

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1486 - HB 1536**

January 26, 2018

**SUMMARY OF BILL:** Requires a certified public accountant (CPA) or CPA firm conducting an audit, investigation, or other engagement under a contract with the Comptroller of the Treasury (COT) or with a public entity that requires approval by the COT, to report any reasonable suspicion of unlawful conduct to the COT. Extends civil and criminal immunity to CPAs and CPA firms that lawfully report such conduct.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- This legislation defines unlawful conduct as theft, forgery, credit or debit card fraud, or any other act of unlawful taking, waste, or abuse of, or official misconduct involving public money, property, or services.
- CPAs and CPA firms are currently required to report fraud in the COT's fraud reporting system using the CPA Fraud Report Form found on the COT's website.
- Any impact to state or local government resulting from extending immunity to CPAs and CPA firms acting in good faith and reporting unlawful conduct is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

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