

HOUSE BILL No. 1321

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-3-26-10; IC 4-13-21.

Synopsis: Oversight requirements for state assistance. Provides that the distressed unit appeal board (DUAB) must before January 1, 2019, establish financial and qualitative indicators and thresholds that will be used by the DUAB to determine if a political subdivision that is seeking state assistance must: (1) enter into an oversight agreement with the DUAB; and (2) comply with specified requirements and conditions; before any state assistance may be provided to the political subdivision. Provides that in establishing these indicators and thresholds, the DUAB shall consider: (1) certain factors specified in current law for the purposes of evaluating the fiscal health of school corporations and other political subdivisions; and (2) the conditions specified in current law as the grounds for the designation of distressed political subdivisions. Specifies that the DUAB may not establish or revise financial and qualitative indicators and thresholds unless the proposed indicators and thresholds or proposed revisions have been reviewed by the state budget committee. Provides that after June 30, 2019, state assistance may not be provided to a political subdivision unless: (1) the DUAB has first applied the financial and qualitative indicators and thresholds to determine whether the political subdivision must enter into an oversight agreement and comply with the statutory oversight requirements and conditions; and (2) if required based on the DUAB's application of the financial and qualitative indicators and thresholds, the political subdivision has entered into an oversight agreement, has submitted a financial stability plan to the DUAB, and otherwise complies with the statutory oversight requirements and conditions. Requires the DUAB to provide a model oversight
(Continued next page)

Effective: July 1, 2018.

Slager

January 16, 2018, read first time and referred to Committee on Ways and Means.



Digest Continued

agreement that the DUAB and political subdivisions shall use as a template in determining the terms and conditions of oversight agreements. Requires an oversight agreement entered into by the DUAB and a political subdivision to do the following: (1) Set out the conditions, requirements, and oversight required as a condition of the political subdivision receiving state assistance. (2) Require the political subdivision to comply with the statutory oversight requirements and conditions. (3) Designate the political subdivision as a supervised political subdivision. (4) Include the conditions that must be satisfied before the political subdivision's status as a supervised political subdivision is terminated and the political subdivision is no longer required to comply with oversight agreement and the statutory requirements and conditions. Requires the DUAB to assist a supervised political subdivision in developing a financial stability plan. Specifies oversight requirements and duties that apply to a supervised political subdivision. Specifies certain actions that a supervised political subdivision may not take unless the supervised political subdivision has first obtained the approval of the DUAB. Requires the management performance hub to assist the DUAB in carrying out the DUAB's duties under these provisions.



Introduced

Second Regular Session of the 120th General Assembly (2018)

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 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1321

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 4-3-26-10, AS ADDED BY P.L.269-2017,
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2018]: Sec. 10. The MPH shall do the following:
4 (1) Establish and maintain a program to collect, analyze, and
5 exchange government information in carrying out the powers and
6 duties of the OMB and the powers and duties of the executive
7 state agency sharing the data. In carrying out this program, the
8 MPH may, in accordance with IC 4-1-6, obtain government
9 information from each executive state agency.
10 (2) In accordance with IC 4-1-6 and IC 5-14-3, establish and
11 maintain a program to make government information available to
12 executive state agencies, political subdivisions, educational
13 institutions, researchers, nongovernmental organizations, and the
14 general public, subject to the following:
15 (A) A request for data subject to IC 4-1-6-8.6 shall be made in



1 conformance with that section.

2 (B) A program established and maintained under this chapter
3 must include policies governing access to government
4 information held by the MPH under this chapter. Government
5 information may be made available only in accordance with
6 applicable confidentiality and disclosure laws.

7 (3) Establish privacy and quality policies for government
8 information that comply with all applicable Indiana and federal
9 laws, rules, and policies.

10 (4) In accordance with standards developed by the office of
11 technology established by IC 4-13.1-2-1, establish and maintain
12 a program to ensure the security of government information under
13 this chapter.

14 (5) Conduct operational and procedural audits of executive state
15 agencies.

16 (6) Perform financial planning and design and implement
17 efficiency projects for executive state agencies.

18 (7) Advise and assist each executive state agency to identify and
19 implement continuous process improvement in state government.

20 (8) Carry out such other responsibilities as may be designated by
21 the director of the OMB or the chief data officer to carry out the
22 responsibilities of the OMB or the chief data officer.

