

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.