

SENATE BILL No. 289

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-3-24-9; IC 4-7-1-18.

Synopsis: Review of distribution of federal pandemic funds. Provides that each state agency directly receiving federal: (1) pandemic relief funds; (2) economic stimulus funds; or (3) loan funds; shall use a portion of the funds allocated to engage an independent third party firm to perform a risk assessment of the agency's controls in administering the use of the funds and to audit the disbursement of the funds. Provides that the auditor of state (auditor) shall engage internal or third party assistance to perform a risk assessment of executive branch agency internal controls for administering and disbursing federal: (1) pandemic relief funds; (2) economic stimulus funds; or (3) loan funds. Provides that upon engaging internal or third party assistance, the auditor shall consult with the state board of accounts and executive branch agencies that are conducting similar risk assessments or audits of federal funds regarding the scope of work being performed by the state board of accounts and executive branch agencies. Provides that before December 31 of each year, the auditor shall compile the auditor's findings and provide a report to the governor and to the legislative council. Appropriates to the auditor \$500,000 from the coronavirus local fiscal relief funds made available to the state under the American Rescue Plan Act of 2021.

Effective: July 1, 2023.

Buchanan

January 11, 2023, read first time and referred to Committee on Tax and Fiscal Policy.



First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

SENATE BILL No. 289

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

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

1 SECTION 1. IC 4-3-24-9 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2023]: **Sec. 9. Each state agency directly receiving federal:**

- 4 (1) **pandemic relief funds;**
- 5 (2) **economic stimulus funds; or**
- 6 (3) **loan funds;**
- 7 **shall use a portion of the funds allocated to engage an independent**
- 8 **third party firm to perform a risk assessment of the agency's**
- 9 **controls in administering the use of the funds and to audit the**
- 10 **disbursement of the funds.**

11 SECTION 2. IC 4-7-1-18 IS ADDED TO THE INDIANA CODE
12 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
13 1, 2023]: **Sec. 18. (a) The auditor of state shall engage internal or**
14 **third party assistance to perform a risk assessment of executive**
15 **branch agency internal controls for administering and disbursing**
16 **federal:**

- 17 (1) **pandemic relief funds;**



1 **(2) economic stimulus funds; or**
2 **(3) loan funds.**
3 **(b) Upon engaging internal or third party assistance, the auditor**
4 **of state shall consult with the state board of accounts and executive**
5 **branch agencies that are conducting similar risk assessments or**
6 **audits of federal funds regarding the scope of work being**
7 **performed by the state board of accounts and executive branch**
8 **agencies.**
9 **(c) Before December 31 of each year, the auditor of state shall**
10 **compile its findings under subsections (a) and (b) and provide a**
11 **report to the governor and, in an electronic format under**
12 **IC 5-14-6, to the legislative council.**
13 **SECTION 3. [EFFECTIVE JULY 1, 2023] There is appropriated**
14 **to the auditor of state, to carry out its duties under IC 4-7-1-18, as**
15 **added by this act, five hundred thousand dollars (\$500,000) from**
16 **the coronavirus local fiscal relief funds made available to the state**
17 **under the American Rescue Plan Act of 2021.**

