

SENATE BILL No. 94

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-5-2-48; IC 3-8; IC 3-10-2-7; IC 3-11-2-12; IC 4-1-6-1; IC 4-2; IC 4-3-6-2; IC 4-7-1-0.1; IC 4-7.5; IC 4-8.1-2-0.1; IC 5-14-3-3.5.

Synopsis: State controller. Establishes the office of state controller, beginning January 1, 2023. Provides for transition of the powers and duties of the auditor of state and the treasurer of state to the state controller. Provides for expiration of statutes relating to the powers and duties of the auditor of state and the treasurer of state on January 1, 2023.

Effective: July 1, 2016.

Miller Pete

January 5, 2016, read first time and referred to Committee on Elections.



Second Regular Session 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

SENATE BILL No. 94

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

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

1 SECTION 1. IC 3-5-2-48 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2016]: Sec. 48. "State office" refers to **the**
3 **following:**

4 (1) **Before January 1, 2023, the** governor, lieutenant governor,
5 secretary of state, auditor of state, treasurer of state,
6 superintendent of public instruction, attorney general, justice of
7 the supreme court, judge of the court of appeals, and judge of the
8 tax court.

9 (2) **After December 31, 2022, the** governor, lieutenant
10 **governor, secretary of state, state controller, superintendent**
11 **of public instruction, attorney general, justice of the supreme**
12 **court, judge of the court of appeals, and judge of the tax**
13 **court.**

14 SECTION 2. IC 3-8-1-33, AS AMENDED BY P.L.123-2015,
15 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2016]: Sec. 33. (a) A candidate for an office listed in
17 subsection (b) must file a statement of economic interests.



1 (b) Whenever a candidate for any of the following offices is also
 2 required to file a declaration of candidacy or is nominated by petition,
 3 the candidate shall file a statement of economic interests before filing
 4 the declaration of candidacy or declaration of intent to be a write-in
 5 candidate, before the petition of nomination is filed, before the
 6 certificate of nomination is filed, or before being appointed to fill a
 7 candidate vacancy under IC 3-13-1 or IC 3-13-2:

8 (1) Governor, lieutenant governor, secretary of state, auditor of
 9 state (**before November 8, 2022**), treasurer of state (**before**
 10 **November 8, 2022**), **state controller (after December 31,**
 11 **2021)**, attorney general, and state superintendent of public
 12 instruction, in accordance with IC 4-2-6-8.

13 (2) Senator and representative in the general assembly, in
 14 accordance with IC 2-2.2-2.

15 (3) Justice of the supreme court, judge of the court of appeals,
 16 judge of the tax court, judge of a circuit court, judge of a superior
 17 court, judge of a probate court, and prosecuting attorney, in
 18 accordance with IC 33-23-11-14 and IC 33-23-11-15.

19 (4) A candidate for a local office or school board office, in
 20 accordance with IC 3-8-9, except a candidate for a local office
 21 described in subdivision (3).

22 SECTION 3. IC 3-8-4-2, AS AMENDED BY P.L.169-2015,
 23 SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2016]: Sec. 2. (a) A political party shall conduct a state
 25 convention to nominate the candidates of the political party for the
 26 following offices to be voted on at the next general election:

27 (1) Lieutenant governor.

28 (2) Secretary of state.

29 (3) Auditor of state (**before January 1, 2019**).

30 (4) Treasurer of state (**before January 1, 2019**).

31 **(5) State controller (after December 31, 2018).**

32 ~~(5) (6)~~ Attorney general.

33 ~~(6) (7)~~ Superintendent of public instruction.

34 (b) The convention may also:

35 (1) nominate candidates for presidential electors and alternate
 36 electors; and

37 (2) elect the delegates and alternate delegates to the national
 38 convention of the political party.

39 (c) If a political party's state convention does not:

40 (1) nominate candidates for presidential electors and alternate
 41 electors; or

42 (2) elect the delegates and alternate delegates to the national



1 convention of the political party;
 2 the candidates shall be nominated or the delegates elected as provided
 3 in the state party's rules.

4 SECTION 4. IC 3-10-2-7, AS AMENDED BY P.L.216-2015,
 5 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2016]: Sec. 7. **(a)** The following public officials shall be
 7 elected in 2018: ~~and every four (4) years thereafter:~~

- 8 (1) Secretary of state.
- 9 (2) Auditor of state.
- 10 (3) Treasurer of state.

11 **(b) The following public officials shall be elected in 2022 and**
 12 **every four (4) years thereafter:**

- 13 **(1) Secretary of state.**
- 14 **(2) State controller.**

15 SECTION 5. IC 3-11-2-12, AS AMENDED BY P.L.77-2014,
 16 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2016]: Sec. 12. The following offices shall be placed on the
 18 general election ballot in the following order after the public questions
 19 described in section 10(a) of this chapter:

- 20 (1) Federal and state offices:
 - 21 (A) President and Vice President of the United States.
 - 22 (B) United States Senator.
 - 23 (C) Governor and lieutenant governor.
 - 24 (D) Secretary of state.
 - 25 (E) Auditor of state **(before January 1, 2019).**
 - 26 (F) Treasurer of state **(before January 1, 2019).**
 - 27 **(G) State controller (after December 31, 2018).**
 - 28 ~~(H)~~ **(H)** Attorney general.
 - 29 ~~(I)~~ **(I)** Superintendent of public instruction.
 - 30 ~~(J)~~ **(J)** United States Representative.

31 (2) Legislative offices:

- 32 (A) State senator.
- 33 (B) State representative.

34 (3) Circuit offices and county judicial offices:

- 35 (A) Judge of the circuit court, and unless otherwise specified
 36 under IC 33, with each division separate if there is more than
 37 one (1) judge of the circuit court.
- 38 (B) Judge of the superior court, and unless otherwise specified
 39 under IC 33, with each division separate if there is more than
 40 one (1) judge of the superior court.
- 41 (C) Judge of the probate court.
- 42 (D) Prosecuting attorney.



