

# NEW LEGISLATION

COUNTY COUNCIL CONFERENCE

JUNE, 2017

## SB 128 - Regional Infrastructure

- ▶ Effective 4/28/17 and amends IC 4-4-11-0.4 for the Indiana Finance Authority to assume all powers, duties, and agreements relating to the infrastructure revolving loan fund established by IC 4-10-19. Currently the State Budget Agency oversees this fund.
- ▶ Adds a new subsection to IC 4-4-11-15.4(d) that applies to any political subdivision that has failed to pay when due the principal or interest arising from an agreement with the IFA. The fiscal officer of the county shall reduce the amount of revenues or property held, possessed, maintained, controlled or otherwise in the custody of the county by an amount equal to the amount of the political subdivision's unpaid obligation. The amount reduced will be paid to the IFA for payment of the unpaid obligation and the county will notify the political subdivision that the amount was reduced and remitted to the IFA.

## SB 346 - Donation of Funds

- ▶ Amends IC 36-1-14-1 and is effective upon passage and adds a new subsection that is effective 4-21-17 for the donation of proceeds from the sale of a facility (hospital) to a nonprofit community foundation if the donation occurs after December 31, 2015. investment trusts established by a county prior to 1990 to hold the proceeds from the sale of the hospital.
  - ▶ DLGF may not lower the tax levy due to:
    - ▶ Donation of proceeds of money to a foundation
    - ▶ Distribution from the endowment to the unit
    - ▶ Return of donation to the **general fund**
- ▶ Adds a new section 4 to IC 36-1-14 regarding investment trust funds established by a county prior to 1990 to hold the proceeds from the sale of a hospital.

## SB 455 - Tax Administration of Mobile Homes

- ▶ Effective 7-1-17 and adds a new section to IC 6-1.1-23 on provisions for collection of delinquent personal property taxes. The new section provides that a county treasurer may choose to use a new chapter, IC 6-1.1-23.5 to collect delinquent property taxes, penalties and collection expenses for a mobile home or chose to use IC 6-1.1-23. If elected to use 23.5, the county treasurer must continues to use those provisions until the delinquent taxes, penalties and collection expenses are collected or the mobile home is sold or otherwise disposed of.
- ▶ The new process described in this new section allows a tax sale for mobile homes with delinquent personal property taxes that is similar to the tax sale process for real property with delinquent taxes.

## SB 505 - County Recorder Matters

- ▶ Effective 7-1-17 and adds language to the statute for recording electronic documents.
- ▶ Effective 7-1-17 and replaces the fee schedule with a flat rate for recording documents and mortgages.
- ▶ Effective 7-1-17 and amends the process for selling bulk copies.

## SB 505 - Identification Security Fund

- ▶ Effective 7-1-17 - Amends IC 36-2-7.5-11 for the County identification security protection fund
  - ▶ The fund does not revert to county general however; money in a fund may be transferred to the county recorder's perpetuation fund for the uses set forth in IC 36-2-7-10(f)
    - ▶ The primary purpose of the fund is purchase, upgrade, implement or maintain redacting technology or to **secure protection measures** used in the office of the county recorder.
    - ▶ The fund must be appropriated by the council

## SB 515 -Set Off of Refunds

- ▶ Effective 1-1-18 and amends IC 6-8.1-9.5 on the set-off of income tax refunds. It expands the definition of a claimant agency to include “a unit of local government that has an interlocal agreement with a clearinghouse established under section 3.5 of this chapter.” A unit of local government means a county, city, town, township, and any other political subdivision, commission or agency, including a school corporation.
- ▶ This provision allows a local unit, by following the established procedures to receive money from an individual’s state income tax refund when that individual owes money to the local unit.

## SB 539- Notaries

- ▶ Effective 7-1-17 and adds a new chapter to IC 33-42-0.5 which provides definitions. Repeals chapters 1,2,3,4, and 8.
- ▶ Chapter 9 - Notarial Acts
- ▶ Chapter 10 - Official Seals and Stamping Devices
- ▶ Chapter 12 - Commission Requirements and Qualifications
- ▶ Chapter 13 - Notary Discipline
- ▶ Chapter 14 - Notary Fees
  - ▶ Includes the provision that a public official or deputy or appointee of the public official may not charge for services of a notary in connection with official business of that office.

## HB 1002 - Transportation Infrastructure

- ▶ Effective 7-1-17 and amends IC 6-3.5-4-5 (Excise Surtax) and IC 6-3.5-5-5 (Wheel Tax) to extend the deadline to adopt an ordinance from July 1 to September 1 to that would apply to the following year of collection. Also amends IC 6-3.5-4-6 (Excise Surtax) and IC 6-3.5-5-8 (Wheel tax) that to impose, rescind or change the rate or amount of the surtax or wheel tax, the county must include a copy of the letter from INDOT approving the county's transportation asset management plan along with a copy of the ordinance to BMV. The deadline to provide the fiscal body an estimate of the revenues from the surtax and wheel tax is moved back to October 1.
- ▶ Effective 7-1-17 and amends IC 8-14-1-4 to add " For funds distributed to a county from the motor vehicle highway account after June 30, 2017 the county shall use fifty percent (50%) of the money for the construction, reconstruction, and maintenance of the county's highways.

