IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 73

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO THE FINANCES OF LOCAL GOVERNMENTAL ENTITIES AND EDUCATION PROVIDERS; PROVIDING LEGISLATIVE INTENT; AMENDING CHAPTER 4, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-448, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING THE COMMITTEE ON UNIFORM ACCOUNTING AND TRANSPARENCY FOR LOCAL GOVERNMENTAL ENTITIES AND TO PROVIDE FOR ITS MEMBERSHIP, RESPONSIBILITIES, AND MEMBER COMPENSATION; AMENDING CHAPTER 10, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-1075, IDAHO CODE, TO PROVIDE FOR THE DUTY OF THE STATE CONTROLLER REGARDING A UNIFORM ACCOUNTING MANUAL FOR LOCAL GOVERNMENTAL ENTITIES; AMENDING SECTION 67-450E, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE LOCAL GOVERNMENTAL ENTITIES CENTRAL REGISTRY AND TO REDESIGNATE THE SECTION; REPEALING SECTION 67-1076, IDAHO CODE, RELATING TO THE LOCAL GOVERNMENTAL ENTITIES CENTRAL REGISTRY UNDER THE LEGISLATIVE SERVICES OFFICE; AMENDING CHAPTER 10, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-1076, IDAHO CODE, TO PROVIDE FOR THE LOCAL GOVERNMENTAL ENTITIES CENTRAL REGISTRY UNDER THE STATE CONTROLLER’S OFFICE; AMENDING SECTION 31-1509, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE COUNTY ACCOUNTING SYSTEM; AMENDING SECTION 31-1602, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE DUTIES OF A COUNTY BUDGET OFFICER; AMENDING SECTION 31-1604, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE APPROVAL OF A COUNTY BUDGET; AMENDING SECTION 31-1606, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE CLASSIFICATION STANDARDS OF COUNTY EXPENDITURES; AMENDING SECTION 31-2101, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE DUTIES OF A COUNTY TREASURER; AMENDING SECTION 31-3620, IDAHO CODE, TO REVISE PROVISIONS REGARDING COUNTY HOSPITAL ACCOUNTING RECORDS; AMENDING SECTION 33-357, IDAHO CODE, TO DEFINE TERMS, TO PROVIDE FOR POSTING CERTAIN RECORDS ON AN INTERNET-BASED WEBSITE, TO REVISE PROVISIONS REGARDING CERTAIN DATA, TO PROVIDE DUTIES OF THE STATE CONTROLLER AND EDUCATION PROVIDERS, AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 39-414A, IDAHO CODE, TO REVISE PROVISIONS REGARDING AUDITS OF HEALTH DISTRICT FINANCES; AMENDING SECTION 50-208, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE DUTIES OF A CITY TREASURER; AMENDING SECTION 50-1002, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE PREPARATION OF A CITY BUDGET; AMENDING SECTION 50-2006, IDAHO CODE, TO REVISE PROVISIONS REGARDING FINANCIAL REPORTS BY URBAN RENEWAL AGENCIES AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 67-450C, IDAHO CODE, TO REVISE PROVISIONS REGARDING INDEPENDENT FINANCIAL AUDITS OF CERTAIN ORGANIZATIONS; AMENDING SECTION 67-450D, IDAHO CODE, TO REVISE PROVISIONS REGARDING INDEPENDENT FINANCIAL AUDITS OF CERTAIN ENTITIES; AMENDING SECTION 67-702, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE DUTIES OF THE LEGISLATIVE SERVICES OFFICE; AMENDING SECTION 67-1001, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE DUTIES OF THE STATE CONTROLLER; AND PROVIDING EFFECTIVE DATES.
Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. LEGISLATIVE INTENT. It is the intent of the Legislature to provide for uniform accounting, budgeting, and financial reporting procedures for counties, cities, urban renewal agencies, and all other local districts. It is the purpose of this act to enable such local governmental entities and the state controller's office to provide comparable data by the use of uniform accounting, budgeting, and financial reporting procedures. It is also the intent of the Legislature for the financial data of education providers, as that term is defined in section 33-357, Idaho Code, to be submitted to the state controller's office to be correlated to the uniform accounting, budgeting, and financial reporting procedures to enhance public access to the education providers' financial data. It is also the intent of the Legislature to ensure uniform auditing of health district finances.

