



April 4, 2003

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## ENGROSSED HOUSE BILL No. 1622

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DIGEST OF HB 1622 (Updated April 2, 2003 11:16 AM - DI 52)

**Citations Affected:** IC 5-11.

**Synopsis:** Soil and water conservation districts. Specifies audit fees charged by the state board of accounts. Specifies that an audit of a county includes an audit of that county's soil and water conservation district. Requires soil and water conservation districts to follow the same general claim payment policies as the state.

**Effective:** July 1, 2003.

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### **Bischoff, Grubb, Friend**

(SENATE SPONSORS — WEATHERWAX, LEWIS)

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January 16, 2003, read first time and referred to Committee on Agriculture, Natural Resources and Rural Development.

February 10, 2003, amended, reported — Do Pass.

February 13, 2003, read second time, amended, ordered engrossed.

February 14, 2003, engrossed.

February 17, 2003, read third time, passed. Yeas 95, nays 0.

#### SENATE ACTION

February 24, 2003, read first time and referred to Committee on Agriculture and Small Business.

April 3, 2003, reported favorably — Do Pass.

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EH 1622—LS 6549/DI 108+



April 4, 2003

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1622

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-11-4-3, AS AMENDED BY P.L.291-2001,  
2 SECTION 168, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) The expense of examination  
4 and investigation of accounts shall be paid by each municipality or  
5 entity as provided in this chapter.  
6 (b) The state examiner shall not certify more often than monthly to  
7 the auditor of each county the amount chargeable to each taxing unit  
8 within the county for the expense of its examinations as provided in  
9 this chapter. Immediately upon receipt of the certified statement, the  
10 county auditor shall issue a warrant on the county treasurer payable to  
11 the treasurer of state out of the general fund of the county for the  
12 amount stated in the certificate. The county auditor shall reimburse the  
13 county general fund, except for the expense of examination and  
14 investigation of county offices, out of the money due the taxing units  
15 at the next semiannual settlement of the collection of taxes.  
16 (c) If the county to which a claim is made is not in possession or has  
17 not collected the funds due or to be due to any examined municipality,

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1 then the certificate must be filed with and the warrant shall be drawn  
 2 by the officer of the municipality having authority to draw warrants  
 3 upon its funds. The municipality shall pay the warrant immediately.  
 4 The money, when received by the treasurer of state, shall be deposited  
 5 in the state general fund.

6 (d) Except as otherwise provided in this chapter, each:

7 (1) taxing unit; **and**

8 (2) **soil and water conservation district;**

9 shall be charged at the rate of forty-five dollars (\$45) per day for each  
 10 field examiner, private examiner, expert, or employee of the state board  
 11 of accounts who is engaged in making examinations or investigations.  
 12 Except as provided in subsection (h), all **other** entities shall be charged  
 13 the actual cost of performing the examination or investigation.

14 (e) The state examiner shall certify, not more often than monthly, to  
 15 the proper disbursing officer the total amount of expense incurred for  
 16 the examination of:

17 (1) any unit of state government or entity that is required by law  
 18 to bear the costs of its own examination and operating expense;  
 19 or

20 (2) any utility owned or operated by any municipality or any  
 21 department of the municipality, if the utility is operated from  
 22 revenues or receipts other than taxation.

23 Upon receipt of the state examiner's certificate the unit of state  
 24 government, entity, or utility shall immediately pay to the treasurer of  
 25 state the amount charged. The money, when received by the treasurer  
 26 of state, shall be deposited in the state general fund.

27 (f) In addition to other charges provided in this chapter, the state  
 28 examiner may charge a reasonable fee for typing and processing reports  
 29 of examination in the same manner as other charges are made under  
 30 this chapter.

31 (g) There is created a trust and agency fund in the hands of the state  
 32 examiner to be used by him for the payment of the expense of typing  
 33 reports of examination. Fees charged for typing reports of examination  
 34 shall be deposited into the trust and agency fund.

35 (h) A municipality that contracts for services with a volunteer fire  
 36 department may pay the cost of an examination or investigation of the  
 37 volunteer fire department under this chapter.

38 (i) **An audit of a county shall include, but not be limited to, an**  
 39 **audit of that county's soil and water conservation district**  
 40 **established under IC 14-32.**

41 SECTION 2. IC 5-11-10-1.6, AS AMENDED BY P.L.68-2001,  
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2003]: Sec. 1.6. (a) As used in this section, "governmental  
2 entity" refers to any of the following:

- 3 (1) A municipality (as defined in IC 36-1-2-11).  
4 (2) A school corporation (as defined in IC 36-1-2-17), including  
5 a school extracurricular account.  
6 (3) A county.  
7 (4) A regional water or sewer district organized under IC 13-26  
8 or under IC 13-3-2 (before its repeal).  
9 (5) A municipally owned utility that is subject to IC 8-1.5-3 or  
10 IC 8-1.5-4.  
11 (6) A board of an airport authority under IC 8-22-3.  
12 (7) A board of aviation commissioners under IC 8-22-2.  
13 (8) A conservancy district.  
14 (9) A public transportation corporation under IC 36-9-4.  
15 (10) A commuter transportation district under IC 8-5-15.  
16 (11) The state.  
17 (12) A solid waste management district established under  
18 IC 13-21 or IC 13-9.5 (before its repeal).  
19 (13) A levee authority established under IC 14-27-6.  
20 **(14) A soil and water conservation district established under**  
21 **IC 14-32.**

22 (b) As used in this section, "claim" means a bill or an invoice  
23 submitted to a governmental entity for goods or services.

