

# SENATE BILL No. 367

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-11-1.

**Synopsis:** Fiscal administration of the SBOA. Provides for fiscal administration of the state board of accounts by the office of management and budget, the budget agency, the state personnel department, and the department of administration in the areas of budget, personnel, and procurement matters.

**Effective:** July 1, 2022.

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January 11, 2022, read first time and referred to Committee on Tax and Fiscal Policy.

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Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

# SENATE BILL No. 367

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

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

1 SECTION 1. IC 5-11-1-32 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2022]: **Sec. 32. (a) The office of management and budget and the**  
4 **budget agency may not restrict funds or other resources**  
5 **appropriated to the state board of accounts.**

6 **(b) Subject to IC 4-13-2-18, the budget agency shall allot the full**  
7 **amount of appropriations made to the state board of accounts by**  
8 **the general assembly upon request of the state board of accounts.**  
9 **The budget agency shall not apply a reversion policy to the state**  
10 **board of accounts unless the amount to be withheld is first**  
11 **reviewed by the audit and financial reporting subcommittee of the**  
12 **legislative council or by the budget committee.**

13 SECTION 2. IC 5-11-1-33 IS ADDED TO THE INDIANA CODE  
14 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
15 1, 2022]: **Sec. 33. (a) The state examiner has the authority under**  
16 **section 7 of this chapter to appoint field examiners and experts to**  
17 **administer the duties described in this article.**



1           **(b) The office of management and budget, the budget agency,**  
 2 **and the state personnel department shall not prevent the:**

- 3           **(1) selection;**  
 4           **(2) retention;**  
 5           **(3) advancement;**  
 6           **(4) dismissal;**  
 7           **(5) assignment;**  
 8           **(6) appointment;**  
 9           **(7) compensation; or**  
 10           **(8) promotion;**

11 **of personnel by the state board of accounts.**

12           **(c) The state board of accounts shall follow the personnel and**  
 13 **employment provisions and rules set forth in IC 4-15-2.2 and 31**  
 14 **IAC 5, and the policies adopted thereunder, unless following those**  
 15 **provisions, rules, or policies would prevent the independence of the**  
 16 **state board of accounts as determined by the audit and financial**  
 17 **reporting subcommittee of the legislative council.**

18           **(d) To the extent that a provision, rule, or policy under**  
 19 **IC 4-15-2.2 or 31 IAC 5 requires approval or authorization from**  
 20 **the director of the state personnel department, the director of the**  
 21 **state personnel department shall defer the approval or**  
 22 **authorization to the state examiner, unless the approval or**  
 23 **authorization would violate state or federal law. If the director of**  
 24 **the state personnel department finds that a request for approval or**  
 25 **authorization by the state examiner would be detrimental to the**  
 26 **state and would violate any of the personnel policies established by**  
 27 **the state personnel department or the budget agency under**  
 28 **IC 4-12-1-13(b), IC 4-15-2.2, and 31 IAC 5, the approval or**  
 29 **authorization shall be approved by the audit and financial**  
 30 **reporting subcommittee of the legislative council.**

31           **(e) Unless the state board of accounts lacks sufficient funds, the**  
 32 **budget agency shall approve the following from the state board of**  
 33 **accounts under IC 4-12-1-13(b):**

- 34           **(1) Requests to establish the annual compensation of state**  
 35 **board of accounts employees.**  
 36           **(2) Requests for salary and wage adjustments for state board**  
 37 **of accounts employees.**

38 **If the director of the budget agency finds that a request for**  
 39 **approval or authorization by the state examiner would be**  
 40 **detrimental to the state or would violate any of the personnel**  
 41 **provisions under IC 4-12-1-13(b), IC 4-15-2.2, and 31 IAC 5, the**  
 42 **approval or authorization shall be approved by the audit and**



1 financial reporting subcommittee of the legislative council.

2 (f) To the extent applicable to state board of accounts personnel,  
3 the classification plan and the pay plan established under  
4 IC 4-12-1-13(b), IC 4-15-2.2-26, and IC 4-15-2.2-27 shall be  
5 presented for review to the audit and financial reporting  
6 subcommittee of the legislative council at least every two (2) years.

7 (g) The state board of accounts, state personnel department,  
8 budget agency, and office of management and budget shall jointly  
9 review the portions of the classification plan and pay plan  
10 applicable to the state board of accounts at least every two (2)  
11 years.

12 SECTION 3. IC 5-11-1-34 IS ADDED TO THE INDIANA CODE  
13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
14 1, 2022]: **Sec. 34. (a) The department of administration shall not**  
15 **prevent attempts by the state board of accounts to procure goods**  
16 **and services necessary to carry out its auditing duties, including**  
17 **contracting with outside examiners under sections 7 and 24 of this**  
18 **chapter.**

19 (b) The state board of accounts shall follow the procurement  
20 policies established by the department of administration for state  
21 agencies under IC 4-13-1.3, IC 5-22, and 25 IAC 1.1, unless such  
22 policies would prevent the independence of the state board of  
23 accounts as determined by the audit and financial reporting  
24 subcommittee of the legislative council.

25 (c) To the extent that activities under IC 4-13-1.3, IC 5-22, and  
26 25 IAC 1.1 require approval or authorization by the commissioner  
27 of the department of administration, the commissioner shall defer  
28 the approval or authorization to the state examiner, unless the  
29 approval or authorization would violate state or federal law. If the  
30 commissioner of the department of administration finds that a  
31 request for approval or authorization by the state examiner would  
32 be detrimental to the state and would violate any of the  
33 procurement policies under IC 4-13-1.3, IC 5-22, and 25 IAC 1.1,  
34 the approval or authorization shall be approved by the audit and  
35 financial reporting subcommittee of the legislative council.

36 (d) Unless the state board of accounts lacks sufficient  
37 appropriations, the budget agency shall approve all state board of  
38 accounts contracts under IC 4-12-1-13(d).