SECTION 2. That Chapter 4, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-448, Idaho Code, and to read as follows:

67-448. COMMITTEE ON UNIFORM ACCOUNTING AND TRANSPARENCY FOR LOCAL GOVERNMENTAL ENTITIES. (1) In order to provide for uniform and transparent financial data of local governmental entities to better inform lawmakers, decision-makers, and citizens, there is hereby established the committee on uniform accounting and transparency for local governmental entities.

(2) The committee shall consist of seven (7) members comprised as follows:

(a) Three (3) members of the senate, one (1) of whom shall be the chairperson of the senate local government and taxation committee or his designee, one (1) from the majority party appointed by the president pro tempore of the senate, and one (1) from the minority party appointed by the minority leader;

(b) Three (3) members of the house of representatives, one (1) of whom shall be the chairperson of the house revenue and taxation committee or his designee, one (1) from the majority party appointed by the speaker of the house, and one (1) from the minority party appointed by the minority leader; and

(c) The state controller or his designee.

(3) The cochairs of the committee shall be the chairperson of the senate local government and taxation committee and the chairperson of the house revenue and taxation committee or their designees. Legislative appointments to the committee shall be for the term of office of the member appointed, and members shall serve at the pleasure of the appointing authority. The state controller or his designee shall serve for the term of office of the state controller, at the pleasure of the state controller. Any vacancy shall be filled in a manner consistent with the appointment procedure set forth in this section, except the appointment shall be for the remainder of the unexpired term. A committee member may be reappointed to the committee.

(4) The cochairs may appoint advisors with expertise in the fiscal affairs, including accounting and auditing responsibilities, of local govern-
mental entities. Any advisors to the committee shall not receive compensation and shall not have voting privileges.

(5) The committee has as its primary duty and responsibility the collaborative task of developing, approving, monitoring, and revising as needed the uniform accounting, budgeting, and financial reporting system and manual for local governmental entities, pursuant to section 67-1075, Idaho Code. The committee shall by a simple majority approve the uniform accounting manual for local governmental entities and any revisions thereto.

(6) Legislative members of the committee are entitled to per diem at the direction of the president pro tempore of the senate or the speaker of the house of representatives at the rates established by the citizens' committee on legislative compensation. No compensation shall be paid to the state controller, but his designee, if not a state government employee, shall be reimbursed as provided in section 59-509(q), Idaho Code.

(7) The committee may direct the legislative services office to perform an audit on a local governmental entity, as defined in section 67-1076, Idaho Code.

(8) The committee may direct any local governmental entity, education provider, or state agency to provide financial information necessary to the state controller to fulfill his duties under the law.

SECTION 3. That Chapter 10, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-1075, Idaho Code, and to read as follows:

67-1075. UNIFORM ACCOUNTING PRACTICES AND PROCEDURES -- LOCAL GOVERNMENTAL ENTITIES. (1) It is the duty of the state controller to ensure a uniform system of accounting for local governmental entities as defined in section 67-1076, Idaho Code, and to create and maintain a uniform accounting manual for local governmental entities that reflects best practices, with the assistance and approval of the committee on uniform accounting and transparency for local governmental entities pursuant to section 67-448, Idaho Code. The manual must define and classify the various funds, accounts, grants, and other financial structures by account title as necessary for the uniform reporting of accounting, budgeting, and financial reporting information, including estimated and actual revenues and expenditures. All local governmental entities as defined in section 67-1076, Idaho Code, shall comply with the reporting standards and requirements established under this section and section 67-1076, Idaho Code. The state controller is responsible for converting financial data from local governmental entities to the state controller's online platform.

(2) The state controller must create a public website for the reporting of local governmental entities' accounting, budgeting, and financial data in order to provide leaders, decision-makers, and citizens easy access to search, view, and compare data across the state. The state controller has the flexibility to create a staggered-phase project implementation schedule but must have the online program fully functional by January 1, 2025. The state controller must coordinate with local governmental entities as to the staggered implementation schedule. The state controller must provide a progress report on the implementation of the programs outlined in this section to the legislature on behalf of the committee on uniform accounting and
transparency for local governmental entities annually until the project has been fully implemented.

(3) Until such time as otherwise directed by the state controller's office, a local governmental entity shall continue to report financial data required under section 67-1076, Idaho Code, to the legislative services office.

(4) The public website created and maintained by the state controller pursuant to this section must additionally provide access to education provider financial information. Such data may be integrated with or maintained separately from the local governmental entity data, in the discretion of the state controller.

