



January 28, 2015

SENATE BILL No. 326

DIGEST OF SB 326 (Updated January 27, 2015 12:06 pm - DI 120)

Citations Affected: IC 4-3; IC 4-12; IC 4-30; IC 4-35; IC 4-37; IC 5-10.5; IC 5-11; IC 5-14; IC 5-20; IC 5-22; IC 5-28; IC 6-3.5; IC 6-8.1; IC 6-9; IC 8-1.5; IC 8-10; IC 9-15; IC 9-16; IC 13-23; IC 14-13; IC 14-14; IC 15-13; IC 16-19; IC 20-39; IC 20-49; IC 21-7; IC 21-16; IC 22-14; IC 28-11; IC 33-44; IC 36-1; IC 36-7; IC 36-8; IC 36-10.

Synopsis: State board of accounts examinations. Permits the state board of accounts to determine the frequency with which the state board of accounts conducts financial examinations based on risk based criteria approved by the audit and financial reporting subcommittee of the legislative council. Specifies that certain examinations by the state board of accounts may (rather than must, under current law) be made without notice. Indicates that the results of an examination of the state board of accounts are confidential until approved and released for publication by the state examiner. Permits disclosure under certain circumstances. Provides that the state board of accounts may only release examination workpapers and investigation records to certain
(Continued next page)

Effective: July 1, 2015.

Head, Charbonneau, Broden

January 8, 2015, read first time and referred to Committee on Tax & Fiscal Policy.
January 27, 2015, amended, reported favorably — Do Pass.

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Digest Continued

persons, and then only if the recipient enters into an agreement with the state board of accounts specifying that the records will be kept confidential and used solely for official purposes. Eliminates the state examiner's requirement to annually furnish forms and instructions to reporting officers. Provides that an executive or a fiscal officer of a unit may establish a fraud hotline telephone number that the public may use to report suspected fraudulent activity concerning officers or employees of the unit. Provides that: (1) the identity of a caller to a fraud hotline; and (2) a report, transcript, audio recording, or other information obtained from a fraud hotline; are exempt from public disclosure. Provides that an audit of an enhanced prepaid wireless seller regarding collection and remittance of enhanced prepaid wireless charges must be conducted either: (1) jointly by the department and the statewide 911 board; or (2) by an independent auditor engaged by the statewide 911 board. (Under current law, the audit must be conducted jointly by the department and the statewide 911 board.)



January 28, 2015

First Regular Session 119th General Assembly (2015)

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 326

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 4-3-17-4 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The articles of incorporation
3 or bylaws of the corporation, as appropriate, must provide that:
4 (1) the exclusive purpose of the corporation is to provide grants
5 and serve as a resource for education programs on drug and
6 alcohol abuse, by providing assistance to persons or entities
7 involved with:
8 (A) coordinating the activities of all parties having a role in
9 drug and alcohol abuse education and prevention; and
10 (B) educating and assisting local communities in educating
11 Indiana citizens on the problems of drug and alcohol abuse;
12 (2) the board must include:
13 (A) the governor or the governor's designee;
14 (B) the state health commissioner or the commissioner's
15 designee; and
16 (C) additional persons appointed by the governor, who have

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- 1 knowledge or experience in drug or alcohol education
 2 programs;
- 3 (3) the governor shall designate a member of the board to serve
 4 as chairman of the board;
- 5 (4) the board shall select any other officers it considers necessary,
 6 such as a vice chairman, treasurer, or secretary;
- 7 (5) the chairman of the board may appoint any subcommittees that
 8 the chairman considers necessary to carry out the duties of the
 9 corporation;
- 10 (6) with the approval of the governor, the corporation may appoint
 11 a president, who shall serve as the chief operating officer of the
 12 corporation and who may appoint staff or employ consultants to
 13 carry out the corporation's duties under this chapter, including
 14 personnel to receive or disseminate information that furthers the
 15 goals of the corporation;
- 16 (7) the corporation may receive funds from any source (including
 17 state appropriations), may enter into contracts, and may expend
 18 funds for any activities necessary, convenient, or expedient to
 19 carry out its purposes;
- 20 (8) any amendments to the articles of incorporation or bylaws of
 21 the corporation must be approved by the board;
- 22 (9) the corporation shall submit an annual report to the governor,
 23 lieutenant governor, and chairman of the legislative council
 24 before December 31 of each year;
- 25 (10) the corporation shall conduct an annual public hearing to
 26 receive comments from interested parties regarding the annual
 27 report, and notice of the hearing shall be given at least fourteen
 28 (14) days before the hearing in accordance with IC 5-14-1.5-5(b);
 29 and
- 30 (11) the corporation is subject to ~~an annual~~ audit by the state
 31 board of accounts, and the corporation shall bear the full costs of
 32 this audit.
- 33 An annual report described in subdivision (9) that is submitted to the
 34 chairman of the legislative council must be in an electronic format
 35 under IC 5-14-6.
- 36 (b) The corporation may perform other acts necessary, convenient,
 37 or expedient to carry out its purposes under this chapter and has all the
 38 rights, powers, and privileges granted to corporations by IC 23-17 and
 39 by common law.
- 40 (c) With the approval of the governor, the corporation may merge
 41 with an entity with similar purposes. If the corporation merges with
 42 another entity under this subsection, the governor shall revoke the



1 certification under section 7 of this chapter.

2 SECTION 2. IC 4-12-4-15, AS AMENDED BY P.L.229-2011,
3 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2015]: Sec. 15. The funds, accounts, management, and
5 operations of the state department of health under this chapter are
6 subject to ~~annual~~ audit by the state board of accounts.

7 SECTION 3. IC 4-12-15-2, AS ADDED BY P.L.187-2013,
8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2015]: Sec. 2. (a) The office may establish a nonprofit
10 subsidiary corporation that is exempt from federal income taxation
11 under Section 501(c)(3) of the Internal Revenue Code, to solicit and
12 accept private funding, gifts, donations, bequests, devises, and
13 contributions.

14 (b) A subsidiary corporation established under this section:

15 (1) shall use money received under subsection (a) to carry out in
16 any manner the purposes and programs of the office;

17 (2) shall report to the budget committee each year concerning:

18 (A) the use of money received under subsection (a); and

19 (B) the balances in any accounts or funds established by the
20 subsidiary corporation; and

21 (3) may deposit money received under subsection (a) in an
22 account or fund that is:

23 (A) administered by the subsidiary corporation; and

24 (B) not part of the state treasury.

25 (c) A subsidiary corporation established under this section is
26 governed by a board of directors comprised of members appointed by
27 the office.

28 (d) Employees of the office shall provide administrative support for
29 a subsidiary corporation established under this section.

30 (e) The state board of accounts shall ~~annually~~ audit a subsidiary
31 corporation established under this section.

32 SECTION 4. IC 4-30-17-11 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) Each eligible
34 recipient that is approved to receive money from the build Indiana fund
35 under section 10 of this chapter must, as a condition of receiving
36 money from the build Indiana fund, enter into a funding agreement
37 with the budget agency.

38 (b) The agreement required under subsection (a) must obligate the
39 eligible recipient to do the following:

40 (1) Complete the project in conformity with the information in the
41 project statement reviewed and approved under section 10 of this
42 chapter and any subsequent agreements reviewed by the budget



- 1 committee and approved by the governor, upon recommendation
2 of the budget agency.
- 3 (2) Acknowledge, on a form prescribed by the budget agency, the
4 receipt and deposit of money received from the build Indiana
5 fund. The written acknowledgment must include proof that the
6 funds have been deposited in the financial institution listed in the
7 documents described in subdivision (1) and must be submitted to
8 the budget agency within ten (10) business days after receipt of
9 the money.
- 10 (3) Account for money received from the build Indiana fund in
11 accordance with generally accepted accounting principles, the
12 accounting guidelines established by the state board of accounts,
13 or an alternative method of accounting approved by the state
14 board of accounts.
- 15 (4) Be subject to the audit and the reporting requirements under
16 IC 5-11-1 (state board of accounts), ~~for each year~~ beginning with
17 the year in which money from the build Indiana fund is received
18 and ending with the year in which the project is completed.
- 19 (5) Upon request, provide for the contact person specified in the
20 project statement or another person who is knowledgeable about
21 the project to appear and give testimony to the budget committee
22 concerning the project.
- 23 (6) Submit to the budget agency, on a form prescribed by the
24 budget agency, verification of the completion of the project not
25 later than ten (10) business days after the project is complete.
- 26 (7) If a project is not completed by the anticipated completion
27 date specified in the documents described in subdivision (1),
28 submit to the budget agency, on a form prescribed by the budget
29 agency, information as to the reason the project is not complete
30 and the revised completion date of the project. The form must be
31 submitted before the anticipated completion date specified in the
32 documents described in subdivision (1).
- 33 (8) Pay reasonable attorney's fees and other reasonable expenses
34 incurred to enforce the provisions of the agreement described in
35 subdivisions (1) through (7), collect reimbursement of project
36 funds under subsection (d), or prosecute a violation of the
37 agreement.
- 38 (c) The budget agency shall monitor compliance with the agreement
39 required under subsection (a).
- 40 (d) In addition to any other remedy provided by law, if the eligible
41 recipient fails to comply with a condition of the agreement required
42 under subsection (a), the budget agency may, under the procedures set



1 forth in IC 4-21.5, require the entity to repay all the funds distributed
 2 to the eligible recipient under this chapter. The budget agency shall
 3 give notice of the order under IC 4-21.5-3-4. Money repaid under this
 4 section shall be deposited in the build Indiana fund.

5 SECTION 5. IC 4-30-19-2, AS AMENDED BY P.L.84-2005,
 6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2015]: Sec. 2. The state board of accounts shall ~~conduct an~~
 8 ~~annual~~ audit of the operations of the lottery and shall receive a copy of
 9 any independent financial audit and any security report prepared under
 10 this article. The commission shall pay the full costs of the audit
 11 required under this section.

12 SECTION 6. IC 4-35-7-12, AS AMENDED BY P.L.210-2013,
 13 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2015]: Sec. 12. (a) The Indiana horse racing commission shall
 15 enforce the requirements of this section.

16 (b) A licensee shall before the fifteenth day of each month distribute
 17 the following amounts for the support of the Indiana horse racing
 18 industry:

19 (1) An amount equal to fifteen percent (15%) of the adjusted
 20 gross receipts of the slot machine wagering from the previous
 21 month at each casino operated by the licensee with respect to
 22 adjusted gross receipts received after June 30, 2013, and before
 23 January 1, 2014.

24 (2) The percentage of the adjusted gross receipts of the slot
 25 machine wagering from the previous month at each casino
 26 operated by the licensee that is determined under section 16 or 17
 27 of this chapter with respect to adjusted gross receipts received
 28 after December 31, 2013.

29 (c) The Indiana horse racing commission may not use any of the
 30 money distributed under this section for any administrative purpose or
 31 other purpose of the Indiana horse racing commission.

32 (d) A licensee shall distribute the money devoted to horse racing
 33 purses and to horsemen's associations under this subsection as follows:

34 (1) Five-tenths percent (0.5%) shall be transferred to horsemen's
 35 associations for equine promotion or welfare according to the
 36 ratios specified in subsection (g).

37 (2) Two and five-tenths percent (2.5%) shall be transferred to
 38 horsemen's associations for backside benevolence according to
 39 the ratios specified in subsection (g).

40 (3) Ninety-seven percent (97%) shall be distributed to promote
 41 horses and horse racing as provided in subsection (f).

42 (e) A horsemen's association shall expend the amounts distributed



1 to the horsemen's association under subsection (d)(1) through (d)(2) for
 2 a purpose promoting the equine industry or equine welfare or for a
 3 benevolent purpose that the horsemen's association determines is in the
 4 best interests of horse racing in Indiana for the breed represented by the
 5 horsemen's association. Expenditures under this subsection are subject
 6 to the regulatory requirements of subsection (h).

7 (f) A licensee shall distribute the amounts described in subsection
 8 (d)(3) as follows:

9 (1) Forty-six percent (46%) for thoroughbred purposes as follows:

10 (A) Sixty percent (60%) for the following purposes:

11 (i) Ninety-seven percent (97%) for thoroughbred purses.

