no cost, that provides the following
13 information pertaining to state fiscal year 2008:

14 (1) The State of Georgia Comprehensive Annual Financial Report that includes an
15 indexed statement of operations and a statement of financial condition of the state in
16 accordance with governmental generally acceptable accounting principles;

17 (2) The annual Budgetary Compliance Report for the state that provides, by agency, an
18 indexed report comparing budgeted and actual revenues and expenditures by budgetary
19 units for each organization included in the Appropriations Act, as amended;

20 (3) The annual State of Georgia Single Audit Report that provides, by federal grant, an
21 indexed listing of all expenditures of federal funds and also discloses by state
22 organization any audit findings and corrective actions to be taken;

23 (4) An annual report of annual salaries and travel expense reimbursements paid to each
24 state employee during the preceding fiscal year by state organization;

25 (5) An annual listing of all payments for professional services by vendor and paying
26 organization;

27 (6) State Budget in Brief, indexed by reporting agency; and

28 (7) All performance audits conducted by the department for the preceding five years.

29 As soon as is practical after the close of each fiscal year, the department shall update the
30 single searchable website for such fiscal year to include the information set forth in this
31 subsection.

32 (d) No later than January 1, 2010, the department shall develop and add to the searchable
33 website a report of all grant and contract payments made or due to all vendors by agencies
34 reporting through the state's general financial accounting and information system and all
35 payments made through economic and incentive programs operated by the Department of
36 Economic Development, the Department of Labor, the Department of Community Affairs,

1 the Department of Agriculture, and the Georgia Lottery Corporation pertaining to state
2 fiscal year 2009. As soon as is practical after the close of each fiscal year, the department
3 shall update the single searchable website for such fiscal year to include the information
4 set forth in subsection (c) of this Code section.

5 (e) All agencies of state government shall provide to the Department of Audits and
6 Accounts such information as is necessary to accomplish the purposes of this Code section.

7 (f) Nothing in this Code section shall require the disclosure of information which is
8 considered confidential by state or federal law."

9 **SECTION 9.**

10 All laws and parts of laws in conflict with this Act are repealed.