24 (c) The fiscal officer of a governmental entity may not draw a  
25 warrant or check for payment of a claim unless:

- 26 (1) there is a fully itemized invoice or bill for the claim;  
27 (2) the invoice or bill is approved by the officer or person  
28 receiving the goods and services;  
29 (3) the invoice or bill is filed with the governmental entity's fiscal  
30 officer;  
31 (4) the fiscal officer audits and certifies before payment that the  
32 invoice or bill is true and correct; and  
33 (5) payment of the claim is allowed by the governmental entity's  
34 legislative body or the board or official having jurisdiction over  
35 allowance of payment of the claim.

36 This subsection does not prohibit a school corporation, with prior  
37 approval of the board having jurisdiction over allowance of payment of  
38 the claim, from making payment in advance of receipt of services as  
39 allowed by guidelines developed under IC 20-10.1-25-3.

40 (d) The fiscal officer of a governmental entity shall issue checks or  
41 warrants for claims by the governmental entity that meet all of the  
42 requirements of this section. The fiscal officer does not incur personal



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- 1 liability for disbursements:
- 2 (1) processed in accordance with this section; and
- 3 (2) for which funds are appropriated and available.
- 4 (e) The certification provided for in subsection (c)(4) must be on a
- 5 form prescribed by the state board of accounts.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred House Bill 1622, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, after line 37, begin a new paragraph and insert:

"SECTION 2. IC 5-11-10-1.6, AS AMENDED BY P.L.68-2001, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1.6. (a) As used in this section, "governmental entity" refers to any of the following:

- (1) A municipality (as defined in IC 36-1-2-11).
- (2) A school corporation (as defined in IC 36-1-2-17), including a school extracurricular account.
- (3) A county.
- (4) A regional water or sewer district organized under IC 13-26 or under IC 13-3-2 (before its repeal).
- (5) A municipally owned utility that is subject to IC 8-1.5-3 or IC 8-1.5-4.
- (6) A board of an airport authority under IC 8-22-3.
- (7) A board of aviation commissioners under IC 8-22-2.
- (8) A conservancy district.
- (9) A public transportation corporation under IC 36-9-4.
- (10) A commuter transportation district under IC 8-5-15.
- (11) The state.
- (12) A solid waste management district established under IC 13-21 or IC 13-9.5 (before its repeal).
- (13) A levee authority established under IC 14-27-6.
- (14) A soil and water conservation district established under IC 14-32.**

(b) As used in this section, "claim" means a bill or an invoice submitted to a governmental entity for goods or services.

(c) The fiscal officer of a governmental entity may not draw a warrant or check for payment of a claim unless:

- (1) there is a fully itemized invoice or bill for the claim;
- (2) the invoice or bill is approved by the officer or person receiving the goods and services;
- (3) the invoice or bill is filed with the governmental entity's fiscal officer;
- (4) the fiscal officer audits and certifies before payment that the invoice or bill is true and correct; and
- (5) payment of the claim is allowed by the governmental entity's

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legislative body or the board or official having jurisdiction over allowance of payment of the claim.

This subsection does not prohibit a school corporation, with prior approval of the board having jurisdiction over allowance of payment of the claim, from making payment in advance of receipt of services as allowed by guidelines developed under IC 20-10.1-25-3.

(d) The fiscal officer of a governmental entity shall issue checks or warrants for claims by the governmental entity that meet all of the requirements of this section. The fiscal officer does not incur personal liability for disbursements:

- (1) processed in accordance with this section; and
- (2) for which funds are appropriated and available.

(e) The certification provided for in subsection (c)(4) must be on a form prescribed by the state board of accounts."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1622 as introduced.)

BISCHOFF, Chair

Committee Vote: yeas 12, nays 2.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1622 be amended to read as follows:

Page 2, between lines 37 and 38, begin a new paragraph and insert:

**"(i) An audit of a county shall include, but not be limited to, an audit of that county's soil and water conservation district established under IC 14-32."**

(Reference is to HB 1622 as printed February 11, 2003.)

FRIEND

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COMMITTEE REPORT

Mr. President: The Senate Committee on Agriculture and Small Business, to which was referred House Bill No. 1622, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to House Bill 1622 as reprinted February 14, 2003.)

NUGENT, Chairperson

Committee Vote: Yeas 8, Nays 0.

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