12 (ii) Two and four-tenths percent (2.4%) to the horsemen's
 13 association representing thoroughbred owners and trainers.

14 (iii) Six-tenths percent (0.6%) to the horsemen's association
 15 representing thoroughbred owners and breeders.

16 (B) Forty percent (40%) to the breed development fund
 17 established for thoroughbreds under IC 4-31-11-10.

18 (2) Forty-six percent (46%) for standardbred purposes as follows:

19 (A) Three hundred seventy-five thousand dollars (\$375,000)
 20 to the state fair commission to be used by the state fair
 21 commission to support standardbred racing and facilities at the
 22 state fairgrounds.

23 (B) One hundred twenty-five thousand dollars (\$125,000) to
 24 the state fair commission to be used by the state fair
 25 commission to make grants to county fairs to support
 26 standardbred racing and facilities at county fair tracks. The
 27 state fair commission shall establish a review committee to
 28 include the standardbred association board, the Indiana horse
 29 racing commission, and the Indiana county fair association to
 30 make recommendations to the state fair commission on grants
 31 under this clause.

32 (C) Fifty percent (50%) of the amount remaining after the
 33 distributions under clauses (A) and (B) for the following
 34 purposes:

35 (i) Ninety-six and five-tenths percent (96.5%) for
 36 standardbred purses.

37 (ii) Three and five-tenths percent (3.5%) to the horsemen's
 38 association representing standardbred owners and trainers.

39 (D) Fifty percent (50%) of the amount remaining after the
 40 distributions under clauses (A) and (B) to the breed
 41 development fund established for standardbreds under
 42 IC 4-31-11-10.



1 (3) Eight percent (8%) for quarter horse purposes as follows:

2 (A) Seventy percent (70%) for the following purposes:

3 (i) Ninety-five percent (95%) for quarter horse purses.

4 (ii) Five percent (5%) to the horsemen's association
5 representing quarter horse owners and trainers.

6 (B) Thirty percent (30%) to the breed development fund
7 established for quarter horses under IC 4-31-11-10.

8 Expenditures under this subsection are subject to the regulatory
9 requirements of subsection (h).

10 (g) Money distributed under subsection (d)(1) and (d)(2) shall be
11 allocated as follows:

12 (1) Forty-six percent (46%) to the horsemen's association
13 representing thoroughbred owners and trainers.

14 (2) Forty-six percent (46%) to the horsemen's association
15 representing standardbred owners and trainers.

16 (3) Eight percent (8%) to the horsemen's association representing
17 quarter horse owners and trainers.

18 (h) Money distributed under this section may not be expended
19 unless the expenditure is for a purpose authorized in this section and is
20 either for a purpose promoting the equine industry or equine welfare or
21 is for a benevolent purpose that is in the best interests of horse racing
22 in Indiana or the necessary expenditures for the operations of the
23 horsemen's association required to implement and fulfill the purposes
24 of this section. The Indiana horse racing commission may review any
25 expenditure of money distributed under this section to ensure that the
26 requirements of this section are satisfied. The Indiana horse racing
27 commission shall adopt rules concerning the review and oversight of
28 money distributed under this section and shall adopt rules concerning
29 the enforcement of this section. The following apply to a horsemen's
30 association receiving a distribution of money under this section:

31 (1) The horsemen's association must annually file a report with
32 the Indiana horse racing commission concerning the use of the
33 money by the horsemen's association. The report must include
34 information as required by the commission.

35 (2) The horsemen's association must register with the Indiana
36 horse racing commission.

37 The state board of accounts shall ~~annually~~ audit the accounts, books,
38 and records of the Indiana horse racing commission, each horsemen's
39 association, a licensee, and any association for backside benevolence
40 containing any information relating to the distribution of money under
41 this section.

42 (i) The commission shall provide the Indiana horse racing



1 commission with the information necessary to enforce this section.

2 (j) The Indiana horse racing commission shall investigate any
3 complaint that a licensee has failed to comply with the horse racing
4 purse requirements set forth in this section. If, after notice and a
5 hearing, the Indiana horse racing commission finds that a licensee has
6 failed to comply with the purse requirements set forth in this section,
7 the Indiana horse racing commission may:

8 (1) issue a warning to the licensee;

9 (2) impose a civil penalty that may not exceed one million dollars
10 (\$1,000,000); or

11 (3) suspend a meeting permit issued under IC 4-31-5 to conduct
12 a pari-mutuel wagering horse racing meeting in Indiana.

13 (k) A civil penalty collected under this section must be deposited in
14 the state general fund.

15 SECTION 7. IC 4-37-2-4, AS AMENDED BY P.L.166-2013,
16 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2015]: Sec. 4. The corporation is subject to ~~an annual~~
18 compliance ~~audit~~ **audits** by the state board of accounts.

19 SECTION 8. IC 4-37-8-5, AS AMENDED BY P.L.166-2013,
20 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2015]: Sec. 5. The foundation is subject to ~~an annual~~
22 compliance ~~audit~~ **audits** by the state board of accounts.

23 SECTION 9. IC 5-10.5-4-1, AS AMENDED BY P.L.53-2014,
24 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2015]: Sec. 1. The board shall do all of the following:

26 (1) Appoint and fix the salary of a director.

27 (2) Employ or contract with employees, auditors, technical
28 experts, legal counsel, and other service providers as the board
29 considers necessary to transact the business of the fund without
30 the approval of any state officer, and fix the compensation of
31 those persons.

32 (3) Establish a general office in Indianapolis for board meetings
33 and for administrative personnel.

34 (4) Provide for the installation in the general office of a complete
35 system of:

36 (A) books;

37 (B) accounts, including reserve accounts; and

38 (C) records;

39 to give effect to all the requirements of this article and to ensure
40 the proper operation of the fund.

41 (5) Provide for a report at least annually to each member of the
42 amount credited to the member in the annuity savings account in



- 1 each investment program under IC 5-10.2-2.
 2 (6) With the advice of the actuary, adopt actuarial tables and
 3 compile data needed for actuarial studies that are necessary for
 4 the fund's operation.
 5 (7) Act on applications for benefits and claims of error filed by
 6 members.
 7 (8) Have the accounts of the fund audited ~~annually~~ by the state
 8 board of accounts and if the board determines that it is advisable,
 9 have the operation of a public pension or retirement fund of the
 10 system audited by a certified public accountant.
 11 (9) Publish for the members a synopsis of the fund's condition.
 12 (10) Adopt a budget on a calendar year or fiscal year basis that is
 13 sufficient, as determined by the board, to perform the board's
 14 duties and, as appropriate and reasonable, draw upon fund assets
 15 to fund the budget.
 16 (11) Expend money, including income from the fund's
 17 investments, for effectuating the fund's purposes.
 18 (12) Establish personnel programs and policies for the employees
 19 of the system.
 20 (13) Submit a financial report before November 1 each year to the
 21 governor, the interim study committee on pension management
 22 oversight established by IC 2-5-1.3-4 in an electronic format
 23 under IC 5-14-6, and the budget committee. The report under this
 24 subdivision must set forth a complete operating and financial
 25 statement covering its operations during the most recent fiscal
 26 year, and include any other information requested by the chair of
 27 the interim study committee on pension management oversight
 28 established by IC 2-5-1.3-4 in an electronic format under
 29 IC 5-14-6.
 30 (14) Provide the necessary forms for administering the fund.
 31 (15) Submit to the auditor of state or the treasurer of state
 32 vouchers or reports necessary to claim an amount due from the
 33 state to the system.
 34 SECTION 10. IC 5-11-1-6 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. The state board of
 36 accounts shall formulate, prescribe, and approve the forms for reports
 37 required to be made by this chapter. ~~The state examiner shall annually~~
 38 ~~furnish to the officers required to make reports by this chapter such~~
 39 ~~printed blanks and forms, on which shall be indicated the information~~
 40 ~~required, together with suitable printed instructions for filling out the~~
 41 ~~same.~~
 42 SECTION 11. IC 5-11-1-9, AS AMENDED BY P.L.280-2013,



1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2015]: Sec. 9. (a) The state examiner, personally or through
3 the deputy examiners, field examiners, or private examiners, shall
4 examine all accounts and all financial affairs of every public office and
5 officer, state office, state institution, and entity.

6 (b) An examination of an entity deriving:

7 (1) less than fifty percent (50%); or

8 (2) subject to subsection (h), at least fifty percent (50%) but less
9 than two hundred thousand dollars (\$200,000) if the entity is
10 organized as a not-for-profit corporation;

11 of its disbursements during the period subject to an examination from
12 appropriations, public funds, taxes, and other sources of public expense
13 shall be limited to matters relevant to the use of the public money
14 received by the entity.

15 (c) The examination of an entity described in subsection (b) may be
16 waived ~~or deferred~~ by the state examiner if the state examiner
17 determines in writing that all disbursements of public money during the
18 period subject to examination were made for the purposes for which the
19 money was received. However, the:

20 (1) Indiana economic development corporation created by
21 IC 5-28-3 and the corporation's funds, accounts, and financial
22 affairs; and

23 (2) department of financial institutions established by
24 IC 28-11-1-1 and the department's funds, accounts, and financial
25 affairs;

26 shall be examined ~~biennially~~ by the state board of accounts.

27 (d) On every examination under this section, inquiry shall be made
28 as to the following:

29 (1) The financial condition and resources of each municipality,
30 office, institution, or entity.

31 (2) Whether the laws of the state and the uniform compliance
32 guidelines of the state board of accounts established under section
33 24 of this chapter have been complied with.

34 (3) The methods and accuracy of the accounts and reports of the
35 person examined.

36 The examinations ~~shall~~ **may** be made without notice.

37 (e) If during an examination of a state office under this chapter the
38 examiner encounters an inefficiency in the operation of the state office,
39 the examiner may comment on the inefficiency in the examiner's report.

40 (f) The state examiner, deputy examiners, any field examiner, or any
41 private examiner, when engaged in making any examination or when
42 engaged in any official duty devolved upon them by the state examiner,



- 1 is entitled to do the following:
- 2 (1) Enter into any state, county, city, township, or other public
- 3 office in this state, or any entity, agency, or instrumentality, and
- 4 examine any books, papers, documents, or electronically stored
- 5 information for the purpose of making an examination.
- 6 (2) Have access, in the presence of the custodian or the
- 7 custodian's deputy, to the cash drawers and cash in the custody of
- 8 the officer.
- 9 (3) During business hours, examine the public accounts in any
- 10 depository that has public funds in its custody pursuant to the
- 11 laws of this state.
- 12 (g) The state examiner, deputy examiner, or any field examiner,
- 13 when engaged in making any examination authorized by law, may issue
- 14 subpoenas for witnesses to appear before the examiner in person or to
- 15 produce books, papers, or other records (including records stored in
- 16 electronic data processing systems) for inspection and examination.
- 17 The state examiner, deputy examiner, and any field examiner may
- 18 administer oaths and examine witnesses under oath orally or by
- 19 interrogatories concerning the matters under investigation and
- 20 examination. Under the authority of the state examiner, the oral
- 21 examinations may be transcribed with the reasonable expense paid by
- 22 the examined person in the same manner as the compensation of the
- 23 field examiner is paid. The subpoenas shall be served by any person
- 24 authorized to serve civil process from any court in this state. If a
- 25 witness duly subpoenaed refuses to attend, refuses to produce
- 26 information required in the subpoena, or attends and refuses to be
- 27 sworn or affirmed, or to testify when called upon to do so, the examiner
- 28 may apply to the circuit court having jurisdiction of the witness for the
- 29 enforcement of attendance and answers to questions as provided by the
- 30 law governing the taking of depositions.
- 31 (h) ~~This subsection applies to audited years beginning after June 30,~~
- 32 ~~2009.~~ The definitions in IC 20-24-1 apply throughout this subsection.
- 33 Appropriations, public funds, taxes, and other sources of public money
- 34 received by a nonprofit corporation as a charter school or organizer of
- 35 a charter school for the purposes of a charter school may not be
- 36 counted for the purpose of applying subsection (b)(2). Unless the
- 37 nonprofit corporation receives other public money that would qualify
- 38 the nonprofit corporation for a full examination of all accounts and
- 39 financial affairs of the entity under subsection (b)(2), an examination
- 40 of a charter school or organizer of a charter school must be limited to
- 41 matters relevant to the use of the public money received for the charter
- 42 school. This subsection does not prohibit the state examiner, personally



1 or through the deputy examiners, field examiners, or private examiners,
 2 from examining the accounts in which appropriations, public funds,
 3 taxes, or other sources of public money are applied that are received by
 4 a nonprofit corporation as a charter school or organizer of a charter
 5 school relating to the operation of the charter school.