## HB 1002 Transportation Infrastructure

- ▶ Effective 3-23-16 and amends IC 8-23-30-3 for the Community Crossing grants. The local match may come from any money the local unit is authorized to use for a local road or bridge project as well as special distributions of local income tax and money in the unit's rainy day fund.
- ▶ Effective July 1, 2017 and amends IC 8-23-30-6 for the required local match percentages to allow counties with a population under 50,000 and towns with a population under 10,000 to only need a 25% match of funding. For all other units, the percentage remains at 50%.
- ▶ Effective July 1, 2017 and amends IC 8-23-30-7 to allow that if multiple units, including any combination of cities, towns and counties, apply jointly for a matching grant for a project that extends across multiple jurisdictions, they may aggregate the maximum amounts determined by INDOT.

## HB 1009 - Issuance of Bonds

- ▶ Effective 7-1-17 adds a new chapter, 11.5 to IC 5-1 on bonds and other obligations. This replaces IC 5-11-1-4 on the requirements to file a GAAP report before issuing bonds on a phase in schedule. For all counties that have a population of greater than 100,000 and all municipalities with a population greater than 75,000 bonds may not be issued after June 30, 2020 unless the county or municipality had for its preceding budget year prepared an annual financial report using the modified accrual basis of accounting in accordance with GAAP.

## HB 1031 State Examiner Findings

- ▶ Effective 7-1-17 and adds a new section, 1.5 to IC 5-11-5 that if an examination report for an audited entity failed to observe a uniform compliance guideline established under IC 5-11-1-24 or failed to comply with a specific law, the audited entity is required to take action to address the audit finding.
- ▶ If a subsequent examination report of the audited entity contains the same or a substantially similar finding to the finding contained in the previous examination report, the officer shall file a corrective action plan as a written response to the report.

## HB 1031 - State Examiner Findings

- ▶ The state board of accounts shall create guidelines for use by an audited entity to establish a corrective action plan. The finding must be corrected within 6 months.
- ▶ After successful completion of the corrective action plan, the audited entity must notify SBOA. SBOA shall review each corrective action plan. If the plan is not implemented or the issue is not corrected within 6 months, SBOA will prepare a memorandum with a summary of the report finding, the corrective action plan, the manner in which the finding was not addressed and a recommended course of action.

## HB 1031 - State Examiner Findings

- ▶ The memorandum is presented to the Audit Committee established by IC 2-5-1.1-6.3. If the audit committee determines further action should be taken, they may do any of the following
  - ▶ Request a written statement from the public officer of the audited entity
  - ▶ Request the personal attendance of the public officer at the next audit committee meeting
  - ▶ Request that the public officer take corrective action
  - ▶ Notify the fiscal body of the audited entity and the DLGF the audited entity failed to observe a guideline established under IC 5-11-1-24(a) or a specific law and a recommendation which shall be posted on the IGA website.
  - ▶ Refer for investigation or prosecution for a violation of IC 5-11-1-10 or 5-11-1-21

## HB 1031 - State Examiner Findings

- ▶ Audit Committee actions (continued)
  - ▶ Recommend that legislation be introduced in the general assembly to amend any statute under which an audited entity is found to be noncompliance
  - ▶ Recommend that the state board of accounts examine the audited entity within the calendar year following the year in which the entity was required to file a corrective action plan.

## HB 1272 - Publication of Notices

- ▶ Effective 7-1-17 and amends IC 5-3-1-2. A new subsection is added that if a notice is submitted to the newspaper in a timely manner and the newspaper does not refuse to publish the notice but subsequently fails to publish the notice and within the same period required for publishing, the printed notice is posted in three prominent places in the county and on the county's internet web site in a location that is easily accessible and identifiable, the notice is sufficient.

## HB 1295 - Disposal of Real Property

- ▶ Effective 7-1-17 and amends IC 36-1-11 on the disposal of real property. Currently the sale of real property having an appraised value of \$50,000 or more must be approved by the fiscal body. Under the new law, the fiscal body may choose by adopting an ordinance to increase that threshold amount to an amount greater than \$50,000.
- ▶ Effective 7-1-17 and also amends IC 36-1-11-5 which allows a disposing agent to offer property to an abutting landowner if the property is appraised at less than \$15,000 now allows the fiscal body to pass an ordinance raising the threshold above \$15,000.

## HB 1470 - Government Data

- ▶ Effective 7-1-17 and adds a new chapter to 2-5 on legislative agencies and study committees. The new chapter, 1.7 is on access to government information by the General Assembly. A county would be included in the definition of governmental entity for this chapter. "A governmental entity shall provide the legislative services agency with information requested by the legislative services agency not later than 30 days after receiving the request. However, immediately before and during a session of the general assembly, a governmental entity shall work with the legislative services agency to provide information as soon as practicable in less than the thirty days, as needed to accommodate the legislative schedule.

## CONTACT INFORMATION

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