

## State of California

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**Legislative Change No.****06-13**Bill Number: SB 1452Author: SpeierChapter Number: 06-452Laws Affecting Franchise Tax Board: Government Code Sections 1237, 8548.7, 8548.9, & 13886.Date Filed with the Secretary of the State: September 25, 2006**SUBJECT:** Omnibus Audit Accountability Act Of 2006/Internal Audits**Senate Bill 1452 (Speier), as enacted on September 25, 2006, made the following changes to California law:**Section 1237 of the Government Code is amended.

This act requires all state agencies with annual aggregate spending of \$50,000,000 or more to consider establishing an ongoing audit function.

Section 8548.7 of the Government Code is added.

This act establishes the Omnibus Audit Accountability Act of 2006 to govern state and local agencies.

Section 8548.9 of the Government Code is added.

This act requires any state agency that is notified by the State Auditor that it has not implemented an audit recommendation to do the following:

- Provide a written explanation why the audit recommendation has not been implemented to the State Auditor and other entities specified under this bill.
- Notify the specified entities of the estimated date of implementation.

Section 13886 of the Government Code is added.

This act requires any governing body that oversees a state agency that performs or reviews internal audits to establish an audit committee that meets the frameworks recommended by the American Institute of Certified Public Accountants.

This act is effective on January 1, 2007, and operative as of that date.

This act does not require any reports by the department to the Legislature.

Assistant Bureau Director  
Patrice Gau-Johnson

Date  
9/29/06