6 SECTION 12. IC 5-11-1-18 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. All examinations
 8 under this chapter ~~shall may~~ be made without notice to the officers
 9 whose accounts are to be examined, and without notice to any clerk,
 10 deputy, employee, or other person employed in or connected with the
 11 office or the business of such an officer. A person who recklessly
 12 communicates knowledge of any proposed examination of any public
 13 account:

14 **(1) that the board has determined to make without notice**
 15 **under this section; and**

16 **(2) to the officer in charge of the account or to any other**
 17 **unauthorized person;**

18 commits a Class B misdemeanor.

19 SECTION 13. IC 5-11-1-25 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 25. (a) **This section**
 21 **does not limit the application of any law that requires a**
 22 **municipality, a public hospital, another public office or public**
 23 **officer, an entity, or another person or organization to be audited**
 24 **or otherwise examined on an annual or other basis by:**

25 **(1) a certified public accountant; or**

26 **(2) a person other than the state examiner or the state board**
 27 **of accounts.**

28 **(b) Subject to section 9 of this chapter and subsections (c)**
 29 **through (d), the state board of accounts shall conduct examinations**
 30 **of audited entities at the times determined by the state board of**
 31 **accounts, but not less than once every four (4) years, using risk**
 32 **based examination criteria that are:**

33 **(1) established by the state board of accounts; and**

34 **(2) approved by the audit committee.**

35 **(c) Examinations under this chapter shall must be conducted**
 36 **annually for the following:**

37 **(1) the state.**

38 **(2) Cities.**

39 **(3) Counties.**

40 **(4) Towns with a population greater than five thousand (5,000).**

41 **(5) Public hospitals.**



1 (b) Subject to section 9 of this chapter, examinations under this
2 chapter shall be conducted biennially for:

3 (1) municipalities; and

4 (2) entities;

5 that are not listed in subsection (a).

6 **(d) As permitted under this section since September 1, 1986 (the**
7 **effective date of P.L.3-1986, SECTION 16), examinations of school**
8 **corporations shall be conducted biennially.**

9 SECTION 14. IC 5-11-5-1, AS AMENDED BY P.L.104-2014,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2015]: Sec. 1. (a) Whenever an examination is made under
12 this article, a report of the examination shall be made. The report must
13 include a list of findings and shall be signed and verified by the
14 examiner making the examination. A finding that is critical of an
15 examined entity must be based upon one (1) of the following:

16 (1) Failure of the entity to observe a uniform compliance
17 guideline established under IC 5-11-1-24(a).

18 (2) Failure of the entity to comply with a specific law.

19 A report that includes a finding that is critical of an examined entity
20 must designate the uniform compliance guideline or the specific law
21 upon which the finding is based. The reports shall immediately be filed
22 with the state examiner, and, after inspection of the report, the state
23 examiner shall immediately file one (1) copy with the officer or person
24 examined, one (1) copy with the auditing department of the
25 municipality examined and reported upon (if the subject of the report
26 is a municipality), and one (1) copy in an electronic format under
27 IC 5-14-6 with the legislative services agency, as staff to the audit
28 committee and the general assembly. Upon filing, the report becomes
29 a part of the public records of the office of the state examiner, of the
30 office or the person examined, of the auditing department of the
31 municipality examined and reported upon, and of the legislative
32 services agency, as staff to the audit committee and the general
33 assembly. A report is open to public inspection at all reasonable times
34 after it is filed. If an examination discloses malfeasance, misfeasance,
35 or nonfeasance in office or of any officer or employee, a copy of the
36 report, signed and verified, shall be placed by the state examiner with
37 the attorney general and the inspector general. The attorney general
38 shall diligently institute and prosecute civil proceedings against the
39 delinquent officer, or upon the officer's official bond, or both, and
40 against any other proper person that will secure to the state or to the
41 proper municipality the recovery of any funds misappropriated,
42 diverted, or unaccounted for.



1 (b) Before an examination report is signed, verified, and filed as
 2 required by subsection (a), the officer or the chief executive officer of
 3 the state office, municipality, or entity examined must have an
 4 opportunity to review the report and to file with the state examiner a
 5 written response to that report. If a written response is filed, it becomes
 6 a part of the examination report that is signed, verified, and filed as
 7 required by subsection (a).

8 (c) Except as ~~required~~ **provided** by subsections (b), ~~and (d), and (e),~~
 9 it is unlawful for any ~~deputy examiner, field examiner, or private~~
 10 ~~examiner, person,~~ before an examination report is made public as
 11 provided by this section, to make any disclosure of the result of any
 12 examination of any public account, except:

13 (1) to the state examiner; ~~or~~

14 (2) if directed to give publicity to the examination report by the
 15 state examiner or by any court;

16 (3) **to another deputy examiner, field examiner, or private**
 17 **examiner engaged in conducting the examination; or**

18 (4) **if directed by the state examiner, to the chair of the audit**
 19 **committee or the members of the audit committee acting in**
 20 **executive session, or both.**

21 If an examination report shows or discloses the commission of a crime
 22 by any person, it is the duty of the state examiner to transmit and
 23 present the examination report to the ~~grand jury prosecuting attorney~~
 24 of the county in which the crime was committed. ~~at its first session~~
 25 ~~after the making of the examination report and at any subsequent~~
 26 ~~sessions that may be required.~~ The state examiner shall furnish to the
 27 ~~grand jury prosecuting attorney~~ all evidence at the state examiner's
 28 command necessary in the investigation and prosecution of the crime.

29 (d) If, during an examination under this article, a deputy examiner,
 30 field examiner, or private examiner acting as an agent of the state
 31 examiner determines that the following conditions are satisfied, the
 32 examiner shall report the determination to the state examiner:

33 (1) A substantial amount of public funds has been
 34 misappropriated or diverted.

35 (2) The deputy examiner, field examiner, or private examiner
 36 acting as an agent of the state examiner has a reasonable belief
 37 that the malfeasance or misfeasance that resulted in the
 38 misappropriation or diversion of the public funds was committed
 39 by the officer or an employee of the office.

40 (e) After receiving a preliminary report under subsection (d), the
 41 state examiner may provide a copy of the report to the attorney general.
 42 The attorney general may institute and prosecute civil proceedings



1 against the delinquent officer or employee, or upon the officer's or
 2 employee's official bond, or both, and against any other proper person
 3 that will secure to the state or to the proper municipality the recovery
 4 of any funds misappropriated, diverted, or unaccounted for.

5 (f) In an action under subsection (e), the attorney general may attach
 6 the defendant's property under IC 34-25-2.

7 (g) ~~☆~~ **The results of an examination, including a preliminary**
 8 **report under subsection (d), is are confidential until the occurrence of**
 9 **the earliest of the following:**

10 (1) The final report **is made public** under subsection (a). ~~is~~
 11 ~~issued,~~

12 (2) **The results of the examination are publicized under**
 13 **subsection (c)(2).** ~~unless~~

14 (3) The attorney general institutes an action under subsection (e)
 15 on the basis of the preliminary report.

16 **Otherwise, a public agency (as defined in IC 5-14-3-2), a public**
 17 **employee, a public official, or an employee or officer of a**
 18 **contractor or subcontractor of a public agency that receives**
 19 **confidential results of an examination shall maintain the**
 20 **confidentiality of the results of an examination, regardless of**
 21 **whether the information is received orally, as a public record (as**
 22 **defined in IC 5-14-3-2), or by other means. Except as permitted in**
 23 **this section, a public agency (as defined in IC 5-14-3-2), a public**
 24 **employee, a public official, or an employee or officer of a**
 25 **contractor or subcontractor of a public agency that knowingly or**
 26 **intentionally communicates knowledge of the confidential results**
 27 **of an examination, regardless of the form in which the information**
 28 **is received, violates IC 5-14-3-10.**

29 (h) **Unless in accordance with a judicial order or as otherwise**
 30 **provided in this section, the state board of accounts, its employees,**
 31 **former employees, counsel, agents, or any other person may not**
 32 **divulge the examination workpapers and investigation records of**
 33 **a deputy examiner, a field examiner, or a private examiner acting**
 34 **as an agent of the state examiner, except to:**

35 (1) **employees and members of the state board of accounts;**

36 (2) **the audit committee;**

37 (3) **law enforcement officers, the attorney general, a**
 38 **prosecuting attorney, or any other legal representative of the**
 39 **state in any action with respect to the misappropriation or**
 40 **diversion of public funds; or**

41 (4) **an authorized representative of the United States;**



1 **unless the recipient described in subdivisions (1) through (4) enters**
 2 **into an agreement with the state board of accounts specifying that**
 3 **the examination workpapers and investigation records (and**
 4 **information contained in those workpapers and investigation**
 5 **records) shall be kept confidential and used solely for official**
 6 **purposes.**

7 SECTION 15. IC 5-14-3-4, AS AMENDED BY P.L.168-2014,
 8 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2015]: Sec. 4. (a) The following public records are excepted
 10 from section 3 of this chapter and may not be disclosed by a public
 11 agency, unless access to the records is specifically required by a state
 12 or federal statute or is ordered by a court under the rules of discovery:

- 13 (1) Those declared confidential by state statute.
 14 (2) Those declared confidential by rule adopted by a public
 15 agency under specific authority to classify public records as
 16 confidential granted to the public agency by statute.
 17 (3) Those required to be kept confidential by federal law.
 18 (4) Records containing trade secrets.
 19 (5) Confidential financial information obtained, upon request,
 20 from a person. However, this does not include information that is
 21 filed with or received by a public agency pursuant to state statute.
 22 (6) Information concerning research, including actual research
 23 documents, conducted under the auspices of a state educational
 24 institution, including information:
 25 (A) concerning any negotiations made with respect to the
 26 research; and
 27 (B) received from another party involved in the research.
 28 (7) Grade transcripts and license examination scores obtained as
 29 part of a licensure process.
 30 (8) Those declared confidential by or under rules adopted by the
 31 supreme court of Indiana.
 32 (9) Patient medical records and charts created by a provider,
 33 unless the patient gives written consent under IC 16-39 or as
 34 provided under IC 16-41-8.
 35 (10) Application information declared confidential by the board
 36 of the Indiana economic development corporation under
 37 IC 5-28-16.
 38 (11) A photograph, a video recording, or an audio recording of an
 39 autopsy, except as provided in IC 36-2-14-10.
 40 (12) A Social Security number contained in the records of a
 41 public agency.



1 (13) The following information that is part of a foreclosure action
2 subject to IC 32-30-10.5:

3 (A) Contact information for a debtor, as described in
4 IC 32-30-10.5-8(d)(1)(B).

5 (B) Any document submitted to the court as part of the debtor's
6 loss mitigation package under IC 32-30-10.5-10(a)(3).

7 **(14) The following information obtained from a call made to
8 a fraud hotline established under IC 36-1-8-8.5:**

9 **(A) The identity of any individual who makes a call to the
10 fraud hotline.**

11 **(B) A report, transcript, audio recording, or other
12 information concerning a call to the fraud hotline.**

13 **However, records described in this subdivision may be
14 disclosed to a law enforcement agency, the attorney general,
15 the inspector general, the state examiner, or a prosecuting
16 attorney.**

17 (b) Except as otherwise provided by subsection (a), the following
18 public records shall be excepted from section 3 of this chapter at the
19 discretion of a public agency:

20 (1) Investigatory records of law enforcement agencies. However,
21 certain law enforcement records must be made available for
22 inspection and copying as provided in section 5 of this chapter.

23 (2) The work product of an attorney representing, pursuant to
24 state employment or an appointment by a public agency:

25 (A) a public agency;

26 (B) the state; or

27 (C) an individual.

28 (3) Test questions, scoring keys, and other examination data used
29 in administering a licensing examination, examination for
30 employment, or academic examination before the examination is
31 given or if it is to be given again.

