

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

FILED SENATE  
Feb 7, 2023  
S.B. 80  
PRINCIPAL CLERK

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SENATE BILL DRS45042-MU-9

Short Title: State Auditor Disclosure and Discovery Act. (Public)

Sponsors: Senators Britt, Craven, and Perry (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT THE STATE AUDITOR DISCLOSURE AND DISCOVERY ACT.  
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 147-64.6 reads as rewritten:  
5 "§ 147-64.6. Duties and responsibilities.

6 ...

7 (c) Responsibilities. – The Auditor is responsible for the following acts and activities:

8 (1) Audits made or caused to be made by the Auditor shall be conducted in  
9 accordance with generally accepted auditing standards as prescribed by the  
10 American Institute of Certified Public Accountants, the United States General  
11 Accounting Office, or other professionally recognized accounting  
12 standards-setting bodies.

13 ...

14 (20) Whenever the Auditor believes that information received or collected by the  
15 Auditor may be evidence of criminal misconduct, the Auditor shall report that  
16 information to ~~either~~ the State Bureau of Investigation ~~or~~ and the district  
17 attorney for the county where the alleged misconduct occurred. Nothing in  
18 this subdivision limits the Auditor's authority under subdivision (1) of this  
19 ~~subsection~~ subsection except that the Auditor shall not make any extrajudicial  
20 statements that have a likelihood of prejudicing a criminal investigation, an  
21 adjudicatory proceeding during the pendency of a criminal investigation, or a  
22 subsequent prosecution.

23 ...

24 (d) Reports and Work Papers. – The Auditor shall maintain for 10 years a complete file  
25 of all audit reports and reports of other examinations, investigations, surveys, and reviews issued  
26 under the Auditor's authority. Audit work papers and other evidence and related supportive  
27 material directly pertaining to the work of the Auditor's office shall be retained according to an  
28 agreement between the Auditor and State Archives.

29 (d1) Sharing Records with Other Agencies. – To promote intergovernmental cooperation  
30 and avoid unnecessary duplication of audit and investigative effort, and notwithstanding the  
31 provisions of G.S. 126-24, the complete file and other pertinent work papers and all other  
32 supportive material related to an audit or investigation made pursuant to this section ~~may be, at~~  
33 ~~the discretion of the Auditor and unless otherwise prohibited by law, made available for~~  
34 inspection by duly authorized ~~shall be provided to any~~ representatives of the State and federal  
35 government who desire access to and inspection of the records in connection with some matter  
36 officially before them, including criminal investigations. The Auditor, however, may seek a



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1 protective order regarding the use and disclosure of all or part of a record by filing a civil action  
2 in superior court in the county where jurisdiction over a related potential criminal action exists.  
3 The Auditor shall demonstrate by clear and convincing evidence that the order is either necessary  
4 to protect the confidential or privileged nature of all or part of the record or is required by other  
5 law of this State or federal law. The Auditor shall provide the representative of the State or federal  
6 government requesting the record 10 days' notice, and the court shall hold a hearing if requested  
7 by either party.

8 (d2) Confidentiality. – Except as provided in this ~~section, section~~ or ~~upon an order issued~~  
9 ~~in Wake County Superior Court upon 10 days' notice and hearing finding that access is necessary~~  
10 ~~to a proper administration of justice, to comply with a court order,~~ audit work papers and related  
11 supportive material are confidential, including any interpretations, advisory opinions, or other  
12 information or materials furnished to or by the State Ethics Commission under this section.

13 ...."

14 **SECTION 2.** This act is effective when it becomes law.