

1 SB17
2 208263-1
3 By Senator Jones
4 RFD: Governmental Affairs
5 First Read: 02-FEB-21
6 PFD: 12/08/2020

SYNOPSIS: Under existing law, a nonprofit public corporation organized pursuant to Title 11 of the Code of Alabama 1975, is subject to audit by the Department of Examiners of Public Accounts. A nonprofit corporation that provides water service to the public and that is not organized under Title 11 is not required to be audited by the Examiners.

The bill would require a nonprofit corporation that provides water service to the public in this state and that is not organized by a county or municipality as a public corporation to be audited by the Department of Examiners of Public Accounts.

A BILL
TO BE ENTITLED
AN ACT

Relating to nonprofit corporations that provide water service to the public; to require the nonprofit

1 corporation to be audited by the Department of Examiners of
2 Public Accounts.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. (a) After the effective date of this act,
5 beginning after the close of the then current fiscal year, and
6 every two years thereafter, any nonprofit corporation
7 organized under the laws of this state as a nonprofit
8 corporation that is not incorporated pursuant to Title 11,
9 Code of Alabama 1975, which provides water service to the
10 public, shall be audited by the Department of Examiners of
11 Public Accounts in the same manner as public agencies are
12 audited by the department. The department may charge a
13 reasonable fee for the audits.

14 (b) This section does not apply to or affect any
15 public water supply system, waterworks plant, or water
16 distribution system owned or operated by a municipality or by
17 a public corporation, board, or other entity organized,
18 created, or incorporated pursuant to Title 11 of the Code of
19 Alabama 1975.

20 Section 2. This act shall become effective
21 immediately following its passage and approval by the
22 Governor, or its otherwise becoming law.