32 (4) Scores of tests if the person is identified by name and has not
33 consented to the release of the person's scores.

34 (5) The following:

35 (A) Records relating to negotiations between the Indiana
36 economic development corporation, the ports of Indiana, the
37 Indiana state department of agriculture, the Indiana finance
38 authority, an economic development commission, a local
39 economic development organization (as defined in
40 IC 5-28-11-2(3)), or a governing body of a political
41 subdivision with industrial, research, or commercial prospects,
42 if the records are created while negotiations are in progress.



- 1 (B) Notwithstanding clause (A), the terms of the final offer of
 2 public financial resources communicated by the Indiana
 3 economic development corporation, the ports of Indiana, the
 4 Indiana finance authority, an economic development
 5 commission, or a governing body of a political subdivision to
 6 an industrial, a research, or a commercial prospect shall be
 7 available for inspection and copying under section 3 of this
 8 chapter after negotiations with that prospect have terminated.
 9 (C) When disclosing a final offer under clause (B), the Indiana
 10 economic development corporation shall certify that the
 11 information being disclosed accurately and completely
 12 represents the terms of the final offer.
 13 (D) Notwithstanding clause (A), an incentive agreement with
 14 an incentive recipient shall be available for inspection and
 15 copying under section 3 of this chapter after the date the
 16 incentive recipient and the Indiana economic development
 17 corporation execute the incentive agreement regardless of
 18 whether negotiations are in progress with the recipient after
 19 that date regarding a modification or extension of the incentive
 20 agreement.
- 21 (6) Records that are intra-agency or interagency advisory or
 22 deliberative material, including material developed by a private
 23 contractor under a contract with a public agency, that are
 24 expressions of opinion or are of a speculative nature, and that are
 25 communicated for the purpose of decision making.
- 26 (7) Diaries, journals, or other personal notes serving as the
 27 functional equivalent of a diary or journal.
- 28 (8) Personnel files of public employees and files of applicants for
 29 public employment, except for:
- 30 (A) the name, compensation, job title, business address,
 31 business telephone number, job description, education and
 32 training background, previous work experience, or dates of
 33 first and last employment of present or former officers or
 34 employees of the agency;
- 35 (B) information relating to the status of any formal charges
 36 against the employee; and
- 37 (C) the factual basis for a disciplinary action in which final
 38 action has been taken and that resulted in the employee being
 39 suspended, demoted, or discharged.
- 40 However, all personnel file information shall be made available
 41 to the affected employee or the employee's representative. This
 42 subdivision does not apply to disclosure of personnel information



- 1 generally on all employees or for groups of employees without the
 2 request being particularized by employee name.
- 3 (9) Minutes or records of hospital medical staff meetings.
- 4 (10) Administrative or technical information that would
 5 jeopardize a record keeping or security system.
- 6 (11) Computer programs, computer codes, computer filing
 7 systems, and other software that are owned by the public agency
 8 or entrusted to it and portions of electronic maps entrusted to a
 9 public agency by a utility.
- 10 (12) Records specifically prepared for discussion or developed
 11 during discussion in an executive session under IC 5-14-1.5-6.1.
 12 However, this subdivision does not apply to that information
 13 required to be available for inspection and copying under
 14 subdivision (8).
- 15 (13) The work product of the legislative services agency under
 16 personnel rules approved by the legislative council.
- 17 (14) The work product of individual members and the partisan
 18 staffs of the general assembly.
- 19 (15) The identity of a donor of a gift made to a public agency if:
 20 (A) the donor requires nondisclosure of the donor's identity as
 21 a condition of making the gift; or
 22 (B) after the gift is made, the donor or a member of the donor's
 23 family requests nondisclosure.
- 24 (16) Library or archival records:
 25 (A) which can be used to identify any library patron; or
 26 (B) deposited with or acquired by a library upon a condition
 27 that the records be disclosed only:
 28 (i) to qualified researchers;
 29 (ii) after the passing of a period of years that is specified in
 30 the documents under which the deposit or acquisition is
 31 made; or
 32 (iii) after the death of persons specified at the time of the
 33 acquisition or deposit.
- 34 However, nothing in this subdivision shall limit or affect contracts
 35 entered into by the Indiana state library pursuant to IC 4-1-6-8.
- 36 (17) The identity of any person who contacts the bureau of motor
 37 vehicles concerning the ability of a driver to operate a motor
 38 vehicle safely and the medical records and evaluations made by
 39 the bureau of motor vehicles staff or members of the driver
 40 licensing medical advisory board regarding the ability of a driver
 41 to operate a motor vehicle safely. However, upon written request
 42 to the commissioner of the bureau of motor vehicles, the driver



- 1 must be given copies of the driver's medical records and
 2 evaluations.
- 3 (18) School safety and security measures, plans, and systems,
 4 including emergency preparedness plans developed under 511
 5 IAC 6.1-2-2.5.
- 6 (19) A record or a part of a record, the public disclosure of which
 7 would have a reasonable likelihood of threatening public safety
 8 by exposing a vulnerability to terrorist attack. A record described
 9 under this subdivision includes:
- 10 (A) a record assembled, prepared, or maintained to prevent,
 11 mitigate, or respond to an act of terrorism under IC 35-47-12-1
 12 or an act of agricultural terrorism under IC 35-47-12-2;
- 13 (B) vulnerability assessments;
- 14 (C) risk planning documents;
- 15 (D) needs assessments;
- 16 (E) threat assessments;
- 17 (F) intelligence assessments;
- 18 (G) domestic preparedness strategies;
- 19 (H) the location of community drinking water wells and
 20 surface water intakes;
- 21 (I) the emergency contact information of emergency
 22 responders and volunteers;
- 23 (J) infrastructure records that disclose the configuration of
 24 critical systems such as communication, electrical, ventilation,
 25 water, and wastewater systems;
- 26 (K) detailed drawings or specifications of structural elements,
 27 floor plans, and operating, utility, or security systems, whether
 28 in paper or electronic form, of any building or facility located
 29 on an airport (as defined in IC 8-21-1-1) that is owned,
 30 occupied, leased, or maintained by a public agency. A record
 31 described in this clause may not be released for public
 32 inspection by any public agency without the prior approval of
 33 the public agency that owns, occupies, leases, or maintains the
 34 airport. The public agency that owns, occupies, leases, or
 35 maintains the airport:
- 36 (i) is responsible for determining whether the public
 37 disclosure of a record or a part of a record has a reasonable
 38 likelihood of threatening public safety by exposing a
 39 vulnerability to terrorist attack; and
- 40 (ii) must identify a record described under item (i) and
 41 clearly mark the record as "confidential and not subject to



1 public disclosure under IC 5-14-3-4(b)(19)(J) without
 2 approval of (insert name of submitting public agency)"; and
 3 (L) the home address, home telephone number, and emergency
 4 contact information for any:

5 (i) emergency management worker (as defined in
 6 IC 10-14-3-3);

7 (ii) public safety officer (as defined in IC 35-47-4.5-3);

8 (iii) emergency medical responder (as defined in
 9 IC 16-18-2-109.8); or

10 (iv) advanced emergency medical technician (as defined in
 11 IC 16-18-2-6.5).

12 This subdivision does not apply to a record or portion of a record
 13 pertaining to a location or structure owned or protected by a
 14 public agency in the event that an act of terrorism under
 15 IC 35-47-12-1 or an act of agricultural terrorism under
 16 IC 35-47-12-2 has occurred at that location or structure, unless
 17 release of the record or portion of the record would have a
 18 reasonable likelihood of threatening public safety by exposing a
 19 vulnerability of other locations or structures to terrorist attack.

20 (20) The following personal information concerning a customer
 21 of a municipally owned utility (as defined in IC 8-1-2-1):

22 (A) Telephone number.

23 (B) Address.

24 (C) Social Security number.

25 (21) The following personal information about a complainant
 26 contained in records of a law enforcement agency:

27 (A) Telephone number.

28 (B) The complainant's address. However, if the complainant's
 29 address is the location of the suspected crime, infraction,
 30 accident, or complaint reported, the address shall be made
 31 available for public inspection and copying.

32 (22) Notwithstanding subdivision (8)(A), the name,
 33 compensation, job title, business address, business telephone
 34 number, job description, education and training background,
 35 previous work experience, or dates of first employment of a law
 36 enforcement officer who is operating in an undercover capacity.

37 (23) Records requested by an offender that:

38 (A) contain personal information relating to:

39 (i) a correctional officer (as defined in IC 5-10-10-1.5);

40 (ii) a law enforcement officer (as defined in
 41 IC 35-31.5-2-185);

42 (iii) a judge (as defined in IC 33-38-12-3);



- 1 (iv) the victim of a crime; or
 2 (v) a family member of a correctional officer, law
 3 enforcement officer (as defined in IC 35-31.5-2-185), judge
 4 (as defined in IC 33-38-12-3), or victim of a crime; or
 5 (B) concern or could affect the security of a jail or correctional
 6 facility.
 7 (24) Information concerning an individual less than eighteen (18)
 8 years of age who participates in a conference, meeting, program,
 9 or activity conducted or supervised by a state educational
 10 institution, including the following information regarding the
 11 individual or the individual's parent or guardian:
 12 (A) Name.
 13 (B) Address.
 14 (C) Telephone number.
 15 (D) Electronic mail account address.
 16 (25) Criminal intelligence information.
 17 (26) The following information contained in a report of unclaimed
 18 property under IC 32-34-1-26 or in a claim for unclaimed
 19 property under IC 32-34-1-36:
 20 (A) date of birth;
 21 (B) driver's license number;
 22 (C) taxpayer identification number;
 23 (D) employer identification number; or
 24 (E) account number.
 25 (c) Nothing contained in subsection (b) shall limit or affect the right
 26 of a person to inspect and copy a public record required or directed to
 27 be made by any statute or by any rule of a public agency.
 28 (d) Notwithstanding any other law, a public record that is classified
 29 as confidential, other than a record concerning an adoption or patient
 30 medical records, shall be made available for inspection and copying
 31 seventy-five (75) years after the creation of that record.
 32 (e) Only the content of a public record may form the basis for the
 33 adoption by any public agency of a rule or procedure creating an
 34 exception from disclosure under this section.
 35 (f) Except as provided by law, a public agency may not adopt a rule
 36 or procedure that creates an exception from disclosure under this
 37 section based upon whether a public record is stored or accessed using
 38 paper, electronic media, magnetic media, optical media, or other
 39 information storage technology.
 40 (g) Except as provided by law, a public agency may not adopt a rule
 41 or procedure nor impose any costs or liabilities that impede or restrict
 42 the reproduction or dissemination of any public record.



1 (h) Notwithstanding subsection (d) and section 7 of this chapter:

2 (1) public records subject to IC 5-15 may be destroyed only in
3 accordance with record retention schedules under IC 5-15; or

4 (2) public records not subject to IC 5-15 may be destroyed in the
5 ordinary course of business.

6 SECTION 16. IC 5-20-7-8, AS ADDED BY P.L.87-2011,
7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2015]: Sec. 8. The fund is subject to an ~~annual~~ audit by the
9 state board of accounts. The full costs of the audit shall be paid from
10 money in the fund.

11 SECTION 17. IC 5-22-10-3 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) A purchasing
13 agent shall maintain the contract records for a special purchase in a
14 separate file.

15 (b) A purchasing agent shall include in the contract file a written
16 determination of the basis for:

17 (1) the special purchase; and

18 (2) the selection of a particular contractor.

19 (c) Notwithstanding any other law, a governmental body shall
20 maintain a record listing all contracts made under this chapter for a
21 minimum of five (5) years. The record must contain the following
22 information:

23 (1) Each contractor's name.

24 (2) The amount and type of each contract.

25 (3) A description of the supplies purchased under each contract.

26 (d) The contract records for a special purchase are subject to ~~annual~~
27 audit by the state board of accounts.

28 SECTION 18. IC 5-28-3-2, AS ADDED BY P.L.4-2005, SECTION
29 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
30 2015]: Sec. 2. (a) The corporation is a body politic and corporate, not
31 a state agency but an independent instrumentality exercising essential
32 public functions.