- 1 (E) Clerk of the circuit court.
 2 (4) County offices:
 3 (A) County auditor.
 4 (B) County recorder.
 5 (C) County treasurer.
 6 (D) County sheriff.
 7 (E) County coroner.
 8 (F) County surveyor.
 9 (G) County assessor.
 10 (H) County commissioner. This clause applies only to a county
 11 that is not subject to IC 36-2-2.5.
 12 (I) Single county executive. This clause applies only to a
 13 county that is subject to IC 36-2-2.5.
 14 (J) County council member.
 15 (5) Township offices:
 16 (A) Township assessor (only in a township referred to in
 17 IC 36-6-5-1(d)).
 18 (B) Township trustee.
 19 (C) Township board member.
 20 (D) Judge of the small claims court.
 21 (E) Constable of the small claims court.
 22 (6) City offices:
 23 (A) Mayor.
 24 (B) Clerk or clerk-treasurer.
 25 (C) Judge of the city court.
 26 (D) City-county council member or common council member.
 27 (7) Town offices:
 28 (A) Clerk-treasurer.
 29 (B) Judge of the town court.
 30 (C) Town council member.

31 SECTION 6. IC 4-1-6-1, AS AMENDED BY P.L.2-2007,
 32 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 JULY 1, 2016]: Sec. 1. As used in this chapter, the term:

34 (a) "Personal information system" means any recordkeeping
 35 process, whether automated or manual, containing personal
 36 information and the name, personal number, or other identifying
 37 particulars of a data subject.

38 (b) "Personal information" means any information that describes,
 39 locates, or indexes anything about an individual or that affords a basis
 40 for inferring personal characteristics about an individual including, but
 41 not limited to, ~~his~~ **the individual's** education, financial transactions,
 42 medical history, criminal or employment records, finger and voice



1 prints, photographs, or **his the individual's** presence, registration, or
 2 membership in an organization or activity or admission to an
 3 institution.

4 (c) "Data subject" means an individual about whom personal
 5 information is indexed or may be located under **his the individual's**
 6 name, personal number, or other identifiable particulars, in a personal
 7 information system.

8 (d) "State agency" means every agency, board, commission,
 9 department, bureau, or other entity of the administrative branch of
 10 Indiana state government. ~~except~~ **The term does not include the**
 11 **following:**

12 (1) Those which are the responsibility of the auditor of state
 13 **(before January 1, 2023)**, treasurer of state **(before January 1,**
 14 **2023)**, state controller **(after December 31, 2022)**, secretary of
 15 state, attorney general, **and** superintendent of public instruction.
 16 ~~and excepting~~

17 (2) The **state police** department. ~~of state police and~~

18 (3) ~~The~~ state educational institutions.

19 (e) "Confidential" means information which has been so designated
 20 by statute or by promulgated rule or regulation based on statutory
 21 authority.

22 SECTION 7. IC 4-2-1-1.5, AS ADDED BY P.L.43-2007, SECTION
 23 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
 24 2016]: Sec. 1.5. (a) Subject to subsection (b), the salary of the state
 25 elected officials other than the governor is as follows:

26 (1) For the lieutenant governor, seventy-six thousand dollars
 27 (\$76,000) per year. However, the lieutenant governor is not
 28 entitled to receive per diem allowance for performance of duties
 29 as president of the senate.

30 (2) For the secretary of state, sixty-six thousand dollars (\$66,000)
 31 per year.

32 (3) For the auditor of state, sixty-six thousand dollars (\$66,000)
 33 per year. **The salary for the auditor of state under this section**
 34 **does not apply after December 31, 2022.**

35 (4) For the treasurer of state, sixty-six thousand dollars (\$66,000)
 36 per year. **The salary for the treasurer of state under this**
 37 **section does not apply after December 31, 2022.**

38 (5) **For the state controller, the base salary is seventy-seven**
 39 **thousand dollars (\$77,000) per year with 2016 being the base**
 40 **year. This base salary shall be increased each year as**
 41 **provided in this section. The salary of the individual elected**
 42 **state controller in 2022 shall be the amount obtained for 2023,**



- 1 **by increasing this base salary as provided in this section each**
 2 **year.**
 3 (5) For the attorney general, seventy-nine thousand four hundred
 4 dollars (\$79,400) per year.
 5 (6) For the state superintendent of public instruction, seventy-nine
 6 thousand four hundred dollars (\$79,400) per year.
 7 (b) Beginning January 1, 2008, the part of the total salary of a state
 8 elected official is increased on January 1 of each year after a year in
 9 which the general assembly does not amend this section to provide a
 10 salary increase for the state elected official.
 11 (c) The percentage by which salaries are increased under this
 12 section is equal to the statewide average percentage, as determined by
 13 the budget director, by which the salaries of state employees in the
 14 executive branch who are in the same or a similar salary bracket
 15 exceed, for the current state fiscal year, the salaries of executive branch
 16 state employees in the same or a similar salary bracket that were in
 17 effect on January 1 of the immediately preceding year.
 18 (d) The amount of a salary increase under this section is equal to the
 19 amount determined by applying the percentage increase for the
 20 particular year to the salary of the state elected official, as previously
 21 adjusted under this section, that is in effect on January 1 of the
 22 immediately preceding year.
 23 (e) A state elected official is not entitled to receive a salary increase
 24 under this section on January 1 of a state fiscal year in which state
 25 employees described in subsection (c) do not receive a statewide
 26 average salary increase.
 27 (f) If a salary increase is required under this section, an amount
 28 sufficient to pay for the salary increase is appropriated from the state
 29 general fund.
 30 SECTION 8. IC 4-2-6-8, AS AMENDED BY P.L.23-2011,
 31 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2016]: Sec. 8. (a) The following persons shall file a written
 33 financial disclosure statement:
 34 (1) The governor, lieutenant governor, secretary of state, auditor
 35 of state **(for each year before 2023 as provided in this section),**
 36 treasurer of state **(for each year before 2023 as provided in this**
 37 **section), state controller (for each year beginning 2023),**
 38 attorney general, and state superintendent of public instruction.
 39 (2) Any candidate for one (1) of the offices in subdivision (1) who
 40 is not the holder of one (1) of those offices.
 41 (3) Any person who is the appointing authority of an agency.
 42 (4) The director of each division of the department of