23 **(9) Assist the distressed unit appeal board in carrying out the
24 distressed unit appeal board's duties under IC 4-13-21.**

25 SECTION 2. IC 4-13-21 IS ADDED TO THE INDIANA CODE AS
26 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
27 1, 2018]:

28 **Chapter 21. Conditions Imposed on the Providing of State
29 Assistance to Political Subdivisions**

30 **Sec. 1. As used in this chapter, "DUAB" means the distressed
31 unit appeal board established by IC 6-1.1-20.3-4.**

32 **Sec. 2. As used in this chapter, "oversight agreement" means an
33 agreement entered into by a political subdivision and the DUAB
34 under section 8 of this chapter.**

35 **Sec. 3. As used in this chapter, "political subdivision" has the
36 meaning set forth in IC 36-1-2-13.**

37 **Sec. 4. (a) As used in this chapter, "state agency" means an
38 authority, a board, a branch, a commission, a committee, a
39 department, a division, or another instrumentality of the executive,
40 including the administrative, department of state government. The
41 term includes the following:**

42 **(1) A state elected official's office.**



- 1 (2) A body corporate and politic of the state created by state
2 statute.
- 3 (3) The state board of finance.
- 4 (b) The term does not include a state educational institution.
- 5 Sec. 5. (a) As used in this chapter, "state assistance" means the
6 following:
- 7 (1) Any advance, loan, loan guarantee, loan forgiveness, grant,
8 or matching funds provided by a state agency to or for a
9 political subdivision.
- 10 (2) Any advance or loan provided to a political subdivision
11 from the common school fund or from the counter-cyclical
12 revenue and economic stabilization fund (state rainy day
13 fund).
- 14 (b) The term does not include state tuition support or other
15 grants, distributions, and awards provided to a school corporation
16 under IC 20-43.
- 17 Sec. 6. As used in this chapter, "supervised political
18 subdivision" means a political subdivision that has entered into an
19 oversight agreement with the DUAB under section 8 of this
20 chapter.
- 21 Sec. 7. (a) Before January 1, 2019, the DUAB shall establish
22 financial and qualitative indicators and thresholds that shall be
23 used by the DUAB under this chapter to determine if a political
24 subdivision that is requesting state assistance or has applied for
25 state assistance must:
- 26 (1) enter into an oversight agreement; and
27 (2) comply with the requirements and conditions of this
28 chapter;
- 29 before any state assistance may be provided to the political
30 subdivision.
- 31 (b) In establishing the financial and qualitative indicators and
32 thresholds to be used under this chapter, the DUAB shall consider
33 the following:
- 34 (1) The indicators listed in IC 5-14-3.7-16 for evaluating the
35 fiscal health of a school corporation.
- 36 (2) The indicators listed in IC 5-14-3.8-8 for evaluating the
37 fiscal health of a political subdivision.
- 38 (3) The conditions listed in IC 6-1.1-20.3-6.5 as the grounds
39 for the designation of distressed political subdivisions.
- 40 (c) The DUAB may not establish or revise financial and
41 qualitative indicators and thresholds under this chapter unless the
42 proposed financial and qualitative indicators and thresholds or



1 proposed revisions have been reviewed by the budget committee.

2 **Sec. 8. (a) After June 30, 2019, state assistance may not be**
 3 **provided to a political subdivision that has applied for or requested**
 4 **state assistance unless:**

5 **(1) the DUAB has first applied the financial and qualitative**
 6 **indicators and thresholds established under this chapter to the**
 7 **political subdivision to determine whether the political**
 8 **subdivision must enter into an oversight agreement and**
 9 **comply with the requirements and conditions of this chapter**
 10 **before receiving the state assistance; and**

11 **(2) if required based on the DUAB's application of the**
 12 **financial and qualitative indicators and thresholds established**
 13 **under this chapter, the political subdivision:**

14 **(A) has entered into an oversight agreement;**

15 **(B) has submitted a financial stability plan to the DUAB**
 16 **under section 9 of this chapter; and**

17 **(C) otherwise complies with the requirements and**
 18 **conditions of this chapter.**

19 **(b) An oversight agreement entered into under this chapter by**
 20 **the DUAB and a political subdivision must do the following:**

21 **(1) Set out the conditions, requirements, and oversight**
 22 **required as a condition of the political subdivision receiving**
 23 **state assistance.**

