

SB258 ENROLLED



1 S20H58-2
2 By Senator Jones
3 RFD: County and Municipal Government
4 First Read: 27-Apr-23
5 2023 Regular Session



SB258 Enrolled

1 Enrolled, An Act,

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4 SYNOPSIS:

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A BILL

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TO BE ENACTED

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AN ACT

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9 Relating to water utilities; to amend Act 2022-378 of
10 the 2022 Regular Session, now appearing as Section 41-5A-12.2
11 of the Code of Alabama 1975, relating to certain nonprofit
12 corporations providing water service and providing a one-time
13 audit by the Department of Examiners of Public Accounts, to
14 specify that the law applies to nonprofit corporations
15 providing water service to its members or the public; and to
16 authorize the department to conduct an additional one-time
17 audit of a nonprofit corporation if the department suspects
18 fraud or mismanagement of funds.

19 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

20 Section 1. Act 2022-378 of the 2022 Regular Session,
21 now appearing as Section 41-5A-12.2 of the Code of Alabama
22 1975, is amended to read as follows:

23 "§41-5A-12.2

24 (a) After ~~April 14, 2022,~~ the effective date of the
25 act adding this amendatory language, beginning after the close
26 of the then current fiscal year, any nonprofit corporation
27 organized under the laws of this state as a nonprofit
28 corporation that is not incorporated pursuant to Title 11,



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29 which provides water service to its members or the public, may
30 be audited or examined one time by the Department of Examiners
31 of Public Accounts in the same manner as provided in Chapter
32 5A of Title 41. The department may charge a reasonable fee for
33 the audits.

34 (b) After the effective date of the act adding this
35 amendatory language, beginning after the close of the then
36 current fiscal year, any nonprofit corporation that is not
37 incorporated pursuant to Title 11, which provides water
38 service to its members or the public, may be audited or
39 examined one time in addition to the audit provided in
40 subsection (a) by the Department of Examiners of Public
41 Accounts in the same manner as provided in Chapter 5A of Title
42 41, if the department suspects fraud or mismanagement of funds
43 by the nonprofit corporation. The department may charge a
44 reasonable fee for the audits or examinations.

45 ~~(b)~~ (c) This section does not apply to or affect any
46 public water supply system, waterworks plant, or water
47 distribution system owned or operated by a municipality or
48 county, or by a public corporation, board, or other entity
49 organized, created, or incorporated pursuant to Title 11."

50 Section 2. This act shall become effective immediately
51 following its passage and approval by the Governor, or its
52 otherwise becoming law.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB258

Senate 11-May-23

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 31-May-23

Senate concurred in House amendment 31-May-23

By: Senator Jones