33 (b) The corporation and the corporation's funds, accounts, and
34 financial affairs shall be examined ~~biennially~~ by the state board of
35 accounts ~~under IC 5-11~~ **as required by IC 5-11-1-9.**

36 SECTION 19. IC 5-28-5-13, AS ADDED BY P.L.4-2005,
37 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2015]: Sec. 13. (a) Notwithstanding section 12 of this chapter,
39 the board may establish a nonprofit subsidiary corporation to solicit
40 and accept private sector funding, gifts, donations, bequests, devises,
41 and contributions.

42 (b) A subsidiary corporation established under this section:



- 1 (1) must use money received under subsection (a) to carry out in
 2 any manner the purposes and programs under this article;
 3 (2) must report to the budget committee each year concerning:
 4 (A) the use of money received under subsection (a); and
 5 (B) the balances in any accounts or funds established by the
 6 subsidiary corporation; and
 7 (3) may deposit money received under subsection (a) in an
 8 account or fund that is:
 9 (A) administered by the subsidiary corporation; and
 10 (B) not part of the state treasury.
 11 (c) The state board of accounts shall ~~annually~~ audit a subsidiary
 12 corporation established under this section.
 13 SECTION 20. IC 5-28-18-7, AS AMENDED BY P.L.87-2011,
 14 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2015]: Sec. 7. (a) The small business development fund is
 16 established within the state treasury. The fund is a revolving fund to:
 17 (1) provide loans approved by the corporation under this chapter
 18 and IC 5-28-17; and
 19 (2) provide loans or loan guarantees under the small and minority
 20 business financial assistance program established by
 21 IC 5-28-20-9.
 22 (b) The fund consists of appropriations from the general assembly
 23 and loan repayments.
 24 (c) The corporation shall administer the fund. The following may be
 25 paid from money in the fund:
 26 (1) Expenses of administering the fund.
 27 (2) Nonrecurring administrative expenses incurred to carry out the
 28 purposes of this chapter and IC 5-28-20.
 29 (d) Earnings from loans made under this chapter shall be deposited
 30 in the fund.
 31 (e) The treasurer of state shall invest the money in the fund not
 32 currently needed to meet the obligations of the fund in the same
 33 manner as other public funds may be invested. Interest that accrues
 34 from these investments shall be deposited in the state general fund.
 35 (f) Money in the fund at the end of a state fiscal year does not revert
 36 to the state general fund.
 37 (g) The fund is subject to ~~an annual~~ audit by the state board of
 38 accounts. The fund shall bear the full costs of the audit.
 39 (h) With respect to loans or loan guarantees made from the fund
 40 before July 1, 2011, references in law or loan documents made to the
 41 microenterprise partnership program fund before July 1, 2011, shall be



1 construed after June 30, 2011, as references to the small business
2 development fund.

3 SECTION 21. IC 6-3.5-7-13.5, AS ADDED BY P.L.137-2006,
4 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2015]: Sec. 13.5. (a) The general assembly finds that counties
6 and municipalities in Indiana have a need to foster economic
7 development, the development of new technology, and industrial and
8 commercial growth. The general assembly finds that it is necessary and
9 proper to provide an alternative method for counties and municipalities
10 to foster the following:

- 11 (1) Economic development.
- 12 (2) The development of new technology.
- 13 (3) Industrial and commercial growth.
- 14 (4) Employment opportunities.
- 15 (5) The diversification of industry and commerce.

16 The fostering of economic development and the development of new
17 technology under this section or section 13.6 of this chapter for the
18 benefit of the general public, including industrial and commercial
19 enterprises, is a public purpose.

20 (b) The fiscal bodies of two (2) or more counties or municipalities
21 may, by resolution, do the following:

- 22 (1) Determine that part or all the taxes received by the units under
23 this chapter should be combined to foster:

- 24 (A) economic development;
- 25 (B) the development of new technology; and
- 26 (C) industrial and commercial growth.

- 27 (2) Establish a regional venture capital fund.

28 (c) Each unit participating in a regional venture capital fund
29 established under subsection (b) may deposit the following in the fund:

- 30 (1) Taxes distributed to the unit under this chapter.
- 31 (2) The proceeds of public or private grants.

32 (d) A regional venture capital fund shall be administered by a
33 governing board. The expenses of administering the fund shall be paid
34 from money in the fund. The governing board shall invest the money
35 in the fund not currently needed to meet the obligations of the fund in
36 the same manner as other public money may be invested. Interest that
37 accrues from these investments shall be deposited into the fund. The
38 fund is subject to an annual audit by the state board of accounts. The
39 fund shall bear the full costs of the audit.

40 (e) The fiscal body of each participating unit shall approve an
41 interlocal agreement created under IC 36-1-7 establishing the terms for



1 the administration of the regional venture capital fund. The terms must
2 include the following:

- 3 (1) The membership of the governing board.
- 4 (2) The amount of each unit's contribution to the fund.
- 5 (3) The procedures and criteria under which the governing board
6 may loan or grant money from the fund.
- 7 (4) The procedures for the dissolution of the fund and for the
8 distribution of money remaining in the fund at the time of the
9 dissolution.

10 (f) An interlocal agreement made by the participating units under
11 subsection (e) must provide that:

- 12 (1) each of the participating units is represented by at least one (1)
13 member of the governing board; and
- 14 (2) the membership of the governing board is established on a
15 bipartisan basis so that the number of the members of the
16 governing board who are members of one (1) political party may
17 not exceed the number of members of the governing board
18 required to establish a quorum.

19 (g) A majority of the governing board constitutes a quorum, and the
20 concurrence of a majority of the governing board is necessary to
21 authorize any action.

22 (h) An interlocal agreement made by the participating units under
23 subsection (e) must be submitted to the Indiana economic development
24 corporation for approval before the participating units may contribute
25 to the fund.

26 (i) A majority of members of a governing board of a regional
27 venture capital fund established under this section must have at least
28 five (5) years of experience in business, finance, or venture capital.

29 (j) The governing board of the fund may loan or grant money from
30 the fund to a private or public entity if the governing board finds that
31 the loan or grant will be used by the borrower or grantee for at least one
32 (1) of the following economic development purposes:

- 33 (1) To promote significant employment opportunities for the
34 residents of the units participating in the regional venture capital
35 fund.
- 36 (2) To attract a major new business enterprise to a participating
37 unit.
- 38 (3) To develop, retain, or expand a significant business enterprise
39 in a participating unit.

40 (k) The expenditures of a borrower or grantee of money from a
41 regional venture capital fund that are considered to be for an economic
42 development purpose include expenditures for any of the following:



- 1 (1) Research and development of technology.
- 2 (2) Job training and education.
- 3 (3) Acquisition of property interests.
- 4 (4) Infrastructure improvements.
- 5 (5) New buildings or structures.
- 6 (6) Rehabilitation, renovation, or enlargement of buildings or
- 7 structures.
- 8 (7) Machinery, equipment, and furnishings.
- 9 (8) Funding small business development with respect to:
 - 10 (A) prototype products or processes;
 - 11 (B) marketing studies to determine the feasibility of new
 - 12 products or processes; or
 - 13 (C) business plans for the development and production of new
 - 14 products or processes.
- 15 SECTION 22. IC 6-3.5-7-13.6, AS ADDED BY P.L.137-2006,
- 16 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 17 JULY 1, 2015]: Sec. 13.6. (a) The fiscal body of a county or
- 18 municipality may, by resolution, establish a local venture capital fund.
- 19 (b) A unit establishing a local venture capital fund under subsection
- 20 (a) may deposit the following in the fund:
 - 21 (1) Taxes distributed to the unit under this chapter.
 - 22 (2) The proceeds of public or private grants.
- 23 (c) A local venture capital fund shall be administered by a
- 24 governing board. The expenses of administering the fund shall be paid
- 25 from money in the fund. The governing board shall invest the money
- 26 in the fund not currently needed to meet the obligations of the fund in
- 27 the same manner as other public money may be invested. Interest that
- 28 accrues from these investments shall be deposited into the fund. The
- 29 fund is subject to ~~an annual~~ audit by the state board of accounts. The
- 30 fund shall bear the full costs of the audit.
- 31 (d) The fiscal body of a unit establishing a local venture capital fund
- 32 under subsection (a) shall establish the terms for the administration of
- 33 the local venture capital fund. The terms must include the following:
 - 34 (1) The membership of the governing board.
 - 35 (2) The amount of the unit's contribution to the fund.
 - 36 (3) The procedures and criteria under which the governing board
 - 37 may loan or grant money from the fund.
 - 38 (4) The procedures for the dissolution of the fund and for the
 - 39 distribution of money remaining in the fund at the time of the
 - 40 dissolution.



1 (e) A unit establishing a local venture capital fund under subsection
 2 (a) must be represented by at least one (1) member of the governing
 3 board.

4 (f) The membership of the governing board must be established on
 5 a bipartisan basis so that the number of the members of the governing
 6 board who are members of one (1) political party may not exceed the
 7 number of members of the governing board required to establish a
 8 quorum.

9 (g) A majority of the governing board constitutes a quorum, and the
 10 concurrence of a majority of the governing board is necessary to
 11 authorize any action.

12 (h) The terms established under subsection (d) for the
 13 administration of the local venture capital fund must be submitted to
 14 the Indiana economic development corporation for approval before a
 15 unit may contribute to the fund.

16 (i) A majority of members of a governing board of a local venture
 17 capital fund established under this section must have at least five (5)
 18 years of experience in business, finance, or venture capital.

19 (j) The governing board of the fund may loan or grant money from
 20 the fund to a private or public entity if the governing board finds that
 21 the loan or grant will be used by the borrower or grantee for at least one
 22 (1) of the following economic development purposes:

- 23 (1) To promote significant employment opportunities for the
- 24 residents of the unit establishing the local venture capital fund.
- 25 (2) To attract a major new business enterprise to the unit.
- 26 (3) To develop, retain, or expand a significant business enterprise
- 27 in the unit.

28 (k) The expenditures of a borrower or grantee of money from a local
 29 venture capital fund that are considered to be for an economic
 30 development purpose include expenditures for any of the following:

- 31 (1) Research and development of technology.
- 32 (2) Job training and education.
- 33 (3) Acquisition of property interests.
- 34 (4) Infrastructure improvements.
- 35 (5) New buildings or structures.
- 36 (6) Rehabilitation, renovation, or enlargement of buildings or
- 37 structures.
- 38 (7) Machinery, equipment, and furnishings.
- 39 (8) Funding small business development with respect to:
 - 40 (A) prototype products or processes;
 - 41 (B) marketing studies to determine the feasibility of new
 - 42 products or processes; or



1 (C) business plans for the development and production of new
2 products or processes.

3 SECTION 23. IC 6-8.1-3-6 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) The department
5 shall maintain, for a period of at least three (3) years, a record of all
6 monies received and disbursed, and copies of all returns filed with the
7 department.

8 (b) ~~At the end of each fiscal year,~~ The state board of accounts shall
9 audit the department's record of receipts and disbursements.

10 SECTION 24. IC 6-9-42-9, AS ADDED BY P.L.182-2009(ss),
11 SECTION 262, IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE JULY 1, 2015]: Sec. 9. The accounts, books, and records
13 of the complex are subject to ~~an annual~~ financial and compliance audit
14 by the state board of accounts.

15 SECTION 25. IC 8-1.5-3-14 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 14. (a) A municipally
17 owned utility under the jurisdiction of the commission for approval of
18 rates and charges and of the issuance of stocks, bonds, notes, or other
19 evidence of indebtedness shall file with the commission an annual
20 report of the operation of the plant on forms prescribed by the
21 commission. The annual reports shall be kept in the office of the
22 commission as a public record. A municipally owned utility that has
23 withdrawn from commission jurisdiction under IC 8-1-2-100 (before
24 its repeal on January 1, 1983) or section 9 or 9.1 of this chapter is not
25 required to file the annual report required by this section.

26 (b) The state board of accounts shall examine all accounts of every
27 municipally owned utility. ~~at regular intervals.~~ In the examination,
28 inquiry shall be made as to:

- 29 (1) the financial condition and resources of the utility;
30 (2) whether the laws of the state have been complied with; and
31 (3) the methods and accuracy of the accounts and reports of the
32 utilities examined.