- 1 administration.
- 2 (5) Any purchasing agent within the procurement division of the
- 3 department of administration.
- 4 (6) Any agency employee, special state appointee, former agency
- 5 employee, or former special state appointee with final purchasing
- 6 authority.
- 7 (7) The chief investment officer employed by the Indiana public
- 8 retirement system.
- 9 (8) Any employee of the Indiana public retirement system whose
- 10 duties include the recommendation, selection, and management
- 11 of:
- 12 (A) the investments of the funds administered by the Indiana
- 13 public retirement system;
- 14 (B) the investment options offered in the annuity savings
- 15 accounts in the public employees' retirement fund and the
- 16 Indiana state teachers' retirement fund;
- 17 (C) the investment options offered in the legislators' defined
- 18 contribution plan; or
- 19 (D) investment managers, investment advisors, and other
- 20 investment service providers of the Indiana public retirement
- 21 system.
- 22 (9) An employee required to do so by rule adopted by the
- 23 inspector general.
- 24 (b) The statement shall be filed with the inspector general as
- 25 follows:
- 26 (1) Not later than February 1 of every year, in the case of the state
- 27 officers and employees enumerated in subsection (a).
- 28 (2) If the individual has not previously filed under subdivision (1)
- 29 during the present calendar year and is filing as a candidate for a
- 30 state office listed in subsection (a)(1), before filing a declaration
- 31 of candidacy under IC 3-8-2 or IC 3-8-4-11, petition of
- 32 nomination under IC 3-8-6, or declaration of intent to be a
- 33 write-in candidate under IC 3-8-2-2.5, or before a certificate of
- 34 nomination is filed under IC 3-8-7-8, in the case of a candidate for
- 35 one (1) of the state offices (unless the statement has already been
- 36 filed when required under IC 3-8-4-11).
- 37 (3) Not later than sixty (60) days after employment or taking
- 38 office, unless the previous employment or office required the
- 39 filing of a statement under this section.
- 40 (4) Not later than thirty (30) days after leaving employment or
- 41 office, unless the subsequent employment or office requires the
- 42 filing of a statement under this section.



- 1 The statement must be made under affirmation.
2 (c) The statement shall set forth the following information for the
3 preceding calendar year or, in the case of a state officer or employee
4 who leaves office or employment, the period since a previous statement
5 was filed:
- 6 (1) The name and address of any person known:
 - 7 (A) to have a business relationship with the agency of the state
8 officer or employee or the office sought by the candidate; and
9 (B) from whom the state officer, candidate, or the employee,
10 or that individual's spouse or unemancipated children received
11 a gift or gifts having a total fair market value in excess of one
12 hundred dollars (\$100).
 - 13 (2) The location of all real property in which the state officer,
14 candidate, or the employee or that individual's spouse or
15 unemancipated children has an equitable or legal interest either
16 amounting to five thousand dollars (\$5,000) or more or
17 comprising ten percent (10%) of the state officer's, candidate's, or
18 the employee's net worth or the net worth of that individual's
19 spouse or unemancipated children. An individual's primary
20 personal residence need not be listed, unless it also serves as
21 income property.
 - 22 (3) The names and the nature of the business of the employers of
23 the state officer, candidate, or the employee and that individual's
24 spouse.
 - 25 (4) The following information about any sole proprietorship
26 owned or professional practice operated by the state officer,
27 candidate, or the employee or that individual's spouse:
 - 28 (A) The name of the sole proprietorship or professional
29 practice.
 - 30 (B) The nature of the business.
 - 31 (C) Whether any clients are known to have had a business
32 relationship with the agency of the state officer or employee or
33 the office sought by the candidate.
 - 34 (D) The name of any client or customer from whom the state
35 officer, candidate, employee, or that individual's spouse
36 received more than thirty-three percent (33%) of the state
37 officer's, candidate's, employee's, or that individual's spouse's
38 nonstate income in a year.
 - 39 (5) The name of any partnership of which the state officer,
40 candidate, or the employee or that individual's spouse is a member
41 and the nature of the partnership's business.
 - 42 (6) The name of any corporation (other than a church) of which



1 the state officer, candidate, or the employee or that individual's
 2 spouse is an officer or a director and the nature of the
 3 corporation's business.

4 (7) The name of any corporation in which the state officer,
 5 candidate, or the employee or that individual's spouse or
 6 unemancipated children own stock or stock options having a fair
 7 market value in excess of ten thousand dollars (\$10,000).
 8 However, if the stock is held in a blind trust, the name of the
 9 administrator of the trust must be disclosed on the statement
 10 instead of the name of the corporation. A time or demand deposit
 11 in a financial institution or insurance policy need not be listed.

12 (8) The name and address of the most recent former employer.

13 (9) Additional information that the person making the disclosure
 14 chooses to include.

15 Any such state officer, candidate, or employee may file an amended
 16 statement upon discovery of additional information required to be
 17 reported.

18 (d) A person who:

19 (1) fails to file a statement required by rule or this section in a
 20 timely manner; or

21 (2) files a deficient statement;

22 upon a majority vote of the commission, is subject to a civil penalty at
 23 a rate of not more than ten dollars (\$10) for each day the statement
 24 remains delinquent or deficient. The maximum penalty under this
 25 subsection is one thousand dollars (\$1,000).

26 (e) A person who intentionally or knowingly files a false statement
 27 commits a Class A infraction.

