



Reprinted
January 19, 2024

HOUSE BILL No. 1158

DIGEST OF HB 1158 (Updated January 18, 2024 11:36 am - DI 116)

Citations Affected: IC 36-2.

Synopsis: County contracts. Provides that contracts made by the county, excluding Marion County, must meet certain requirements. Provides that the county executive is the body charged with executing contracts for goods and services on behalf of the county with certain exceptions. Provides a review process for certain contracts.

Effective: July 1, 2024.

Lehman

January 8, 2024, read first time and referred to Committee on Local Government.
January 16, 2024, amended, reported — Do Pass.
January 18, 2024, read second time, amended, ordered engrossed.

HB 1158—LS 6424/DI 137



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Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

HOUSE BILL No. 1158

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

- 1 SECTION 1. IC 36-2-13-20 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2024]: **Sec. 20. (a) This section does not apply to the following:**
4 (1) **A county containing a consolidated city.**
5 (2) **A building corporation of a county that issues bonds for**
6 **the purpose of constructing public facilities.**
7 (3) **A bond or other type of security for the payment of a lease**
8 **obligation.**
9 (b) **The following applies to all contracts entered into by a**
10 **county unit:**
11 (1) **The contract shall be undertaken in the name of the**
12 **county.**
13 (2) **Any real property, personal property, goods, or services**
14 **purchased by the county or a county official for public use**
15 **shall be titled to, or otherwise documented as owned by, the**
16 **county unit.**
17 (3) **The county executive may, by ordinance, require standard**

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1 contractual language to be used in all contracts of the county
2 unit that may include:

- 3 (A) provisions for indemnification;
4 (B) dispute resolution provisions;
5 (C) venue requirements;
6 (D) termination provisions; and
7 (E) notification provisions.

8 SECTION 2. IC 36-2-13-21 IS ADDED TO THE INDIANA CODE
9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
10 1, 2024]: Sec. 21. (a) This section does not apply to the following:

- 11 (1) A county containing a consolidated city.
12 (2) A building corporation of a county that issues bonds for
13 the purpose of constructing public facilities.
14 (3) A bond or other type of security for the payment of a lease
15 obligation.

16 (b) This section applies to a contract for the purchase of goods
17 and services by the county or on behalf of a county official for
18 official use with appropriated funds.

19 (c) Except as provided in subsection (e), the county executive is
20 the body charged with executing contracts on behalf of the county.

21 (d) Subsection (e) may be utilized by an elected officeholder
22 subject to the following conditions:

- 23 (1) The proposed contract meets the requirements in section
24 20 of this chapter.
25 (2) The proposed contract is for goods and services that are
26 necessary for an elected officeholder to carry out a
27 constitutional or statutory duty for the elected officeholder's
28 office.
29 (3) The funds used have been appropriated by the county
30 fiscal body, if appropriation is required under law.

31 (e) When an elected officeholder determines that it may be
32 necessary to execute a contract that meets the requirements in
33 subsection (d), the following review process applies:

- 34 (1) The elected officeholder must file an official request for
35 approval of the proposed contract with the county auditor
36 with notice to the president of the county executive.
37 (2) The county executive shall have twenty (20) days from the
38 date the request is filed to review and respond as to whether
39 the proposed contract is approved or disapproved. As part of
40 the review, the proposed contract must be reviewed by the
41 county attorney to determine:

- 42 (A) the county's potential exposure to liability under the



- 1 **contract; and**
2 **(B) whether the contract complies with state law.**
3 **(3) If the county executive finds that:**
4 **(A) the proposed contract is acceptable, the county**
5 **executive may approve the contract and authorize it for**
6 **execution by either the county executive or the elected**
7 **officeholder; or**
8 **(B) the proposed contract is not acceptable, the county**
9 **executive may refuse to approve the contract. However,**
10 **the county executive must provide a written statement to**
11 **the elected officeholder within the timeframe described in**
12 **subdivision (2) explaining why the contract is not**
13 **acceptable and provide recommendations that would make**
14 **the contract acceptable, if any.**
15 **(4) Should a contract be refused for approval by the county**
16 **executive under subdivision (3)(B), the elected officeholder**
17 **may:**
18 **(A) offer a revised contract to the county executive by**
19 **filing a new request for review under subdivision (1); or**
20 **(B) execute the contract if the officeholder determines the**
21 **contract includes the required terms stated in an ordinance**
22 **adopted under section 20(a)(3) of this chapter, if an**
23 **ordinance has been adopted.**
24 **(5) A contract executed under subdivision (4)(B) shall be**
25 **submitted to the county auditor not later than ten (10) days**
26 **after execution. Any contract not submitted to the county**
27 **auditor within ten (10) days is voidable by the county**
28 **executive.**
29 **(6) The county auditor shall upload a contract submitted**
30 **under subdivision (5) to the Indiana transparency website**
31 **under IC 5-14-3.8-3.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred House Bill 1158, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete "A county executive may pass an ordinance" and insert:

"This section does not apply to a county containing a consolidated city.