33 The examination shall be made without notice, and its cost shall be
34 paid out of the funds of the utility.

35 SECTION 26. IC 8-10-1-22, AS AMENDED BY P.L.98-2008,
36 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2015]: Sec. 22. (a) The ports of Indiana shall cause an audit
38 of its books and accounts to be made at least once each year by
39 certified public accountants, and the cost thereof may be treated as a
40 part of the cost of construction or of operations of the ports and projects
41 of the ports of Indiana. The accounts, books, and records of the ports
42 of Indiana shall be audited ~~annually~~ by the state board of accounts, and



1 the cost of such audit may be treated as a part of the cost of
 2 construction or of operations of the ports and projects of the ports of
 3 Indiana.

4 (b) The ports of Indiana shall, following the close of each fiscal
 5 year, submit an annual report of its activities for the preceding year to
 6 the governor, the budget committee, and the general assembly. An
 7 annual report submitted under this section to the general assembly must
 8 be in an electronic format under IC 5-14-6. Each report shall set forth
 9 a complete operating and financial statement for the ports of Indiana
 10 during the fiscal year it covers.

11 SECTION 27. IC 9-15-3-1 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. The state board of
 13 accounts shall audit all accounts of the commission. ~~annually.~~

14 SECTION 28. IC 9-16-5-1 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. The state board of
 16 accounts shall ~~conduct an annual~~ audit of each account of each license
 17 branch operated under this article. An audit prepared under this section
 18 is a public record.

19 SECTION 29. IC 13-23-7-7 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. ~~Not later than~~
 21 ~~December 31, 1996, and every two (2) years thereafter,~~ The state board
 22 of accounts shall ~~conduct an~~ audit of the excess liability trust fund.

23 SECTION 30. IC 14-13-1-41, AS AMENDED BY P.L.13-2013,
 24 SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2015]: Sec. 41. (a) The commission may establish a nonprofit
 26 subsidiary corporation that is exempt from federal income taxation
 27 under Section 501(c)(3) of the Internal Revenue Code, to solicit and
 28 accept private funding, gifts, donations, bequests, devises, and
 29 contributions.

30 (b) A subsidiary corporation established under this section:

31 (1) shall use money received under subsection (a) to carry out in
 32 any manner the purposes of and programs under this chapter;

33 (2) shall report to the budget committee each year concerning:

34 (A) the use of money received under subsection (a); and

35 (B) the balances in any accounts or funds established by the
 36 subsidiary corporation; and

37 (3) may deposit money received under subsection (a) in an
 38 account or fund that is:

39 (A) administered by the subsidiary corporation; and

40 (B) not part of the state treasury.

41 (c) A subsidiary corporation established under this section shall be
 42 governed by a board of directors comprised of:



- 1 (1) the members of the commission appointed under section 6 of
 2 this chapter; and
 3 (2) any other directors that the members of the commission
 4 appoint.
- 5 (d) Employees of the commission shall provide administrative
 6 support for a subsidiary corporation established under this section.
- 7 (e) The state board of accounts shall ~~annually~~ audit a subsidiary
 8 corporation established under this section.
- 9 SECTION 31. IC 14-13-2-30, AS ADDED BY P.L.181-2009,
 10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2015]: Sec. 30. The commission is responsible for the
 12 safekeeping and deposit of money the commission receives under this
 13 chapter. The state board of accounts shall:
 14 (1) prescribe the methods and forms for the keeping of; and
 15 (2) ~~annually~~ audit;
 16 the accounts, records, and books of the commission and fund.
- 17 SECTION 32. IC 14-14-1-44 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 44. (a) The:
 19 (1) commission shall have an audit of the commission's books and
 20 accounts to be made at least one (1) time each year by certified
 21 public accountants; and
 22 (2) state board of accounts shall audit ~~annually~~ the accounts,
 23 books, and records of the commission.
- 24 (b) The cost of the audits may be treated as a part of the
 25 administrative expense of the commission.
- 26 SECTION 33. IC 15-13-3-11, AS AMENDED BY P.L.6-2012,
 27 SECTION 108, IS AMENDED TO READ AS FOLLOWS
 28 [EFFECTIVE JULY 1, 2015]: Sec. 11. (a) The commission may
 29 establish a nonprofit subsidiary corporation that is exempt from federal
 30 income taxation under Section 501(c)(3) of the Internal Revenue Code,
 31 to solicit and accept private funding, gifts, donations, bequests, devises,
 32 and contributions.
- 33 (b) A subsidiary corporation established under this section:
 34 (1) shall use money received under subsection (a) to carry out in
 35 any manner the purposes and programs under this article;
 36 (2) shall report to the budget committee each year concerning:
 37 (A) the use of money received under subsection (a); and
 38 (B) the balances in any accounts or funds established by the
 39 subsidiary corporation; and
 40 (3) may deposit money received under subsection (a) in an
 41 account or fund that is:
 42 (A) administered by the subsidiary corporation; and



- 1 (B) not part of the state treasury.
- 2 (c) A subsidiary corporation established under this section is
3 governed by a board of directors comprised of the members of the
4 commission.
- 5 (d) Employees of the commission shall provide administrative
6 support for a subsidiary corporation established under this section.
- 7 (e) The state board of accounts shall ~~annually~~ audit a subsidiary
8 corporation established under this section.
- 9 SECTION 34. IC 16-19-3-30, AS ADDED BY P.L.191-2013,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2015]: Sec. 30. (a) The state department may establish a
12 nonprofit subsidiary corporation that is exempt from federal income
13 taxation under Section 501(c)(3) of the Internal Revenue Code, to
14 solicit and accept private funding, gifts, donations, bequests, devises,
15 and contributions.
- 16 (b) A subsidiary corporation established under this section:
17 (1) shall use money received under subsection (a) to carry out in
18 any manner the purposes and programs of the state department,
19 which may include programs intended to reduce infant mortality,
20 increase childhood immunizations, reduce obesity, and reduce
21 smoking rates;
22 (2) shall report to the budget committee each year concerning:
23 (A) the use of money received under subsection (a); and
24 (B) the balances in any accounts or funds established by the
25 subsidiary corporation; and
26 (3) may deposit money received under subsection (a) in an
27 account or fund that is:
28 (A) administered by the subsidiary corporation; and
29 (B) not part of the state treasury.
- 30 (c) A subsidiary corporation established under this section is
31 governed by a board of directors comprised of members appointed by
32 the governor. Employees of the state department may serve on the
33 board of directors.
- 34 (d) Employees of the state department shall provide administrative
35 support for a subsidiary corporation established under this section.
36 Employees of the state department directly involved in the subsidiary
37 corporation established under this section may engage in fundraising
38 activities on behalf of the subsidiary corporation.
- 39 (e) The state board of accounts shall ~~annually~~ audit a subsidiary
40 corporation established under this section.
- 41 SECTION 35. IC 20-39-3-4, AS ADDED BY P.L.2-2006,
42 SECTION 162, IS AMENDED TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2015]: Sec. 4. The state board of accounts shall
 2 prescribe accounting forms to be used by the county committees (as
 3 defined in IC 20-23-4-4) and shall audit the financial records of each
 4 county committee (as defined in IC 20-23-4-4). ~~at least once every~~
 5 ~~three (3) years.~~

6 SECTION 36. IC 20-49-3-14, AS ADDED BY P.L.2-2006,
 7 SECTION 172, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2015]: Sec. 14. ~~A field examiner assigned by~~
 9 The state ~~examiner board of accounts~~ shall ~~annually~~ examine the
 10 status of the fund. Upon completion of the examination, the examiner
 11 performing the duty shall prepare a report of the examination. The
 12 report must show:

- 13 (1) all necessary pertinent information;
- 14 (2) the balance of the fund's principal at the close of the previous
 15 examination;
- 16 (3) the amount of interest and principal paid by each county to the
 17 state board of finance since the close of the previous examination;
- 18 (4) the balance of principal due at the date of the closing of the
 19 report;
- 20 (5) a statement of receipts and disbursements by the state board
 21 of finance;
- 22 (6) a list of the securities found to be in the possession of the state
 23 board of finance;
- 24 (7) the amount of each security; and
- 25 (8) the total amount of all the securities held in custody.

26 The appropriate officer of the state board of finance shall sign the list
 27 described in subdivision (6) in duplicate. The original signed list shall
 28 be deposited with the state board of accounts, and the duplicate of the
 29 signed list shall be kept in the files of the treasurer of state.

30 SECTION 37. IC 21-7-14-7, AS ADDED BY P.L.2-2007,
 31 SECTION 244, IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2015]: Sec. 7. The state board of accounts shall
 33 ~~annually~~ examine the status of the fund. ~~by a field examiner or field~~
 34 ~~examiners assigned by the state examiner.~~ Upon the completion of the
 35 examination, the examiners performing the duty shall prepare a report
 36 of the examination. The report must show:

- 37 (1) all necessary, pertinent information;
- 38 (2) the balance of the fund's principal at the close of the previous
 39 examination;
- 40 (3) the amount of interest and principal paid by each county to the
 41 state board of finance since the close of the previous examination;



- 1 (4) the balance of principal due at the date of closing of the
 2 report;
 3 (5) a statement of receipts and disbursements by the state board
 4 of finance;
 5 (6) a list of the securities found to be possessed by the state board
 6 of finance;
 7 (7) the amount of each security; and
 8 (8) the total amount of all the securities held in custody.
- 9 The appropriate officer of the state board of finance shall sign the list
 10 described in subdivision (6) in duplicate. The original signed list shall
 11 be deposited with the state board of accounts, and the duplicate of the
 12 signed list shall be kept in the files of the treasurer of state.
- 13 SECTION 38. IC 21-16-5-6, AS ADDED BY P.L.2-2007,
 14 SECTION 257, IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JULY 1, 2015]: Sec. 6. The corporation is subject to ~~an~~
 16 ~~annual~~ audit by the state board of accounts. The corporation shall bear
 17 the full costs of this audit.
- 18 SECTION 39. IC 22-14-6-7, AS ADDED BY P.L.107-2007,
 19 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2015]: Sec. 7. The fund is subject to ~~an annual~~ audit by the
 21 state board of accounts. The fund shall pay all costs of the audit.
- 22 SECTION 40. IC 28-11-1-1, AS AMENDED BY P.L.6-2012,
 23 SECTION 200, IS AMENDED TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) The department of financial
 25 institutions is established.
- 26 (b) The department:
 27 (1) is an independent agency in the executive branch of state
 28 government; and
 29 (2) exercises essential public functions.
- 30 (c) The expenses of the department in administering the financial
 31 institutions subject to the department's oversight are paid by financial
 32 institutions through fees established by the department under
 33 IC 28-11-3-5.
- 34 (d) Subject to subsection (e), the department's regulatory and
 35 budgetary functions are not subject to oversight by the following:
 36 (1) The office of management and budget (notwithstanding
 37 IC 4-3-22-14).
 38 (2) The budget agency (notwithstanding IC 4-12-1).
 39 (3) The state personnel department (notwithstanding IC 4-15-2.2).
 40 (4) The Indiana department of administration (notwithstanding
 41 IC 4-13-1).
 42 (5) The office of technology (notwithstanding IC 4-13.1).



1 (e) The department's funds, accounts, and financial affairs shall be
 2 examined ~~biennially~~ by the state board of accounts. ~~under~~
 3 ~~IC 5-11-1-9(c)~~.

4 SECTION 41. IC 33-44-7-15 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. The state board of
 6 accounts shall ~~conduct an~~ audit of the fund at ~~least one (1) time during~~
 7 ~~each year~~ to ensure that the fund is administered as required by this
 8 chapter. The state board of accounts may conduct audits of qualified
 9 legal services providers, law school clinics, and programs or projects
 10 in the public interest that assist in the improvement of the
 11 administration of justice as the state board of accounts considers
 12 necessary to ensure that the money distributed to qualified legal
 13 services providers, law school clinics, and programs or projects in the
 14 public interest that assist in the improvement of the administration of
 15 justice is being used as required by this article.