28 SECTION 9. IC 4-3-6-2 IS AMENDED TO READ AS FOLLOWS
 29 [EFFECTIVE JULY 1, 2016]: Sec. 2. As used in this chapter:

30 (1) "Agency" means any executive or administrative department,
 31 commission, council, board, bureau, division, service, office, officer,
 32 administration, or other establishment in the executive or
 33 administrative branch of the state government not provided for by the
 34 constitution. The term "agency" does not include the secretary of state,
 35 the auditor of state (**before January 1, 2023**), the treasurer of state
 36 (**before January 1, 2023**), **state controller (after December 31,**
 37 **2022)**, the lieutenant governor, the state superintendent of public
 38 instruction, and the attorney general, nor the departments of which they
 39 are, by the statutes first adopted setting out their duties, the
 40 administrative heads.

41 (2) "Reorganization" means:

42 (A) the transfer of the whole or any part of any agency, or of the



1 whole or any part of the functions thereof, to the jurisdiction and
2 control of any other agency;

3 (B) the abolition of all or any part of the functions of any agency;

4 (C) the consolidation or coordination of the whole or any part of
5 any agency, or of the whole or any part of the functions thereof,
6 with the whole or any part of any other agency or the functions
7 thereof;

8 (D) the consolidation or coordination of any part of any agency or
9 the functions thereof with any other part of the same agency or the
10 functions thereof;

11 (E) the authorization of any officer to delegate any of his
12 functions; or

13 (F) the abolition of the whole or any part of any agency which
14 agency or part does not have, or upon the taking effect of a
15 reorganization plan will not have, any functions.

16 SECTION 10. IC 4-7-1-0.1 IS ADDED TO THE INDIANA CODE
17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
18 1, 2016]: **Sec. 0.1. This article expires January 1, 2023.**

19 SECTION 11. IC 4-7.5 IS ADDED TO THE INDIANA CODE AS
20 A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,
21 2016]:

22 **ARTICLE 7.5. STATE CONTROLLER**

23 **Chapter 1. General Provisions**

24 **Sec. 1. This article applies as follows:**

25 (1) IC 4-7.5-1.1 applies after December 31, 2021.

26 (2) The remainder of this article applies after December 31,
27 2022.

28 **Chapter 1.1. Transitional Provisions**

29 **Sec. 1. The individual elected state controller at the 2022 general**
30 **election takes office January 1, 2023.**

31 **Sec. 2. Before January 1, 2023, the auditor of state and the**
32 **treasurer of state shall collaborate with the individual elected state**
33 **controller at the 2022 general election to provide for the transition**
34 **of the operation of their respective offices to the office of the state**
35 **controller under this article.**

36 **Sec. 3. After December 31, 2022, all powers, duties, liabilities,**
37 **records, property, appropriations, and employees of each of the**
38 **offices of the:**

39 (1) auditor of state; and

40 (2) treasurer of state;

41 **are transferred to the office of the state controller as the successor**
42 **office.**



1 **Sec. 4. After December 31, 2022, a reference to either of the**
 2 **following in a statute or any document is considered under Indiana**
 3 **law a reference to the state controller:**

- 4 **(1) The auditor of state.**
 5 **(2) The treasurer of state.**

6 **Sec. 5. After December 31, 2021, the legislative services agency,**
 7 **under the supervision of the code revision commission, shall**
 8 **prepare legislation for introduction during the 2023 session of the**
 9 **general assembly to amend Indiana law to be consistent with this**
 10 **article.**

11 **Sec. 6. This chapter expires January 1, 2024.**

12 **Chapter 2. Definitions**

13 **Sec. 1. The definitions in this chapter apply throughout this**
 14 **article.**

15 **Sec. 2. "General fund" refers to the fund described by**
 16 **IC 4-7.5-6-3.**

17 **Sec. 3. "Political subdivision" has the meaning set forth in**
 18 **IC 36-1-2-13.**

19 **Sec. 4. "State controller" refers to the state controller elected**
 20 **under IC 4-7.5-3-2.**

21 **Sec. 5. "Treasury" refers to the state treasury described in**
 22 **IC 4-7.5-6-1.**

23 **Chapter 3. Office of State Controller**

24 **Sec. 1. The office of state controller is established, beginning**
 25 **January 1, 2023.**

26 **Sec. 2. The state controller shall be elected at the 2022 general**
 27 **election and every four (4) years thereafter.**

28 **Sec. 3. (a) Subject to subsection (b), the term of office of the**
 29 **state controller is four (4) years, beginning on January 1.**

30 **(b) The governor shall fill a vacancy in the office of the state**
 31 **controller for the remainder of the unexpired term.**

32 **Sec. 4. Before assuming the office of state controller, the**
 33 **individual elected to the office shall execute an official bond:**

- 34 **(1) in an amount determined by the governor; and**
 35 **(2) subject to the governor's approval.**

36 **Sec. 5. (a) The state controller shall designate two (2) individuals**
 37 **as chief deputies.**

38 **(b) The individuals designated as chief deputies may not be**
 39 **members of the same political party.**

40 **(c) The salary of a chief deputy shall be fixed as otherwise**
 41 **provided by law for chief deputies of elected state officials.**

42 **(d) Each chief deputy and other deputy state controllers must**



1 give an official bond:

- 2 (1) in an amount determined by the state controller and the
 3 governor;
 4 (2) conditioned on the faithful performance of the duties as
 5 chief deputy or deputy state controller; and
 6 (3) procured from a surety company authorized by law to
 7 transact business in Indiana.