(b) The following applies to all contracts entered into by a county unit:

(1) The contract shall be undertaken in the name of the county.

(2) Any real property, personal property, goods, or services purchased by the county or a county official for public use shall be titled to, or otherwise documented as owned by, the county unit.

(3) The county executive may, by ordinance, require standard contractual language to be used in all contracts of the county unit that may include:

(A) provisions for indemnification;

(B) dispute resolution provisions;

(C) venue requirements;

(D) termination provisions; and

(E) notification provisions.

SECTION 2. IC 36-2-13-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 21. (a) This section does not apply to a county containing a consolidated city.**

(b) This section applies to a contract for the purchase of goods and services by the county or on behalf of a county official for official use with appropriated funds.

(c) Except as provided in subsection (e), the county executive is the body charged with executing contracts on behalf of the county.

(d) Subsection (e) may be utilized by an elected officeholder subject to the following conditions:

(1) The proposed contract meets the requirements in section 20 of this chapter.

(2) The proposed contract is for goods and services that are necessary for an elected officeholder to carry out a constitutional or statutory duty for the elected officeholder's office.



(3) The funds used have been appropriated by the county fiscal body, if appropriation is required under law.

(e) When an elected officeholder determines that it may be necessary to execute a contract that meets the requirements in subsection (d), the following review process applies:

(1) The elected officeholder must file an official request for approval of the proposed contract with the county auditor with notice to the president of the county executive.

(2) The county executive shall have at least fifteen (15) days from the date the request is filed to review and approve the proposed contract. As part of the review, the proposed contract must be reviewed by the county attorney to determine:

(A) the county's potential exposure to liability under the contract; and

(B) whether the contract complies with state law.

(3) If the county executive finds that:

(A) the proposed contract is acceptable, the county executive may approve the contract and authorize it for execution by either the county executive or the elected officeholder; or

(B) the proposed contract is not acceptable, the county executive may refuse to approve the contract. However, the county executive must provide a written statement to the elected officeholder within five (5) days following the public meeting in which it was considered explaining why the contract is not acceptable and provide recommendations that would make the contract acceptable, if any.

(4) Should a contract be refused for approval by the county executive under subdivision (3)(B), the elected officeholder may:

(A) offer a revised contract to the county executive by filing a new request for review under subdivision (1); or

(B) execute the contract if the officeholder determines the contract includes the required terms stated in an ordinance adopted under section 20(a)(3) of this chapter, if an ordinance has been adopted.

(5) A contract executed under subdivision (4)(B) shall be submitted to the county auditor not later than ten (10) days after execution. Any contract not submitted to the county auditor within ten (10) days is voidable by the county



executive.

(6) The county auditor shall upload a contract submitted under subdivision (5) to the Indiana transparency website under IC 5-14-3.8-3."

Page 1, delete lines 4 through 17.

Delete page 2.

and when so amended that said bill do pass.

(Reference is to HB 1158 as introduced.)

MAY

Committee Vote: yeas 11, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1158 be amended to read as follows:

Page 1, line 3, delete "a county" and insert "**the following:**".

Page 1, delete line 4, begin a new line block indented and insert:

- "(1) A county containing a consolidated city.**
- (2) A building corporation of a county that issues bonds for the purpose of constructing public facilities.**
- (3) A bond or other type of security for the payment of a lease obligation."**

Page 2, line 6, delete "a county" and insert "**the following:**".

Page 2, delete line 7, begin a new line block indented and insert:

- "(1) A county containing a consolidated city.**
- (2) A building corporation of a county that issues bonds for the purpose of constructing public facilities.**
- (3) A bond or other type of security for the payment of a lease obligation."**

(Reference is to HB 1158 Digest Correction as printed January 16, 2024.)

MELTZER



HOUSE MOTION

Mr. Speaker: I move that House Bill 1158 be amended to read as follows:

Page 2, line 29, delete "at least fifteen (15)" and insert "**twenty (20)**".

Page 2, line 30, delete "approve the" and insert "**respond as to whether the proposed contract is approved or disapproved.**".

Page 2, line 31, delete "proposed contract."

Page 3, line 3, delete "five (5) days following the" and insert "**the timeframe described in subdivision (2)**".

Page 3, line 4, delete "public meeting in which it was considered".

(Reference is to HB 1158 Digest Correction as printed January 16, 2024.)

ZIMMERMAN