24 **(2) Require the political subdivision to comply with the**
 25 **requirements and conditions of this chapters.**

26 **(3) Designate the political subdivision as a supervised political**
 27 **subdivision.**

28 **(4) Include the conditions that must be satisfied before the**
 29 **political subdivision's status as a supervised political**
 30 **subdivision is terminated and the political subdivision is no**
 31 **longer required to comply with the oversight agreement and**
 32 **the requirements and conditions of this chapter.**

33 **(c) An oversight agreement entered into under this chapter by**
 34 **the DUAB and a political subdivision may include other conditions,**
 35 **requirements, or administrative or oversight measures determined**
 36 **by the DUAB to be necessary for the financial stability of the**
 37 **political subdivision.**

38 **(d) The DUAB shall provide a model oversight agreement that**
 39 **the DUAB and political subdivisions shall use as a template in**
 40 **determining the terms and conditions of oversight agreements**
 41 **entered into under this chapter.**

42 **Sec. 9. (a) A supervised political subdivision must submit a**



1 financial stability plan to the DUAB before any state assistance
 2 may be provided to the supervised political subdivision. The
 3 financial stability plan must be in a format prescribed by the
 4 DUAB and must contain the information required by the DUAB.

5 (b) The supervised political subdivision shall do the following in
 6 the financial stability plan:

7 (1) Specify how the supervised political subdivision intends to
 8 address the supervised political subdivision's short term and
 9 long term financial problems.

10 (2) Describe the initiatives that the supervised political
 11 subdivision will undertake to bring structural balance to the
 12 supervised political subdivision's finances.

13 (3) Include at least the following:

14 (A) An acknowledgment that the supervised political
 15 subdivision needs to improve its financial condition.

16 (B) A description of the efforts that have been made to
 17 bring economic development to the supervised political
 18 subdivision.

19 (C) A plan to constrain or reduce staffing costs through
 20 collective bargaining agreements, attrition, consolidations,
 21 restructuring, or other personnel actions.

22 (D) A plan to eliminate, reduce, or constrain the costs of
 23 nonessential and low priority services and activities.

24 (E) A plan to maximize recurring revenues, including, as
 25 appropriate:

26 (i) updating and maximizing the collection of fees,
 27 penalties, and taxes; and

28 (ii) selling surplus land and other property.

29 (F) A plan to address any exceptions or findings in an
 30 examination or audit of the supervised political subdivision
 31 by the state board of accounts or in any state or federal
 32 program audits.

33 (G) A plan to ensure that the supervised political
 34 subdivision:

35 (i) meets all conflict of interest standards and financial
 36 disclosure requirements; and

37 (ii) adheres to best practices concerning governance and
 38 procurement.

39 (c) The DUAB shall assist the supervised political subdivision in
 40 developing the financial stability plan.

41 Sec. 10. (a) A supervised political subdivision may not do any of
 42 the following without the prior approval of the DUAB, unless



1 required to do so by contractual obligations existing before the
2 date the political subdivision enters into the oversight agreement:

3 (1) Increase the number of individuals employed by the
4 political subdivision.

5 (2) Assign any person to work in an acting capacity in regard
6 to a position permanently vacated through death, retirement,
7 termination, or resignation.

8 (3) Execute, enter into, or renew an individual employment
9 contract or an extension of terms of an individual employment
10 contract.

11 (4) Change an individual employment contract.

12 (5) Approve any promotions, transfers, or title changes
13 resulting in a salary increase.

14 (b) In determining whether to authorize a supervised political
15 subdivision to take an action described in subsection (a), the DUAB
16 shall consider the extent to which the action is part of a plan to
17 restructure personnel or service delivery in a manner that is
18 intended to achieve cost reductions.

19 (c) A supervised political subdivision must provide to the DUAB,
20 and update on a schedule determined by the DUAB, a list of all
21 employees. The list must include each employee's name, salary,
22 title, department or organizational unit, and date of hire.

23 Sec. 11. (a) Before terminating or suspending without pay any
24 officer or employee, a supervised political subdivision must first
25 notify the DUAB and receive the approval of the DUAB to
26 terminate or suspend the employee. The DUAB may prohibit or
27 postpone such a termination or suspension for any of the following
28 reasons:

29 (1) Retaining a qualified and conscientious employee.

30 (2) Ensuring an appropriate transition to a qualified
31 replacement.