8 **Chapter 4. Accounting and Related Duties of the State**
 9 **Controller**

10 **Sec. 1. The state controller shall do the following:**

11 (1) **Keep and state all accounts between the state and:**

12 (A) **the United States;**

13 (B) **any state or territory; or**

14 (C) **any individual or Indiana public officer;**

15 **indebted to the state or entrusted with the collection,**
 16 **disbursement, or management of any money, funds, or**
 17 **interest belonging to the state, of every character and**
 18 **description, if the money, funds, or interest is derivable from**
 19 **or payable into the treasury.**

20 (2) **Examine and liquidate the accounts of all county**
 21 **treasurers and other collectors and receivers of state**
 22 **revenues, taxes, tolls, and income, levied or collected under**
 23 **any act of the general assembly and payable into the treasury,**
 24 **and certify the amount or balance.**

25 (3) **Keep fair, clear, distinct, and separate accounts of all the**
 26 **revenues and income of the state and all expenditures,**
 27 **disbursements, and investments of the state, showing the**
 28 **particulars of every expenditure, disbursement, and**
 29 **investment.**

30 (4) **Examine, adjust, and settle the accounts of all public**
 31 **debtors for debts due to the treasury and require all public**
 32 **debtors or their legal representatives who may be indebted to**
 33 **the state for money received or otherwise and who have not**
 34 **accounted for a debt to settle their accounts.**

35 (5) **Examine and liquidate the claims of all persons against the**
 36 **state in cases where provision for the payment has not been**
 37 **made by law. If such provisions have not been made, or if**
 38 **insufficient provisions have been made, examine the claim and**
 39 **report the facts, with an opinion, to the general assembly. An**
 40 **allowance may not be made to refund money from the**
 41 **treasury without the statement of the state controller either**
 42 **for or against the justice of the claim.**



- 1 **(6) Institute and prosecute, in the name of the state, all proper**
2 **suits for the:**
3 **(A) recovery of any debts, money, or property of the state;**
4 **or**
5 **(B) ascertainment of any right or liability concerning the**
6 **debts, money, or property of the state.**
7 **(7) Direct and superintend the collection of all money due to**
8 **the state and employ counsel to prosecute suits, instituted at**
9 **the state controller's instance, on behalf of the state.**
10 **(8) Draw warrants on the treasury or authorize disbursement**
11 **through electronic funds transfer in conformity with**
12 **IC 4-7.5-5-6 for all money directed by law to be paid out of**
13 **the treasury to public officers or for any other object as the**
14 **warrants become payable. Every warrant or authorization for**
15 **electronic funds transfer must be properly numbered.**
16 **(9) Furnish to the governor on request information in writing**
17 **upon any subject relating to the duties of the state controller.**
18 **(10) Superintend the fiscal concerns of the state and their**
19 **management in the manner required by law and furnish the**
20 **proper forms to assessors, treasurers, collectors, and auditors**
21 **of counties.**
22 **(11) Keep and preserve all public books, records, papers,**
23 **documents, vouchers, and all conveyances, leases, mortgages,**
24 **bonds, and all securities for debts, money, or property, and**
25 **accounts and property, of any description, belonging or**
26 **pertaining to the office of the state controller and also to the**
27 **state, if no other provision is made by law for the safekeeping**
28 **of the accounts and property.**
29 **(12) Suggest plans for the improvement and management of**
30 **public revenues, funds, and incomes.**
31 **(13) Report to the general assembly, at its meeting in each**
32 **odd-numbered year, a complete statement of the revenues,**
33 **taxables, funds, resources, incomes, and property of the state,**
34 **known to the office of the state controller and of the public**
35 **revenues and expenditures of the two (2) preceding fiscal**
36 **years. The report must contain a detailed estimate of the**
37 **expenditures to be defrayed from the treasury for the**
38 **following two (2) years, specifying each object of expenditure**
39 **and distinguishing between each object of expenditure and**
40 **between such as are provided for by permanent or temporary**
41 **appropriations, and such as require to be provided for by law,**
42 **and showing also the sources and means from which all such**



1 expenditures are to be defrayed. The report must be in an
2 electronic format under IC 5-14-6.

3 **Sec. 2.** The state controller shall periodically require all persons
4 receiving money or securities, or having the management of any
5 property, money, securities, or funds of the state, of which an
6 account is kept in the state controller's office, to give statements of
7 account of the property, money, securities, or funds to the state
8 controller. A person required to give a statement under this section
9 shall give the statement at the time and in the form required by the
10 state controller.

11 **Sec. 3.** The state controller may administer oaths in the
12 adjustment or settlement of all claims for or against the state.

13 **Sec. 4. (a)** All forms and reports that are used by the state
14 controller to enter information into the state's accounting system
15 are subject to the approval of the state controller.

16 **(b)** The state controller may approve forms and reports used by
17 the state controller in a paper form, as a facsimile, or in an
18 electronic form. This section may not be implemented in a manner
19 that interferes with the duties and powers of:

- 20 (1) the state board of accounts under IC 5-11-1-2; or
- 21 (2) the oversight committee on public records or the Indiana
22 archives and records administration under IC 5-15-5.1-5.

23 **(c)** The state controller may require that a form or report
24 submitted to the state controller for processing must be submitted
25 in paper form, as a facsimile, or electronically if the requirement:

- 26 (1) is approved by the state board of accounts; and
- 27 (2) does not create a hardship for a person that submits the
28 form or report to the state controller.

29 **Sec. 5.** If a person is entitled to draw money from the treasury,
30 the state controller may draw a warrant in that person's favor on
31 the treasury or authorize an electronic funds transfer in
32 conformity with IC 4-8.1-2-7. The state controller shall do the
33 following:

34 **(1)** Enter in a proper book provided for that purpose every
35 warrant or electronic funds transfer the state controller
36 draws on the treasury:

- 37 **(A)** in the order in which the warrant or transfer is issued;
- 38 **(B)** in such manner as to show the date of each warrant or
39 transfer;
- 40 **(C)** in whose favor the warrant or transfer is drawn;
- 41 **(D)** a description of the nature of the claim upon which the
42 warrant or transfer is founded; and



- 1 (E) a reference to the law under which the warrant or
- 2 transfer is drawn.
- 3 (2) Carry such entries into a book of general accounts, under
- 4 separate and distinct headings.
- 5 (3) Number and file, in the state controller's office, all papers
- 6 and vouchers upon which the state controller issues a warrant
- 7 or electronic funds transfer for the payment of money.