SECTION 4. That Section 67-450E, Idaho Code, be, and the same is hereby amended to read as follows:

67-450E1076. LOCAL GOVERNING GOVERNMENTAL ENTITIES CENTRAL REGISTRY -- REPORTING INFORMATION REQUIRED -- PENALTIES FOR FAILURE TO REPORT. (1) In addition to the provisions applicable to local governing governmental entities found in section 67-450B, Idaho Code, the provisions of this section shall also apply to local governing governmental entities. For purposes of section 67-1075, Idaho Code, and this section, "local governing governmental entity" shall have the same meaning as provided in section 67-450B, Idaho Code. The term local governing entity shall also include without limitation all cities, counties, entities governed by chapter 20, title 50, Idaho Code, authorities, and districts organized as separate legal and reporting entities under Idaho law and includes the councils, commissions, and boards as appointed or elected and charged with fiscal management responsibilities of the local governmental entity. If a local governing governmental entity is governed by the provisions of section 33-701, Idaho Code, such entity shall not be required to comply with the provisions of this section.

(a) There is hereby established a central registry and reporting portal ("registry") on the legislative services office website. The registry and reporting portal shall serve as the unified location for the reporting of and access to administrative and financial information of local governing governmental entities in this state. To establish a complete list of all local governmental entities operating in Idaho on the effective date of this legislation and so that the registry established will be comprehensive, every existing local governing entity shall register with the state registry. For calendar year 2015, the submission of information required by subsection (2) of this section shall occur prior to March 1, 2015, and shall be in the form and format required by the legislative services office. In addition to the information required by this section for the March 1, 2015, filing deadline, the entity shall report the date of its last independent audit. The registry listing will be available on the legislative services office website by January 1, 2016.

(b) The county clerk shall notify each local governing governmental entity of the requirements of this section.

(c) After March 1, 2015, and on or before December 1 of each year, according to the schedule set forth in the uniform accounting manual for
local governmental entities authorized under section 67-1075, Idaho

Code:

(i) The state tax commission shall submit a list to the legislative services office of all taxing districts within the state; and
(ii) The county clerk of each county shall submit a list to the legislative services office of all taxing districts in the county and any other local governing governmental entities that are authorized to impose fees or assessments or to receive property tax money within the county.

(2) On or before December 1 of each year, every local governing governmental entity shall submit to the online central registry and reporting portal the following information:

(a) Administrative information:

(i) The terms of membership and appointing authority for the governing board member of the local governmental entity;
(ii) The official name, mailing address and electronic mailing address of the entity;
(iii) The fiscal year of the entity; and
(iv) Except for cities and counties, the section of Idaho Code under which the entity was established, the date of establishment, the establishing entity and the statute or statutes under which the entity operates, if different from the statute or statutes under which the entity was established.

(b) Financial information:

(i) The most recent adopted budget of the entity; and
(ii) An unaudited comparison of the budget to actual revenues and expenditures for the most recently completed fiscal year;
(iii) The date of its last independent audit; and
(iv) Upon notification by the state controller, any other financial information required under the uniform accounting manual for local governmental entities.

(c) Bonds or other debt obligation information:

(i) The cumulative dollar amount of all bonds or other debt obligations issued or incurred by the entity; and
(ii) The average length of term of all bond issuances or other debt obligations and the average interest rate of all bonds or other debt obligations.

Within five (5) days of submitting to the central registry the information required by this subsection, the local governing entity shall notify the entity's appointing authority, if the entity has an appointing authority, that it has submitted such information.

If any information provided by an entity as required by this subsection changes during the year, the entity shall update its information on the registry within thirty (30) days of any such change.

All reasonable fees, costs and other expenses incurred assisting local governing governmental entities in compiling the reporting information required by this section may be charged by the county against the local governing governmental entity requesting the county's service. An entity may request assistance from the county to comply with provisions of this section, but the county is under no obligation to provide such assistance.
For purposes of this section, reasonable fees and costs shall include, but are not limited to, the labor costs, material costs, and copying costs incurred while assisting local governing governmental entities to comply with this section. Such fees and costs may be deducted from any distributions of taxes, fees, or assessments collected by the county on behalf of the local governing governmental entity.


(47) Notification, late fees, and penalties.

