

Senate File 2255 - Introduced

SENATE FILE 2255
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SSB 3117)

(COMPANION TO HF 2226 BY
COMMITTEE ON STATE GOVERNMENT)

A BILL FOR

1 An Act relating to the auditor of state concerning legislative
2 requests for auditor reviews, applications for certain city
3 or township audits, and retention of certain repayments for
4 auditor services.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 11.5C Legislative request for
2 auditor review — reimbursement.

3 1. The auditor of state, at the request of a member of the
4 general assembly, may review the records covering the receipt
5 and expenditure of state or federal funds by a state department
6 to determine if the receipt and expenditure of those funds by
7 the department is consistent with the laws, rules, regulations,
8 and contractual agreements governing those funds.

9 2. If the state department that is the subject of the
10 review is listed in section 11.5B, the state department shall
11 reimburse the auditor of state for the cost of the review and
12 any subsequent assistance provided by the auditor of state.

13 Sec. 2. Section 11.6, subsection 3, Code 2018, is amended
14 to read as follows:

15 3. A township or city for which audits are not required
16 under [subsection 1](#) may contract with or employ the auditor
17 of state or certified public accountants for an audit or
18 examination of its financial transactions and condition of its
19 funds. ~~An audit is mandatory on~~ Upon receipt of an application
20 requesting an audit by one hundred or more taxpayers, or if
21 there are fewer than six hundred sixty-seven taxpayers in the
22 township or city, then by fifteen percent of the taxpayers, the
23 township or city shall forward a copy of the application to the
24 auditor of state for a determination of whether the auditor of
25 state will require an audit or examination. If the auditor of
26 state determines that an examination may be conducted instead
27 of an audit, the auditor of state shall determine the scope of
28 the examination. Payment for the audit or examination shall be
29 made from the proper public funds of the township or city.

30 Sec. 3. Section 11.21, Code 2018, is amended by adding the
31 following new subsection:

32 NEW SUBSECTION. 3. Payments made by a political subdivision
33 to the auditor of state under this section as a result of
34 services performed by the auditor of state may be retained by
35 the auditor of state in the fiscal year in which the payment is

1 received and shall remain available for use in that fiscal year
2 for the purposes of the auditor of state.

3 EXPLANATION

4 The inclusion of this explanation does not constitute agreement with
5 the explanation's substance by the members of the general assembly.

6 This bill concerns the auditor of state.

7 New Code section 11.5C provides that the auditor of state, at
8 the request of a member of the general assembly, may conduct
9 a review concerning the receipt and expenditure of state or
10 federal funds provided to a state department. Costs for the
11 review shall be reimbursed by the applicable department if the
12 department is listed as a department required to reimburse
13 costs under Code section 11.5B.

14 Code section 11.6(3), concerning an application by taxpayers
15 for an audit for a city or township not otherwise required to
16 conduct an audit, is amended. The bill provides that upon
17 application for an audit by a sufficient number of taxpayers,
18 the city or township shall forward a copy of the application to
19 the auditor of state for a determination of whether the auditor
20 will require an audit or examination. If the auditor of state
21 determines that an examination may be conducted instead of
22 an audit, the auditor of state shall determine the scope of
23 the examination. Current law requires that upon application
24 for an audit by a sufficient number of taxpayers, an audit is
25 mandatory.

26 Code section 11.21, concerning the payment of certain audit
27 expenses by a political subdivision, is amended. The bill
28 provides that any payments made by a political subdivision to
29 the auditor of state may be retained by the auditor of state
30 in the fiscal year in which the payment is received and shall
31 remain available for use in that fiscal year for the purposes
32 of the auditor of state.