32 (3) Concerns that termination or suspension is not consistent
33 with law.

34 (b) The DUAB's approval to terminate or suspend an officer or
35 employee is not needed if the officer or employee has been indicted
36 for or been convicted of a criminal offense.

37 Sec. 12. (a) A supervised political subdivision may not increase
38 the salaries or compensation of elected officials or employees who
39 are not otherwise entitled to increases under the terms of a
40 collective bargaining agreement, unless the increase is first
41 approved by the DUAB.

42 (b) A supervised political subdivision may pay overtime pay to



1 an employee only to the extent required by federal or state law.

2 (c) Elected officials of a supervised political subdivision may not
3 accrue sick or vacation time after the political subdivision enters
4 into the oversight agreement.

5 (d) A supervised political subdivision may not make
6 expenditures and reimbursements from any funds of the
7 supervised political subdivision for:

8 (1) food or meals (other than food or meals required by
9 contracts in effect before the supervised political subdivision
10 enters into the oversight agreement); or

11 (2) entertainment or receptions.

12 Sec. 13. (a) A supervised political subdivision may not approve
13 any:

14 (1) individual employment contract; or

15 (2) collective bargaining agreement;

16 that increases annual compensation for the employee or group of
17 employees by more than two percent (2%) annually, on average,
18 during the term of the employment contract or collective
19 bargaining agreement, unless the DUAB first approves the
20 employment contract or collective bargaining agreement.

21 (b) A representative of the DUAB has the right to be present
22 during any collective bargaining negotiations, mediation, or
23 arbitration in which the supervised political subdivision
24 participates. Such a representative of the DUAB is an observer who
25 may offer comments or recommendations to the negotiation team.

26 (c) A supervised political subdivision shall provide a copy of any
27 proposed employment contract, collective bargaining agreement,
28 or settlement agreement to the DUAB for review at least ten (10)
29 days before ratification of the contract or agreement.

30 Sec. 14. A supervised political subdivision:

31 (1) may not provide health insurance benefits to part-time
32 elected officials, part-time appointed officials, and part-time
33 employees; and

34 (2) shall eliminate benefits described in subdivision (1);

35 except to the extent that those benefits are required under a
36 contract entered into before the supervised political subdivision
37 enters into the oversight agreement.

38 Sec. 15. (a) A supervised political subdivision may not expend
39 funds for out-of-state travel or for an overnight stay within Indiana
40 unless the out-of-state travel or overnight stay is first approved by
41 the DUAB. A supervised political subdivision requesting approval
42 of out-of-state travel or an overnight stay must provide to the



1 **DUAB information demonstrating the need for the out-of-state**
 2 **travel or overnight stay, which may include a need:**

- 3 (1) **for an employee to maintain licensure or certification; or**
 4 (2) **for essential training for elected officers or employees.**

5 (b) **A supervised political subdivision may not reimburse its**
 6 **officers and employees for mileage at a rate that exceeds the**
 7 **mileage reimbursement paid to state officers and employees.**

8 **Sec. 16. A supervised political subdivision must do the following:**

9 (1) **Adopt a resolution or ordinance requiring compensatory**
 10 **time to be used within the same calendar quarter in which the**
 11 **compensatory time is earned, to the extent such a requirement**
 12 **would not violate a contractual entitlement existing before the**
 13 **enactment of the resolution or ordinance.**

14 (2) **Adopt a resolution or ordinance requiring mandatory**
 15 **direct deposit of net pay for all employees. However, the**
 16 **supervised political subdivision may grant exemptions from**
 17 **this requirement for seasonal employees and temporary**
 18 **employees.**

19 **Sec. 17. A supervised political subdivision may not do any of the**
 20 **following unless the supervised political subdivision has first**
 21 **received the approval of the DUAB:**

22 (1) **Establish new services.**

23 (2) **Expand existing services.**

24 (3) **Increase the funding for or expand the eligibility for**
 25 **existing services.**

26 (4) **Expand the total number of enrollees in a particular**
 27 **service.**

28 (5) **Establish a new regulatory program for code enforcement.**

29 (6) **Establish or increase funding for a grant or loan program.**

30 **Sec. 18. A supervised political subdivision may not:**

31 (1) **accept a grant; or**

32 (2) **execute a grant agreement;**

33 **requiring the supervised political subdivision to provide current or**
 34 **long term matching funds, a commitment of the supervised**
 35 **political subdivision's resources, or minimum staffing levels by the**
 36 **supervised political subdivision unless the supervised political**
 37 **subdivision has first received the approval of the DUAB.**