16 SECTION 42. IC 36-1-8-8.5 IS ADDED TO THE INDIANA CODE
 17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 18 1, 2015]: **Sec. 8.5. An executive or a fiscal officer of a unit may**
 19 **establish a fraud hotline telephone number maintained by the unit**
 20 **that the public may use to report suspected fraudulent activity**
 21 **concerning officers or employees of the unit, including misuse of**
 22 **public funds.**

23 SECTION 43. IC 36-7-23-47 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 47. The funds and
 25 accounts of the authority are subject to ~~an annual~~ audit by the state
 26 board of accounts.

27 SECTION 44. IC 36-8-16.6-16, AS ADDED BY P.L.113-2010,
 28 SECTION 151, IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) A seller is subject to the
 30 same audit and appeal procedures with respect to the collection and
 31 remittance of enhanced prepaid wireless charges as with collection and
 32 remittance of the state gross retail tax under IC 6-2.5.

33 (b) An audit under subsection (a) must be conducted **either:**

- 34 **(1) jointly by the department of state revenue and the board; or**
 35 **(2) by an independent auditor engaged by the board to**
 36 **conduct the audit.**

37 SECTION 45. IC 36-8-16.7-30, AS ADDED BY P.L.132-2012,
 38 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2015]: Sec. 30. (a) The state board of accounts shall audit the
 40 fund ~~on an annual~~ basis to determine whether the fund is being
 41 managed in accordance with this chapter. ~~For each of the two (2) state~~
 42 ~~fiscal years ending:~~



- 1 (A) June 30, 2013; and
 2 (B) June 30, 2014;
 3 the state board of accounts shall submit, not later than November 1 of
 4 each year during which the particular state fiscal year ends, a report of
 5 the audit required by this subsection to the budget committee for the
 6 budget committee's review. A report submitted under this subsection
 7 must be in an electronic format under IC 5-14-6.
 8 (b) ~~On an annual basis; and~~ In conjunction with the board's review
 9 under section 38(d) of this chapter of the state board of accounts'
 10 ~~annual~~ audit of PSAPs, the board shall review 911 service in Indiana,
 11 including the collection, disbursement, and use of the statewide 911 fee
 12 assessed under section 32 of this chapter. The purpose of the review is
 13 to ensure that the statewide 911 fee:
 14 (1) does not exceed the amount reasonably necessary to provide
 15 adequate and efficient 911 service; and
 16 (2) is used only for the purposes set forth in this chapter.
 17 (c) ~~For each of the two (2) calendar years ending:~~
 18 (A) ~~December 31, 2013; and~~
 19 (B) ~~December 31, 2014;~~
 20 the board shall submit, not later than March 1 of the year immediately
 21 following the particular calendar year, a summary report of the board's
 22 findings under the review required by subsection (b) to the budget
 23 committee for the budget committee's review. A report submitted under
 24 this subsection must be in an electronic format under IC 5-14-6.
 25 SECTION 46. IC 36-8-16.7-38, AS ADDED BY P.L.132-2012,
 26 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2015]: Sec. 38. (a) A PSAP may use a distribution from a
 28 county under this chapter only for the following:
 29 (1) The lease, purchase, or maintenance of communications
 30 service equipment.
 31 (2) Necessary system hardware and software and data base
 32 equipment.
 33 (3) Personnel expenses, including wages, benefits, training, and
 34 continuing education, only to the extent reasonable and necessary
 35 for the provision and maintenance of:
 36 (A) the statewide 911 system; or
 37 (B) a wireline enhanced emergency telephone system funded
 38 under IC 36-8-16 (before its repeal on July 1, 2012).
 39 (4) Operational costs, including costs associated with:
 40 (A) utilities;
 41 (B) maintenance;



- 1 (C) equipment designed to provide backup power or system
 2 redundancy, including generators; and
 3 (D) call logging equipment.
- 4 (5) An emergency notification system that is approved by the
 5 board under section 40 of this chapter.
- 6 (6) Connectivity to the Indiana data and communications system
 7 (IDACS).
- 8 (7) Rates associated with communications service providers'
 9 enhanced emergency communications system network services.
- 10 (8) Mobile radio equipment used by first responders, other than
 11 radio equipment purchased under subdivision (9) as a result of the
 12 narrow banding requirements specified by the Federal
 13 Communications Commission.
- 14 (9) Up to fifty percent (50%) of the costs associated with the
 15 narrow banding or replacement of radios or other equipment as a
 16 result of the narrow banding requirements specified by the
 17 Federal Communications Commission.
- 18 (b) A PSAP may not use a distribution from a county under this
 19 chapter for the following:
- 20 (1) The construction, purchase, renovation, or furnishing of PSAP
 21 buildings.
- 22 (2) Vehicles.
- 23 (c) Not later than January 31 of each year, each PSAP shall submit
 24 to the board a report of the following:
- 25 (1) All expenditures made during the immediately preceding
 26 calendar year from distributions under this chapter.
- 27 (2) Call data and statistics for the immediately preceding calendar
 28 year, as specified by the board and collected in accordance with
 29 any reporting method established or required by the board.
- 30 (d) ~~Beginning in 2013~~; The state board of accounts ~~annually~~ shall
 31 audit the expenditures of distributions under this chapter ~~made during~~
 32 ~~the immediately preceding calendar year~~ by each PSAP that receives
 33 distributions under this chapter. In conducting an audit under this
 34 subsection, the state board of accounts shall determine, in conjunction
 35 with the board, whether the expenditures made by each PSAP are in
 36 compliance with subsections (a) and (b). The board shall review and
 37 further audit any ineligible expenditure identified by the state board of
 38 accounts under this subsection or through any other report. If the board
 39 verifies that the expenditure did not comply with this section, the board
 40 shall ensure that the fund is reimbursed in the dollar amount of the
 41 noncomplying expenditure from any source of funding, other than a



1 fund described in subsection ~~(f)~~; **(e)**, that is available to the PSAP or to
 2 a unit in which the PSAP is located.

3 **(e)** For each of the two ~~(2)~~ calendar years ending:

4 ~~(A) December 31, 2013; and~~

5 ~~(B) December 31, 2014;~~

6 the state board of accounts shall submit, not later than March 1 of the
 7 year immediately following the particular calendar year, a summary
 8 report of the audits required by subsection ~~(d)~~ for the particular
 9 calendar year to the budget committee for the budget committee's
 10 review. A report submitted under this subsection must be in an
 11 electronic format under IC 5-14-6.

12 ~~(f)~~ **(e)** A distribution under section 37(a)(2) of this chapter must be
 13 deposited by the treasurer of the county in a separate fund set aside for
 14 the purposes allowed by subsections (a) and (b). The fund must be
 15 known as the _____ (insert name of county) 911 fund. The county
 16 treasurer may invest money in the fund in the same manner that other
 17 money of the county may be invested, but income earned from the
 18 investment must be deposited in the fund set aside under this
 19 subsection.

20 SECTION 47. IC 36-10-9-9, AS AMENDED BY P.L. 182-2009(ss),
 21 SECTION 457, IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE JULY 1, 2015]: Sec. 9. (a) The treasurer of the board is
 23 the official custodian of all funds and assets of the board and is
 24 responsible for their safeguarding and accounting. The treasurer shall
 25 give bond for the faithful performance and discharge of all duties
 26 required of the treasurer by law in the amount and with surety and other
 27 conditions that may be prescribed and approved by the board. All funds
 28 and assets in the capital improvement fund and the capital
 29 improvement bond fund created by this chapter and all other funds,
 30 assets, and tax revenues held, collected, or received by the treasurer of
 31 the county for the use of the board shall be promptly remitted and paid
 32 over by the county treasurer to the treasurer of the board, who shall
 33 issue receipts for them.

34 (b) The treasurer of the board shall deposit all funds coming into the
 35 treasurer's hands as required by this chapter and by IC 6-7-1-30.1, and
 36 in accordance with IC 5-13. Money so deposited may be invested and
 37 reinvested by the treasurer in accordance with general statutes relating
 38 to the investment of public funds and in securities that the board
 39 specifically directs. All interest and other income earned on
 40 investments becomes a part of the particular fund from which the
 41 money was invested, except as provided in a resolution, ordinance, or
 42 trust agreement providing for the issuance of bonds or notes. All funds



1 invested in deposit accounts as provided in IC 5-13-9 must be insured
2 under IC 5-13-12.

3 (c) The board shall appoint a controller to act as the auditor and
4 assistant treasurer of the board. The controller shall serve as the official
5 custodian of all books of account and other financial records of the
6 board and has the same powers and duties as the treasurer of the board
7 or the lesser powers and duties that the board prescribes. The controller
8 and any other employee or member of the board authorized to receive,
9 collect, or expend money, shall give bond for the faithful performance
10 and discharge of all duties required of the controller in the amount and
11 with surety and other conditions that may be prescribed and approved
12 by the board. The controller shall keep an accurate account of all
13 money due the board and of all money received, invested, and
14 disbursed in accordance with generally recognized governmental
15 accounting principles and procedure. All accounting forms and records
16 shall be prescribed or approved by the state board of accounts.

17 (d) The controller shall issue all warrants for the payment of money
18 from the funds of the board in accordance with procedures prescribed
19 by the board but a warrant may not be issued for the payment of a claim
20 until an itemized and verified statement of the claim has been filed with
21 the controller, who may require evidence that all amounts claimed are
22 justly due. All warrants shall be countersigned by the treasurer of the
23 board or by the executive manager. Warrants may be executed with
24 facsimile signatures.

25 (e) If there are bonds or notes outstanding issued under this chapter,
26 the controller shall deposit with the paying agent or other paying officer
27 within a reasonable period before the date that any principal or interest
28 becomes due sufficient money for the payment of the principal and
29 interest on the due dates. The controller shall make the deposit with
30 money from the sources provided in this chapter, and he shall make the
31 deposit in an amount that, together with other money available for the
32 payment of the principal and interest, is sufficient to make the payment.
33 In addition, the controller shall make other deposits for the bonds and
34 notes as is required by this chapter or by the resolutions, ordinances, or
35 trust agreements under which the bonds or notes are issued.

36 (f) The controller shall submit to the board at least annually a report
37 of the board's accounts exhibiting the revenues, receipts, and
38 disbursements and the sources from which the revenues and receipts
39 were derived and the purpose and manner in which they were
40 disbursed. The board may require that the report be prepared by an
41 independent certified public accountant designated by the board. The
42 state board of accounts shall audit annually the accounts, books, and



1 records of the board and prepare a financial report and a compliance
2 audit report. The board shall submit to the city-county legislative body
3 financial and compliance reports of the state board of accounts. The
4 board shall post the reports of the state board of accounts on the board's
5 Internet web site. The city-county legislative body shall discuss the
6 financial and compliance reports of the state board of accounts in a
7 public hearing. The handling and expenditure of funds is subject to
8 supervision by the state board of accounts.



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 326, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 9, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 10. IC 5-11-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. The state board of accounts shall formulate, prescribe, and approve the forms for reports required to be made by this chapter. ~~The state examiner shall annually furnish to the officers required to make reports by this chapter such printed blanks and forms, on which shall be indicated the information required, together with suitable printed instructions for filling out the same.~~"

Page 10, line 18, strike "biennially".

Page 10, line 28, strike "shall" and insert "**may**".

Page 11, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 12. IC 5-11-1-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. All examinations under this chapter ~~shall~~ **may** be made without notice to the officers whose accounts are to be examined, and without notice to any clerk, deputy, employee, or other person employed in or connected with the office or the business of such an officer. A person who recklessly communicates knowledge of any proposed examination of any public account:

(1) that the board has determined to make without notice under this section; and

(2) to the officer in charge of the account or to any other unauthorized person;

commits a Class B misdemeanor."

Page 15, between lines 6 and 7, begin a new paragraph and insert:

"(h) Unless in accordance with a judicial order or as otherwise provided in this section, the state board of accounts, its employees, former employees, counsel, agents, or any other person may not divulge the examination workpapers and investigation records of a deputy examiner, a field examiner, or a private examiner acting as an agent of the state examiner, except to:

(1) employees and members of the state board of accounts;

(2) the audit committee;

(3) law enforcement officers, the attorney general, a prosecuting attorney, or any other legal representative of the



state in any action with respect to the misappropriation or diversion of public funds; or

(4) an authorized representative of the United States;

unless the recipient described in subdivisions (1) through (4) enters into an agreement with the state board of accounts specifying that the examination workpapers and investigation records (and information contained in those workpapers and investigation records) shall be kept confidential and used solely for official purposes.

