

1 AN ACT relating to the Office of the Auditor of Public Accounts.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 43 IS CREATED TO
4 READ AS FOLLOWS:

5 *(1) The Office of Government Efficiency is hereby created as an office within the*
6 *Auditor of Public Accounts. The office shall be responsible for evaluating and*
7 *recommending improvements to the efficiency, cost-effectiveness, and*
8 *performance of state government agencies, programs, and operations.*

9 *(2) The office shall:*

10 *(a) Conduct performance audits and fiscal and operational reviews of state*
11 *agencies to identify inefficiencies, waste, and opportunities for cost savings;*

12 *(b) Develop and recommend best practices for streamlining government*
13 *operations; and*

14 *(c) Monitor the implementation of efficiency-related recommendations and*
15 *report findings to the Governor and Legislative Research Commission.*

16 *(3) The Auditor shall submit an annual report detailing the office's findings,*
17 *recommendations, and cost-saving measures to the Governor and the Legislative*
18 *Research Commission for referral to appropriate legislative committees.*

19 *(4) The Auditor may:*

20 *(a) Appoint additional classified and unclassified staff as necessary to carry out*
21 *the office's duties, subject to available funds, notwithstanding KRS Chapter*
22 *18A or any other statute to the contrary; and*

23 *(b) Seek additional funding through cost-saving initiatives and efficiency-*
24 *related grants.*

25 *(5) Notwithstanding KRS 43.050, the office shall be funded through appropriations*
26 *made by the General Assembly and any federal or private grants obtained for the*
27 *purpose of government efficiency.*

1 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 43 IS CREATED TO
2 READ AS FOLLOWS:

3 **The Office of the State Auditor shall contain the following offices and divisions:**

4 **(1) The Office of the Deputy Auditor, which shall have the following offices:**

5 **(a) Office of Local Government Audits;**

6 **(b) Office of State Government Audits and Technology;**

7 **(c) Office of Special Investigations;**

8 **(d) Office of Quality Assurance; and**

9 **(e) Office of Government Efficiency;**

10 **(2) The Office of Planning and Management, which shall have the following**
11 **divisions:**

12 **(a) Division of Information Technology Services;**

13 **(b) Division of Financial Management; and**

14 **(c) Division of Human Resource Administration;**

15 **(3) The Office of Legal and Records Services, which shall contain the Division of**
16 **Records Management; and**

17 **(4) The Commonwealth Office of the Ombudsman, which shall contain the following**
18 **offices:**

19 **(a) Office of Citizen Services and Policy Integrity;**

20 **(b) Office of Program Performance, which shall have the following divisions:**

21 **1. Division of Quality Control; and**

22 **2. Division of Program Access Compliance;**

23 **(c) Office of Professional Integrity and Employee Development; and**

24 **(d) Office of Policy and Research.**

25 ➔Section 3. This Act takes effect July 1, 2026.