38 **Sec. 19. (a) Except as provided in subsections (b) and (c), a**
 39 **supervised political subdivision may not enter into or amend a**
 40 **contract that provides for or authorizes a total payment that**
 41 **exceeds twenty thousand dollars (\$20,000) for professional services,**
 42 **including legal services, insurance brokerage services, risk**



1 management, grant writing, public relations, government affairs,
 2 engineering and public works, accounting and financial services,
 3 public safety and health services, or management services,
 4 regardless of contract value, unless the contract is first approved
 5 by the DUAB.

6 (b) Unless the DUAB specifies otherwise, the DUAB's approval
 7 is not required under subsection (a) in cases where:

8 (1) the supervised political subdivision intends to award a
 9 contract to a vendor that was approved by the DUAB during
 10 the previous budget year; and

11 (2) all of the following conditions are satisfied:

12 (A) The supervised political subdivision has complied with
 13 laws relating to the procurement process.

14 (B) The scope of services, rates or total contract value, caps
 15 on payment, and other terms are the same or less costly
 16 than the terms that applied during the previous budget
 17 year.

18 (C) Any conditions imposed by the DUAB in the previous
 19 year's approval are retained.

20 (c) The supervised political subdivision may retain consultants
 21 and professionals without the DUAB's approval under subsection
 22 (a) in cases of emergency, if the engagement is promptly reported
 23 to the DUAB and the scope of the engagement is limited to meeting
 24 the requirements created by the emergency.

25 (d) An individual or firm that is engaged to perform audit
 26 services for a supervised political subdivision may not during the
 27 term of the contract to perform audit services also perform
 28 nonaudit accounting services for the supervised political
 29 subdivision.

30 Sec. 20. (a) A supervised political subdivision shall include in
 31 each contract for professional services the requirement that each
 32 vendor provide monthly billing statements that include a brief
 33 statement specifying:

34 (1) the original amount of the contract;

35 (2) any increases established by an amendment to the
 36 contract;

37 (3) the amount previously billed under the contract;

38 (4) the total amount of unbilled funds remaining available
 39 under the contract; and

40 (5) the total amount of unbilled funds remaining available
 41 under the contract after deduction of the most recent amount
 42 billed.



1 (b) A supervised political subdivision shall provide a copy of
2 each billing statement to the DUAB upon request of the DUAB.

3 Sec. 21. A supervised political subdivision may not enter into an
4 agreement or a payment schedule that will result in the supervised
5 political subdivision having a structural revenue loss in the ensuing
6 year or years unless the agreement or payment schedule is first
7 approved by the DUAB.

8 Sec. 22. A supervised political subdivision may not grant a
9 property tax abatement deduction under IC 6-1.1-12.1 unless the
10 granting of the deduction is first approved by the DUAB.

11 Sec. 23. The redevelopment commission of a supervised political
12 subdivision may not establish a tax increment financing allocation
13 area under IC 36-7-14, IC 36-7-15.1, or any other law unless the
14 establishment of the allocation area is first approved by the DUAB.

15 Sec. 24. A supervised political subdivision may not do any of the
16 following:

17 (1) Distribute public funds to a nonprofit organization,
18 including a charitable organization, unless such an
19 expenditure of funds is expressly authorized by statute.

20 (2) Expend public funds for charitable contributions,
21 bereavement purposes, or celebratory purposes for
22 individuals or organizations, unless such an expenditure is
23 expressly authorized by statute.

24 Sec. 25. A supervised political subdivision may not waive,
25 reduce, increase, or otherwise revise fees unless the waiver,
26 reduction, increase, or other revision is first approved by the
27 DUAB.

28 Sec. 26. A supervised political subdivision must provide to the
29 DUAB a copy of all notices and agendas for any regular or special
30 meeting or hearing of the legislative body or fiscal body of the
31 supervised political subdivision. The clerk of the legislative body or
32 fiscal body (as appropriate) of the supervised political subdivision
33 shall provide the notices immediately upon publication.