8 **Sec. 6. If any person:**

- 9 (1) has:
 - 10 (A) received money belonging to the state; or
 - 11 (B) been entrusted with the collection, management, or
 - 12 disbursement of any money, funds, or interest accruing
 - 13 from money or funds belonging to or held in trust by the
 - 14 state; and
 - 15 (2) fails to render an account to, and make settlement with,
 - 16 the state controller:
 - 17 (A) within the time prescribed by law; or
 - 18 (B) if a particular time is not prescribed, upon being
 - 19 required so to do by the state controller, not later than ten
 - 20 (10) days after the date of the state controller's direction;

21 the state controller shall state an account against the person,
22 charging ten percent (10%) damages, and annual interest at the
23 rate of six percent (6%) from the time of failing to render an
24 account and settle as required.

25 **Sec. 7. (a) If any person:**

- 26 (1) renders an account to and makes settlement with the state
- 27 controller as required by this chapter; and
- 28 (2) fails to pay to the state controller the amount to be paid by
- 29 the person into the treasury, or to a person who is entitled by
- 30 law to receive the payment, within the time prescribed by law,
- 31 or if no time is prescribed by law, then not later than the date
- 32 specified by the state controller;

33 the state controller shall institute suit for the recovery of the
34 amount due and unpaid.

35 (b) A copy of the account, in such case made out and certified by
36 the state controller, is sufficient evidence to support an action for
37 the amount stated in the account to be due, without proof of the
38 signature or official character of the state controller, subject,
39 however, to the right of the defendant to plead and give evidence,
40 as in other actions, all such matters that are legal and proper for
41 the person's defense.

42 (c) The person is subject to the costs and charges of the suit,



1 except in cases in which the person has rendered a true account,
 2 and has also paid the amount to the proper person authorized to
 3 receive the amount, before the beginning of the suit, or unless suit
 4 is brought against the representative of the original party.

5 (d) If a defendant in any such suit, upon the trial, gives evidence
 6 that existed before the time of the adjustment and settlement, and
 7 that was not produced to the state controller at the time of the
 8 settlement, the defendant is subject to the costs and charges of the
 9 suit.

10 (e) This chapter does not affect any legal remedy that might be
 11 available if the remedy provided by this chapter did not exist.

12 Sec. 8. All books, papers, letters, and transactions pertaining to
 13 the office of the state controller shall be open to the inspection of
 14 each of the following:

- 15 (1) A committee of the general assembly.
- 16 (2) A committee of either house of the general assembly.
- 17 (3) The governor.

18 **Chapter 5. Investment and Related Duties of the State**
 19 **Controller**

20 Sec. 1. The state controller is responsible for the safekeeping
 21 and investment of money and securities paid into the treasury.

22 Sec. 2. The state controller shall receive, account for, and pay
 23 over all money that is required by law to be paid into the treasury.

24 Sec. 3. The state controller shall deliver to the state controller's
 25 successor all money, securities, and effects of the office.

26 Sec. 4. (a) The state controller may not use or permit any other
 27 person to use the money or property received by the state
 28 controller or paid into the treasury, except as permitted by law.

29 (b) The state controller may not receive for the state controller's
 30 own use any interest, premium, gratuity, or bonus from the
 31 disposition of, or arising out of, any money or property belonging
 32 to the state, to any county of the state, to any state or county fund,
 33 or to a political subdivision.

34 Sec. 5. (a) Before money may be deposited in the treasury, the
 35 state controller must receive from the person making the deposit
 36 a report of collections due to the treasury, describing the source of
 37 the money and the fund and account to which money is to be
 38 credited.

39 (b) The state controller shall acknowledge receipt of money
 40 deposited in the treasury and after preaudit, prepare accounting
 41 forms from the report. The state controller shall give the person
 42 depositing the money the appropriate form. The state controller



1 shall reconcile collections daily.

2 **Sec. 6. (a) As used in this section, "electronic funds transfer"**
3 **means any transfer of funds, other than a transaction originated by**
4 **check, draft, or similar paper instrument, that is initiated through**
5 **an electronic terminal, telephone, or computer or magnetic tape**
6 **for the purpose of ordering, instructing, or authorizing a financial**
7 **institution to debit or credit an account.**

8 **(b) Except as otherwise specified in this section, the state**
9 **controller may not pay any money out of the treasury except upon**
10 **warrant of the state controller based on an approved claim.**

11 **(c) The state controller may transfer money invested or on**
12 **deposit in a public depository to any deposit account in the same or**
13 **a different public depository. A transfer between deposit accounts**
14 **may be made by warrant, check, or electronic funds transfer.**

15 **(d) If a political subdivision elects to receive distributions from**
16 **the state or if a state employee elects to have wages deposited**
17 **directly in a financial institution under IC 4-15-5.9-2 by means of**
18 **an electronic transfer of funds, the state controller shall transfer**
19 **the funds electronically.**

20 **(e) Notwithstanding any other law, if:**

21 **(1) a vendor or claimant requests that one (1) or more**
22 **payments be made by means of an electronic funds transfer;**
23 **and**

24 **(2) the state controller agrees that payment by electronic**
25 **funds transfer is advantageous to the state;**

26 **the state controller may authorize an electronic funds transfer**
27 **method of payment. If authorized by the state controller, the state**
28 **controller may pay money from the treasury by electronic funds**
29 **transfer.**

30 **(f) With regard to electronic funds transfer, the state controller**
31 **shall make a record of each transfer authorization immediately**
32 **following the authorization. The record must be made in a form**
33 **that conforms to accounting systems approved by the state board**
34 **of accounts.**

35 **Sec. 7. (a) Except as provided in subsection (b), the state**
36 **controller may not draw a warrant upon the treasury or authorize**
37 **an electronic funds transfer from the treasury unless there is**
38 **money in the treasury belonging to the fund upon which the**
39 **warrant is drawn to pay the warrant and unless the payment**
40 **would be in conformity with appropriations made by law or other**
41 **proper disbursing authority. The state controller shall preserve the**
42 **approved claim on which the warrant or electronic funds transfer**



1 is based for the period required by law.

