



State of Tennessee

PUBLIC CHAPTER NO. 495

HOUSE BILL NO. 1501

By Representative Crawford

Substituted for: Senate Bill No. 1696

By Senators Lundberg, Yager

AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 8; Title 9; Title 10; Title 11; Title 12; Title 13; Title 49; Title 54; Title 64 and Title 68, relative to financial management.

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

SECTION 1. Tennessee Code Annotated, Section 5-21-103(d), is amended by deleting subdivision (2) and substituting instead the following:

(2) The system shall conform to generally accepted accounting principles and shall be in substantial agreement with the comptroller of the treasury uniform audit manual, the rules established by the commissioner of education, and state law.

SECTION 2. Tennessee Code Annotated, Section 5-21-115(a), is amended by deleting the language "in accordance with § 5-21-103(c)" and substituting instead the language "in accordance with § 5-21-103(d)".

SECTION 3. Tennessee Code Annotated, Section 7-82-102, is amended by deleting subdivision (5) and substituting instead the following:

(5) The utility management review board shall review those petitions pertaining to rates on the basis of all provisions of this chapter governing the establishment of rates, the provisions of any bond resolutions or other debt contract instruments binding upon such utility districts, and the uniform audit manual prepared by the comptroller of the treasury pursuant to § 7-82-401;

SECTION 4. Tennessee Code Annotated, Section 7-82-401(a), is amended by deleting subdivision (2) and substituting instead the following:

(2) In all counties and districts, the comptroller of the treasury shall prepare a uniform audit manual as is required to assure that the books and records are kept in accordance with generally accepted accounting principles and that the minimum audit standards prescribed by the comptroller are met. The manual shall not be applied to invalidate obligations contained in bond resolutions or other debt contracts, nor to modify any substantive legal powers or requirements applicable to utility districts.

SECTION 5. Tennessee Code Annotated, Section 7-86-113, is amended by deleting the last sentence of subsection (a) and substituting instead the following:

The comptroller of the treasury, through the department of audit, shall also prescribe procedures such as are required to assure that the books and records are kept in accordance with generally accepted accounting principles.

SECTION 6. Tennessee Code Annotated, Section 9-3-212, is amended by deleting the last sentence of subsection (d) and substituting instead the following:

The comptroller of the treasury shall prepare a uniform audit manual as is required to assure that the books and records are kept in accordance with generally accepted accounting principles and that the minimum audit standards prescribed by the comptroller are met.

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SECTION 7. Tennessee Code Annotated, Section 49-2-1304(h), is amended by deleting subdivision (5) and substituting instead the following:

(5) The comptroller of the treasury shall prepare a uniform audit manual as is required to assure that the books and records are kept in accordance with generally accepted accounting principles and that audit standards prescribed by the comptroller of the treasury are met.

SECTION 8. Tennessee Code Annotated, Section 49-11-104(c)(4), is amended by deleting subdivision (D) and substituting instead the following:

(D) The comptroller of the treasury shall prepare a uniform audit manual as is required to assure that the books and records are kept in accordance with generally accepted accounting principles and that audit standards prescribed by the comptroller of the treasury are met; or

SECTION 9. Tennessee Code Annotated, Section 64-10-113, is amended by deleting the last sentence of subsection (a) and substituting instead the following:

The comptroller of the treasury shall prepare a uniform audit manual as is required to assure that the books and records are kept in accordance with generally accepted accounting principles and that audit standards prescribed by the comptroller of the treasury are met.

SECTION 10. Tennessee Code Annotated, Section 64-10-213, is amended by deleting the last sentence of subsection (a) and substituting instead the following:

The comptroller of the treasury shall prepare a uniform audit manual as is required to assure that the books and records are kept in accordance with generally accepted accounting principles and that audit standards prescribed by the comptroller of the treasury are met.

SECTION 11. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: February 8, 2018



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 22nd day of February 2018



BILL HASLAM, GOVERNOR