34 Sec. 27. (a) A supervised political subdivision may not introduce,
35 adopt, or execute:

36 (1) a proposed bond ordinance or resolution that authorizes
37 the issuance of bonds in the amount of more than one million
38 dollars (\$1,000,0000); or

39 (2) an ordinance or proposed lease that authorizes or requires
40 lease rental payments of more than one million dollars
41 (\$1,000,0000);

42 unless the ordinance, resolution, or lease is first approved by the



- 1 **DUAB.**
- 2 (b) A supervised political subdivision must file with the DUAB
- 3 a copy of any offering statement prepared in relation to any
- 4 financing transaction. The supervised political subdivision must
- 5 provide the copy of the offering statement before closing on the
- 6 financing transaction.
- 7 **Sec. 28.** A supervised political subdivision shall promptly notify
- 8 the DUAB of all findings, decisions, penalties, orders, and
- 9 requirements resulting from complaints, investigations, and
- 10 reports issued by state or federal regulatory agencies after the
- 11 supervised political subdivision enters into the oversight
- 12 agreement.
- 13 **Sec. 29. (a)** A supervised political subdivision must submit to the
- 14 DUAB a copy of all judgments or settlements in excess of one
- 15 hundred thousand dollars (\$100,000) that are rendered or executed
- 16 after the supervised political subdivision enters into the oversight
- 17 agreement. The DUAB may, at the DUAB's discretion, require the
- 18 supervised political subdivision to provide copies of any other
- 19 judgments or settlements involving the supervised political
- 20 subdivision or its employees.
- 21 (b) A supervised political subdivision shall immediately provide
- 22 to the DUAB a copy of any complaint that:
- 23 (1) is filed with a court after the date that the political
- 24 subdivision enters into an oversight agreement; and
- 25 (2) concerns a request for public records.
- 26 **Sec. 30.** Upon request of the DUAB, a supervised political
- 27 subdivision shall make available to the DUAB any of the supervised
- 28 political subdivision's records.
- 29 **Sec. 31.** Representatives of the DUAB and representatives of the
- 30 supervised political subdivision shall meet to discuss budgetary,
- 31 fiscal, operations, audit findings, and any other matters upon a
- 32 schedule determined by the DUAB.
- 33 **Sec. 32.** The DUAB may require that a supervised political
- 34 subdivision enter into an agreement with the DUAB providing that
- 35 a part of any state assistance that would otherwise be provided to
- 36 the supervised political subdivision shall be disbursed on a
- 37 timetable determined by the DUAB to ensure that the supervised
- 38 political subdivision is in substantial compliance with the
- 39 requirements and conditions of this chapter, the oversight
- 40 agreement, any other agreements entered into by the DUAB and
- 41 the supervised political subdivision, and any government,
- 42 administrative and operational efficiency, and oversight measures



1 that the DUAB determines are necessary for the financial stability
2 of the supervised political subdivision.

3 **Sec. 33. A supervised political subdivision shall do the following:**

4 (1) Provide reasonable office space, as needed, so that the
5 DUAB may carry out its oversight functions within the
6 supervised political subdivision.

7 (2) Provide to the DUAB any documents or records requested
8 by the DUAB.

9 (3) Allow the DUAB to review information on the supervised
10 political subdivision's accounting system.

11 (4) Allow the DUAB to meet with any officer, employee, or
12 contractor of the supervised political subdivision.

13 **Sec. 34. A political subdivision that enters into an oversight
14 agreement is:**

15 (1) considered a supervised political subdivision; and

16 (2) subject to the requirements and conditions of this chapter
17 and to the requirements and conditions set forth in the
18 oversight agreement;

19 until the supervised political subdivision has met the conditions
20 that must be satisfied before its status as a supervised political
21 subdivision is terminated, as specified in the provisions included in
22 the oversight agreement under section 8(b)(4) of this chapter.

23 **Sec. 35. The DUAB shall before November 1 of each year
24 provide a report concerning the following to the state budget
25 committee and to the legislative council in an electronic format
26 under IC 5-14-6:**

27 (1) A description of the financial and qualitative indicators
28 and thresholds used by the DUAB under this chapter, and any
29 proposed revisions to those financial and qualitative
30 indicators and thresholds.

31 (2) A summary of the DUAB's oversight activities under this
32 chapter during the preceding state fiscal year.

33 (3) Information regarding the supervised political
34 subdivisions, including information describing the progress
35 that has been made by each supervised political subdivision
36 toward achieving financial stability and the steps taken by
37 each supervised political subdivision to achieve financial
38 stability.

