

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7424

BILL NUMBER: HB 1333

NOTE PREPARED: Apr 4, 2013

BILL AMENDED: Apr 2, 2013

SUBJECT: County Officials' Training.

FIRST AUTHOR: Rep. Mayfield

FIRST SPONSOR: Sen. Bray

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

County Officials' Training: The bill provides that county treasurers, county auditors, county recorders, circuit court clerks, and county surveyors (county offices) may attend the required county officer training courses after being elected to office (currently they are required to take the training after taking office). It provides that the county elected officials training fund (fund) supplements appropriations from the county general fund for payment of the expenses of the training courses.

The bill adds circuit court clerks to the county officials whose training may be paid for by money in the fund. It provides that a training course that an individual completes after being elected to a county office and before the individual begins serving in office, applies toward the training requirements. It provides that an individual that holds a county office must fulfill the training requirements for each term to which the individual was elected to the office.

The bill requires an individual elected to the office of county surveyor on or after June 30, 2013, to complete at least: (1) 15 hours of training courses within one year; and (2) 40 hours of training courses within three years; after the individual is elected or appointed to that office. (Current law: (1) exempts an actively registered land surveyor, a graduate of an accredited land surveying curriculum, or a land surveyor-in-training elected to the office of county surveyor from the training requirements; and (2) requires an individual elected to the office of county surveyor who is not exempted to complete 24 hours of training within two years after beginning the surveyor's term). It provides that educational courses regarding land surveying that are taken by a county surveyor who is an actively registered land surveyor count toward the training requirement.

The bill provides that an individual who is appointed to fill a vacancy in one of these county offices may take the training courses but is not required to do so. It provides that if an individual appointed to fill a vacancy in one of these county offices takes a training course, the county is required to pay for the expenses of the training course as if that individual had been elected to the office.

Internal Control System: The bill specifies that the State Board of Accounts has authority to set standards and procedures for internal control systems for any local government entity that is required to submit financial reports to the state board of accounts. (Current law establishes this authority for internal control systems of counties, cities, towns, and townships.)

Technical Correction: The bill also resolves a technical conflict with SEA 85 (the technical corrections bill).

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Internal Control System:* Under current law, the State Board of Accounts is authorized to set standards and procedures for the internal control systems used by counties, cities, towns and townships to ensure that government funds are not misused. This bill authorizes the agency to set standards for the internal control systems of a municipality not described above and any other local governmental unit, entity, or instrumentality that is required to submit a financial report to the agency under current law. The agency should be able to fulfill this requirement within existing resources.

Explanation of State Revenues:

Explanation of Local Expenditures: *Summary: County Officials' Training:* Based on the training requirement under this bill for county officials (treasurers, auditors, recorders, surveyors, and circuit court clerks), and the cost of each classroom course (currently \$75), the cost per individual would be approximately \$600 over a three-year period (less if the some of the classes are taken via the web), not including per diem and traveling costs. There would also be additional costs for continuing education courses. The courses would be paid out of the county general fund supplemented by funds from the county elected officials training fund.

Internal Control System: Under this bill, an applicable local government unit, entity, instrumentality or municipality may incur some administrative costs in implementing the policies and procedures recommended by the State Board of Accounts. These costs would be met within its existing budget.

Additional Information:

County Officials' Training: Under current law, county treasurers and auditors elected after the general election of 2012, county recorders elected after November 4, 2008, and county court clerks elected after November 2, 2010, are required to complete training sessions developed by the Association of Indiana Counties (AIC) and approved by the State Board of Accounts. This bill extends this requirement to those county treasurers and auditors elected in the 2012 general election. As also mandated by current statute, the bill provides that treasurers, auditors, and recorders complete a minimum of 15 hours of training within one year, and 40 hours within three years of taking office.

The bill also directs that surveyors (elected after June 30, 2013) complete at least 15 hours of training within one year, and 40 hours within three years of taking office. This is an increase from the previous requirement of 24 hours.

Under the bill, county treasurers, auditors, recorders, surveyors and county clerks are required to complete the training for each term for which they are elected. Officials who are appointed to fill a vacancy are not required to complete the training classes. However, if they do take a class, the county must pay for the class.

Background Information:

Association of Indiana Counties: The AIC has developed an educational program called AIC Institute for Excellence in County Government. This program gives officials and county employees access to training geared specifically to county government. Program participants must complete 30 credit hours of study within two consecutive years in order to qualify for AIC Institute certification. The association also has continuing education certification open to those who have previously completed their initial certification.

The classes are offered in two formats: webinar and classroom. Costs are approximately \$60 for the web-based class (\$90 for nonmembers) and \$75 for the classroom (\$115 for nonmembers). Each class is five credit hours.

County Elected Officials Training Fund: The county elected officials training fund was established in July 2011. Currently, it is to be used solely to finance the training for county auditors, treasurers, recorders and surveyors. The money for the fund comes from \$0.50 of the \$2 county identification security protection fee the recorder charges for recording or filing a document. Estimates indicate that for the 78 counties for which data are available a total of approximately of \$270,000 was deposited in their funds in 2011.

Explanation of Local Revenues:

State Agencies Affected: State Board of Accounts

Local Agencies Affected: County auditors, treasurers, surveyors, recorders, and circuit court clerks; Local governmental units.

Information Sources: Association of Indiana Counties website: <http://www.indianacounties.org>;
Indiana Gateway for Governmental Units: <https://gateway.ifionline.org/>

Fiscal Analyst: David Lusan, 317-232-9592.