SECTION 15. IC 5-14-3-4, AS AMENDED BY P.L.168-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The following public records are excepted from section 3 of this chapter and may not be disclosed by a public agency, unless access to the records is specifically required by a state or federal statute or is ordered by a court under the rules of discovery:

- (1) Those declared confidential by state statute.
- (2) Those declared confidential by rule adopted by a public agency under specific authority to classify public records as confidential granted to the public agency by statute.
- (3) Those required to be kept confidential by federal law.
- (4) Records containing trade secrets.
- (5) Confidential financial information obtained, upon request, from a person. However, this does not include information that is filed with or received by a public agency pursuant to state statute.
- (6) Information concerning research, including actual research documents, conducted under the auspices of a state educational institution, including information:
 - (A) concerning any negotiations made with respect to the research; and
 - (B) received from another party involved in the research.
- (7) Grade transcripts and license examination scores obtained as part of a licensure process.
- (8) Those declared confidential by or under rules adopted by the supreme court of Indiana.
- (9) Patient medical records and charts created by a provider, unless the patient gives written consent under IC 16-39 or as provided under IC 16-41-8.
- (10) Application information declared confidential by the board of the Indiana economic development corporation under IC 5-28-16.
- (11) A photograph, a video recording, or an audio recording of an autopsy, except as provided in IC 36-2-14-10.



(12) A Social Security number contained in the records of a public agency.

(13) The following information that is part of a foreclosure action subject to IC 32-30-10.5:

(A) Contact information for a debtor, as described in IC 32-30-10.5-8(d)(1)(B).

(B) Any document submitted to the court as part of the debtor's loss mitigation package under IC 32-30-10.5-10(a)(3).

(14) The following information obtained from a call made to a fraud hotline established under IC 36-1-8-8.5:

(A) The identity of any individual who makes a call to the fraud hotline.

(B) A report, transcript, audio recording, or other information concerning a call to the fraud hotline.

However, records described in this subdivision may be disclosed to a law enforcement agency, the attorney general, the inspector general, the state examiner, or a prosecuting attorney.

(b) Except as otherwise provided by subsection (a), the following public records shall be excepted from section 3 of this chapter at the discretion of a public agency:

(1) Investigatory records of law enforcement agencies. However, certain law enforcement records must be made available for inspection and copying as provided in section 5 of this chapter.

(2) The work product of an attorney representing, pursuant to state employment or an appointment by a public agency:

(A) a public agency;

(B) the state; or

(C) an individual.

(3) Test questions, scoring keys, and other examination data used in administering a licensing examination, examination for employment, or academic examination before the examination is given or if it is to be given again.

(4) Scores of tests if the person is identified by name and has not consented to the release of the person's scores.

(5) The following:

(A) Records relating to negotiations between the Indiana economic development corporation, the ports of Indiana, the Indiana state department of agriculture, the Indiana finance authority, an economic development commission, a local economic development organization (as defined in IC 5-28-11-2(3)), or a governing body of a political



subdivision with industrial, research, or commercial prospects, if the records are created while negotiations are in progress.

(B) Notwithstanding clause (A), the terms of the final offer of public financial resources communicated by the Indiana economic development corporation, the ports of Indiana, the Indiana finance authority, an economic development commission, or a governing body of a political subdivision to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

(C) When disclosing a final offer under clause (B), the Indiana economic development corporation shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

(D) Notwithstanding clause (A), an incentive agreement with an incentive recipient shall be available for inspection and copying under section 3 of this chapter after the date the incentive recipient and the Indiana economic development corporation execute the incentive agreement regardless of whether negotiations are in progress with the recipient after that date regarding a modification or extension of the incentive agreement.

(6) Records that are intra-agency or interagency advisory or deliberative material, including material developed by a private contractor under a contract with a public agency, that are expressions of opinion or are of a speculative nature, and that are communicated for the purpose of decision making.

(7) Diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal.

(8) Personnel files of public employees and files of applicants for public employment, except for:

(A) the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first and last employment of present or former officers or employees of the agency;

(B) information relating to the status of any formal charges against the employee; and

(C) the factual basis for a disciplinary action in which final action has been taken and that resulted in the employee being suspended, demoted, or discharged.



However, all personnel file information shall be made available to the affected employee or the employee's representative. This subdivision does not apply to disclosure of personnel information generally on all employees or for groups of employees without the request being particularized by employee name.

- (9) Minutes or records of hospital medical staff meetings.
 - (10) Administrative or technical information that would jeopardize a record keeping or security system.
 - (11) Computer programs, computer codes, computer filing systems, and other software that are owned by the public agency or entrusted to it and portions of electronic maps entrusted to a public agency by a utility.
 - (12) Records specifically prepared for discussion or developed during discussion in an executive session under IC 5-14-1.5-6.1. However, this subdivision does not apply to that information required to be available for inspection and copying under subdivision (8).
 - (13) The work product of the legislative services agency under personnel rules approved by the legislative council.
 - (14) The work product of individual members and the partisan staffs of the general assembly.
 - (15) The identity of a donor of a gift made to a public agency if:
 - (A) the donor requires nondisclosure of the donor's identity as a condition of making the gift; or
 - (B) after the gift is made, the donor or a member of the donor's family requests nondisclosure.
 - (16) Library or archival records:
 - (A) which can be used to identify any library patron; or
 - (B) deposited with or acquired by a library upon a condition that the records be disclosed only:
 - (i) to qualified researchers;
 - (ii) after the passing of a period of years that is specified in the documents under which the deposit or acquisition is made; or
 - (iii) after the death of persons specified at the time of the acquisition or deposit.
- However, nothing in this subdivision shall limit or affect contracts entered into by the Indiana state library pursuant to IC 4-1-6-8.
- (17) The identity of any person who contacts the bureau of motor vehicles concerning the ability of a driver to operate a motor vehicle safely and the medical records and evaluations made by the bureau of motor vehicles staff or members of the driver



licensing medical advisory board regarding the ability of a driver to operate a motor vehicle safely. However, upon written request to the commissioner of the bureau of motor vehicles, the driver must be given copies of the driver's medical records and evaluations.

(18) School safety and security measures, plans, and systems, including emergency preparedness plans developed under 511 IAC 6.1-2-2.5.

(19) A record or a part of a record, the public disclosure of which would have a reasonable likelihood of threatening public safety by exposing a vulnerability to terrorist attack. A record described under this subdivision includes:

- (A) a record assembled, prepared, or maintained to prevent, mitigate, or respond to an act of terrorism under IC 35-47-12-1 or an act of agricultural terrorism under IC 35-47-12-2;
- (B) vulnerability assessments;
- (C) risk planning documents;
- (D) needs assessments;
- (E) threat assessments;
- (F) intelligence assessments;
- (G) domestic preparedness strategies;
- (H) the location of community drinking water wells and surface water intakes;
- (I) the emergency contact information of emergency responders and volunteers;
- (J) infrastructure records that disclose the configuration of critical systems such as communication, electrical, ventilation, water, and wastewater systems;
- (K) detailed drawings or specifications of structural elements, floor plans, and operating, utility, or security systems, whether in paper or electronic form, of any building or facility located on an airport (as defined in IC 8-21-1-1) that is owned, occupied, leased, or maintained by a public agency. A record described in this clause may not be released for public inspection by any public agency without the prior approval of the public agency that owns, occupies, leases, or maintains the airport. The public agency that owns, occupies, leases, or maintains the airport:
 - (i) is responsible for determining whether the public disclosure of a record or a part of a record has a reasonable likelihood of threatening public safety by exposing a vulnerability to terrorist attack; and



(ii) must identify a record described under item (i) and clearly mark the record as "confidential and not subject to public disclosure under IC 5-14-3-4(b)(19)(J) without approval of (insert name of submitting public agency)"; and (L) the home address, home telephone number, and emergency contact information for any:

- (i) emergency management worker (as defined in IC 10-14-3-3);
- (ii) public safety officer (as defined in IC 35-47-4.5-3);
- (iii) emergency medical responder (as defined in IC 16-18-2-109.8); or
- (iv) advanced emergency medical technician (as defined in IC 16-18-2-6.5).

This subdivision does not apply to a record or portion of a record pertaining to a location or structure owned or protected by a public agency in the event that an act of terrorism under IC 35-47-12-1 or an act of agricultural terrorism under IC 35-47-12-2 has occurred at that location or structure, unless release of the record or portion of the record would have a reasonable likelihood of threatening public safety by exposing a vulnerability of other locations or structures to terrorist attack.

(20) The following personal information concerning a customer of a municipally owned utility (as defined in IC 8-1-2-1):

- (A) Telephone number.
- (B) Address.
- (C) Social Security number.

(21) The following personal information about a complainant contained in records of a law enforcement agency:

- (A) Telephone number.
- (B) The complainant's address. However, if the complainant's address is the location of the suspected crime, infraction, accident, or complaint reported, the address shall be made available for public inspection and copying.

(22) Notwithstanding subdivision (8)(A), the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first employment of a law enforcement officer who is operating in an undercover capacity.

(23) Records requested by an offender that:

- (A) contain personal information relating to:
 - (i) a correctional officer (as defined in IC 5-10-10-1.5);



(ii) a law enforcement officer (as defined in IC 35-31.5-2-185);

(iii) a judge (as defined in IC 33-38-12-3);

(iv) the victim of a crime; or

(v) a family member of a correctional officer, law enforcement officer (as defined in IC 35-31.5-2-185), judge (as defined in IC 33-38-12-3), or victim of a crime; or

(B) concern or could affect the security of a jail or correctional facility.

(24) Information concerning an individual less than eighteen (18) years of age who participates in a conference, meeting, program, or activity conducted or supervised by a state educational institution, including the following information regarding the individual or the individual's parent or guardian:

(A) Name.

(B) Address.

(C) Telephone number.

(D) Electronic mail account address.

(25) Criminal intelligence information.

(26) The following information contained in a report of unclaimed property under IC 32-34-1-26 or in a claim for unclaimed property under IC 32-34-1-36:

(A) date of birth;

(B) driver's license number;

(C) taxpayer identification number;

(D) employer identification number; or

(E) account number.

(c) Nothing contained in subsection (b) shall limit or affect the right of a person to inspect and copy a public record required or directed to be made by any statute or by any rule of a public agency.

(d) Notwithstanding any other law, a public record that is classified as confidential, other than a record concerning an adoption or patient medical records, shall be made available for inspection and copying seventy-five (75) years after the creation of that record.

(e) Only the content of a public record may form the basis for the adoption by any public agency of a rule or procedure creating an exception from disclosure under this section.

(f) Except as provided by law, a public agency may not adopt a rule or procedure that creates an exception from disclosure under this section based upon whether a public record is stored or accessed using paper, electronic media, magnetic media, optical media, or other information storage technology.



(g) Except as provided by law, a public agency may not adopt a rule or procedure nor impose any costs or liabilities that impede or restrict the reproduction or dissemination of any public record.

(h) Notwithstanding subsection (d) and section 7 of this chapter:

- (1) public records subject to IC 5-15 may be destroyed only in accordance with record retention schedules under IC 5-15; or
- (2) public records not subject to IC 5-15 may be destroyed in the ordinary course of business."

Page 27, between lines 11 and 12, begin a new paragraph and insert:
 "SECTION 42. IC 36-1-8-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 8.5. An executive or a fiscal officer of a unit may establish a fraud hotline telephone number maintained by the unit that the public may use to report suspected fraudulent activity concerning officers or employees of the unit, including misuse of public funds.**"

Page 27, between lines 15 and 16, begin a new paragraph and insert:
 "SECTION 44. IC 36-8-16.6-16, AS ADDED BY P.L.113-2010, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 16. (a) A seller is subject to the same audit and appeal procedures with respect to the collection and remittance of enhanced prepaid wireless charges as with collection and remittance of the state gross retail tax under IC 6-2.5.

(b) An audit under subsection (a) must be conducted **either:**

- (1) jointly by the department of state revenue and the board; **or**
- (2) **by an independent auditor engaged by the board to conduct the audit.**"

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 326 as introduced.)

HERSHMAN, Chairperson

Committee Vote: Yeas 12, Nays 0.