2 (b) The state controller may temporarily overdraft a fund's cash
3 account if:

4 (1) as a condition to receiving federal aid, state warrants or
5 checks must have been issued, cashed, or presented to a bank
6 or the state controller before the federal money can be drawn
7 and deposited in the treasury;

8 (2) appropriate estimated revenue or federal aid receivable
9 entries are recorded; and

10 (3) a timely federal reimbursement has been requested.

11 Sec. 8. (a) When presented a warrant, the state controller shall
12 pay the warrant if there is sufficient money in the treasury
13 belonging to the fund group upon which the warrant is drawn.

14 (b) If there is insufficient money in the fund group, the state
15 controller may not pay the warrant. When a warrant is paid, the
16 state controller shall take a receipt for it on the back of the
17 warrant, cancel the warrant, and register and preserve the
18 warrant for the period required by law.

19 Sec. 9. The state controller shall keep double entry records of
20 warrants paid, receipts, cash on hand, and investments for which
21 the state controller is accountable by law in sufficient detail to
22 fulfill the requirements of the law and the duty of the state
23 controller's office to safeguard the treasury.

24 Sec. 10. All state money deposited by any public debtor in a
25 bank for the use of the state, except when otherwise directed by
26 law, shall be deposited to the credit of the state controller and
27 subject to the state controller's order.

28 Sec. 11. (a) The state controller or the state controller's agent
29 may rent safety deposit boxes or vaults of one (1) or more banks or
30 trust companies located in Indiana and keep in the boxes or vaults
31 securities in the state controller's custody, or give the securities to
32 a bank, trust company, or other depository to hold as custodian
33 under IC 5-13.

34 (b) A bank, trust company, or other depository that accepts
35 securities as custodian shall:

36 (1) clip coupons;

37 (2) surrender matured issues for collection; and

38 (3) receive the proceeds of all collections and remit them to
39 the state controller.

40 Sec. 12. (a) Any embezzlement or breach of trust on the part of
41 the state controller shall be immediately reported to the governor
42 by the person discovering the embezzlement or breach of trust. The



1 governor shall make a careful examination to see if the
 2 embezzlement or breach of trust has occurred, and if it has, cause
 3 the state controller to be arrested. After the arrest of the state
 4 controller, the governor shall appoint a deputy state controller
 5 who:

6 (1) shall qualify and give bond as required for the state
 7 controller under IC 4-7.5-3; and

8 (2) has exclusive control of the treasury.

9 (b) The deputy state controller appointed under subsection (a)
 10 has the powers and duties of, and is subject to the liabilities of, the
 11 state controller until:

12 (1) the state controller is acquitted; or

13 (2) if the state controller is not acquitted, the governor
 14 appoints a successor state controller.

15 Sec. 13. (a) Before October 15 of each year, the state controller
 16 shall prepare a report that summarizes, for the fiscal year that
 17 ended on the preceding June 30, the following information for the
 18 general fund and all other funds managed by the state controller:

19 (1) Statutory and administrative investment policies.

20 (2) Average daily amounts of cash and investments.

21 (3) Rates of return.

22 (4) Earnings.

23 (5) Portfolio composition.

24 (6) Other information considered relevant by the state
 25 controller.

26 (b) Before November 1 of each year, the state controller shall
 27 provide a copy of the report under subsection (a) to the governor,
 28 the lieutenant governor, and the budget director. In addition, the
 29 state controller shall provide the report in an electronic format
 30 under IC 5-14-6 to the legislative council and the legislative
 31 services agency for the use of the members of the general assembly.

32 Chapter 6. The State Treasury

33 Sec. 1. The state treasury is comprised of the following:

34 (1) All money collected under any Indiana law providing for
 35 the collection of revenue for state purposes.

36 (2) All money borrowed on the credit of the state by the state
 37 controller or any other authorized agent of the state.

38 (3) All money derived from the sale of property belonging to
 39 or held in trust by the state.

40 (4) All money and securities belonging to, lent to, or held in
 41 trust by the state, where no other disposition of the money and
 42 securities is required by law.



- 1 **(5) All income derived in any manner from any money or**
 2 **property described in this section.**
 3 **(6) All income received by any state officer in the discharge of**
 4 **the state officer's duties.**
 5 **(7) All dividends arising from bank or other stock**
 6 **appropriated to the payment of any part of the interest on the**
 7 **public debt.**
 8 **(8) All money paid from any source, belonging to, or accruing**
 9 **to, the state for the use of the state or to a state fund for any**
 10 **purpose.**
- 11 **Sec. 2. The treasury is divided into the general fund and such**
 12 **other funds as are created by the Constitution of the State of**
 13 **Indiana or by statute.**
- 14 **Sec. 3. The general fund consists of all money paid into the**
 15 **treasury that is not by the Constitution of the State of Indiana,**
 16 **statute, or requirement of the donor dedicated to another fund or**
 17 **for another purpose.**
- 18 **Sec. 4. The investment of the money in the treasury is governed**
 19 **by IC 5-13.**
- 20 **Sec. 5. (a) A committee of:**
 21 **(1) the general assembly;**
 22 **(2) either house of the general assembly; and**
 23 **(3) individuals who are appointed by the general assembly but**
 24 **who are not members of the general assembly;**
 25 **when authorized by the general assembly by resolution, may**
 26 **inspect the treasury and the records relating to the treasury.**
 27 **(b) The committee may compel the attendance of witnesses and**
 28 **send for persons and papers.**
- 29 **Sec. 6. (a) The governor may:**
 30 **(1) request the state board of accounts; or**
 31 **(2) appoint a certified public accountant;**
 32 **to make, without previous notice, a thorough inspection of the**
 33 **treasury and the records relating to the treasury.**
 34 **(b) The state controller and the employees of the state**
 35 **controller's office shall assist the state board of accounts or the**
 36 **certified public accountant in all ways necessary to the**
 37 **performance of the inspection.**
 38 **(c) The state board of accounts or the certified public**
 39 **accountant may administer oaths to the state controller or the state**
 40 **controller's employees for the purpose of obtaining sworn**
 41 **testimony. The state board of accounts or the certified public**
 42 **accountant may compel the attendance of witnesses and send for**



1 persons and papers.

2 (d) The state board of accounts or the certified public
3 accountant shall certify the findings of the inspection to the state
4 controller and the governor.

5 (e) The governor shall pay the certified public accountant
6 services and expenses out of the governor's contingency fund at a
7 rate determined reasonable by the governor.

8 Sec. 7. (a) As used in this section, "private entity" means a
9 corporation or other business entity that uses facilities that were
10 financed, in whole or in part, with the proceeds of bonds issued by
11 the Indiana finance authority under IC 8-9.5, IC 8-14.5, or
12 IC 8-21-12.

13 (b) If a private entity makes a payment to the state under an
14 agreement requiring the recipient to make such a payment upon
15 failure to achieve prescribed levels of investment, employment, or
16 wages at the facilities described in subsection (a), the payment shall
17 be deposited in the general fund.

18 Sec. 8. Notwithstanding section 7 of this chapter, any payment
19 made on or after April 1, 2007, by United Air Lines, Inc., to the
20 state of Indiana under the IMC 757/767 Project Agreement, dated
21 December 1, 1994, between the Indiana economic development
22 corporation and United Air Lines, Inc., upon failure to achieve
23 prescribed levels of investment, employment, or wages set forth in
24 the agreement at certain facilities that were financed with the
25 proceeds of bonds issued by the Indiana finance authority under
26 IC 8-21-12, shall be deposited as follows:

27 (1) Fifty percent (50%) of the money shall be deposited in the
28 affordable housing and community development fund
29 established by IC 5-20-4-7. The proceeds of any such
30 payments are continuously appropriated for the purposes
31 specified in IC 5-20-4-8. Any such proceeds in the affordable
32 housing and community development fund that remain
33 unexpended at the end of any state fiscal year remain in the
34 fund until expended and do not revert to the general fund, due
35 to United States Internal Revenue Service requirements
36 related to outstanding Indiana finance authority bonds.

37 (2) Fifty percent (50%) of the money shall be distributed
38 among the counties that either have at least one (1) unit that
39 has established an affordable housing fund under
40 IC 5-20-5-15.5 or a housing trust fund established under
41 IC 36-7-15.1-35.5(e) in proportion to the population of each
42 county. The money shall be allocated within the county as



1 follows:

2 (A) In a county that does not contain a consolidated city
 3 and has at least one (1) unit that has established an
 4 affordable housing fund under IC 5-20-5-15.5, the amount
 5 to be distributed to each unit that has established an
 6 affordable housing fund under IC 5-20-5-15.5 is the
 7 amount available for distribution multiplied by a fraction.
 8 The numerator of the fraction is the population of the unit.
 9 The denominator of the fraction is the population of all
 10 units in the county that have established an affordable
 11 housing fund. For purposes of allocating an amount to the
 12 affordable housing fund established by the county, the
 13 population to be used for that unit is the population of the
 14 county outside any city or town that has established an
 15 affordable housing fund. The allocated amount shall be
 16 deposited in the unit's affordable housing fund for the
 17 purposes of the fund.

18 (B) In a county to which clause (A) does not apply, the
 19 money shall be deposited in the housing trust fund
 20 established under IC 36-7-15.1-35.5(e) for the purposes of
 21 the fund.

22 SECTION 12. IC 4-8.1-2-0.1 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2016]: **Sec. 0.1. This article expires January**
 25 **1, 2023.**

26 SECTION 13. IC 5-14-3-3.5, AS AMENDED BY P.L.177-2005,
 27 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2016]: Sec. 3.5. (a) As used in this section, "state agency" has
 29 the meaning set forth in IC 4-13-1-1. The term does not include the
 30 office of the following elected state officials:

- 31 (1) Secretary of state.
 32 (2) Auditor (**before January 1, 2023**).
 33 (3) Treasurer (**before January 1, 2023**).
 34 (4) State controller (**after December 31, 2022**).
 35 ~~(4)~~ (5) Attorney general.
 36 ~~(5)~~ (6) Superintendent of public instruction.

37 However, each state office described in subdivisions (1) through ~~(5)~~ (6)
 38 and the judicial department of state government may use the computer
 39 gateway administered by the office of technology established by
 40 IC 4-13.1-2-1, subject to the requirements of this section.

41 (b) As an additional means of inspecting and copying public
 42 records, a state agency may provide enhanced access to public records



- 1 maintained by the state agency.
- 2 (c) If the state agency has entered into a contract with a third party
- 3 under which the state agency provides enhanced access to the person
- 4 through the third party's computer gateway or otherwise, all of the
- 5 following apply to the contract:
- 6 (1) The contract between the state agency and the third party must
- 7 provide for the protection of public records in accordance with
- 8 subsection (d).
- 9 (2) The contract between the state agency and the third party may
- 10 provide for the payment of a reasonable fee to the state agency by
- 11 either:
- 12 (A) the third party; or
- 13 (B) the person.
- 14 (d) A contract required by this section must provide that the person
- 15 and the third party will not engage in the following:
- 16 (1) Unauthorized enhanced access to public records.
- 17 (2) Unauthorized alteration of public records.
- 18 (3) Disclosure of confidential public records.
- 19 (e) A state agency shall provide enhanced access to public records
- 20 only through the computer gateway administered by the office of
- 21 technology.