(a) If a local governing governmental entity fails to submit information required by this section or submits noncompliant information required by this section, the legislative services office shall notify the entity immediately after the due date of the information that either the information was not submitted in a timely manner or the information submitted was noncompliant. The local governing governmental entity shall then have thirty (30) days from the date of notice to submit the information or notify the legislative services office that it will comply by a time certain. The legislative services office may impose a late fee for each day over said thirty (30) days that the local governing governmental entity has failed to provide the information required under this section. The late fee may be in the amount of up to five hundred dollars ($500) per day and is immediately payable from the local governmental entity to the legislative services office, which shall deposit the fee in the state general fund.

(b) No later than September 1 January 15 of any year, the legislative services office shall notify the appropriate board of county commissioners and the state tax commission of the entity's failure to comply with the provisions of this section. Upon receipt of such notification, the board of county commissioners shall place a public notice in a newspaper of general circulation in the county indicating that the entity is noncompliant with the legal reporting requirements of this section. The county commissioners shall assess to the entity the cost of the public notice. Such costs may be deducted from any distributions of taxes, fees, increment financing, or assessments collected by the county on behalf of the local governing governmental entity. For any noncomplying entity, the legislative services office shall notify the board of county commissioners and the state tax commission of the compliance status of such entity by September 1 of each year until once the entity is in compliance.

(c) A local governing governmental entity that fails to comply with this section shall be prohibited from including in its budget any budget increase otherwise permitted by either subsection (1)(a) or (e) of section 63-802, Idaho Code.

(d) In addition to any other penalty provided in this section, in during any failure to comply with this section, the state tax commission shall withhold the annual quarterly distribution of sales tax distribution pursuant to section 63-3638(10), Idaho Code, for any noncomplying entity. The state tax commission shall withhold and retain such money in a reserve account until the legislative services office certifies that the entity has complied with the provisions of this section, at which
point the state tax commission shall pay any money owed to the local governing governmental entity previously in violation of this section.

(e) For any local governing governmental entity that is a non-taxing district, including entities established pursuant to title 50, Idaho Code, upon notification to the board of county commissioners from the legislative services office of noncompliance by such entity, the board of county commissioners shall convene to determine appropriate compliance measures, including but not limited to the following:

(i) Require a meeting of the board of county commissioners and the entity's governing body wherein the board of county commissioners shall require compliance of this section by the entity;

(ii) Assess a noncompliance fee on the noncomplying entity. Such fee shall not exceed five thousand dollars ($5,000). Such fees and costs may be deducted from any distributions of taxes, fees, increment financing, or assessments collected by the county on behalf of the local governing governmental entity until such time as the entity is in compliance with the requirements of this section and section 67-1075, Idaho Code. The amount of any such fee shall not be passed on to persons subject to the jurisdiction of the entity in the form of adjustments to any fee or assessment imposed or collected by the entity. Any fee collected shall be deposited into the county's current expense fund; and

(iii) Cause a special audit to be conducted on the entity at the cost of the entity.

(8) The provisions of this section shall have no impact or effect upon reporting requirements for local governing governmental entities relating to the state tax commission.

(9) It is the intent of the legislature that the duties of the legislative services office regarding the registry under this section shall be transferred to the office of the state controller on or before January 1, 2022. The exact date shall be determined by the state controller, who must notify all affected entities. Nothing in this section may be construed to affect or reduce the duties of the legislative services office with respect to performing audits.

SECTION 5. That Section 67-1076, Idaho Code, be, and the same is hereby repealed.

SECTION 6. That Chapter 10, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-1076, Idaho Code, and to read as follows:

67-1076. LOCAL GOVERNMENTAL ENTITIES CENTRAL REGISTRY -- REPORTING INFORMATION REQUIRED -- PENALTIES FOR FAILURE TO REPORT. (1) In addition to the provisions applicable to local governmental entities found in section 67-450B, Idaho Code, the provisions of this section also apply to local governmental entities. For purposes of section 67-1075, Idaho Code, and this section, "local governmental entity" includes without limitation all cities, counties, entities governed by chapter 20, title 50, Idaho Code, authorities, and districts organized as separate legal and reporting entities under Idaho law and includes the councils, commissions, and boards as
appointed or elected and charged with fiscal management responsibilities of
the local governmental entity. If a local governmental entity is governed by
the provisions of section 33-701, Idaho Code, such entity is not required to
comply with the provisions of this section.
(a) There is hereby established a central registry and reporting portal
(registry) on the state controller's website. The registry and reporting
portal shall serve as the unified location for the reporting of and
access to administrative and financial information of local government-
mental entities in this state. Every local governmental entity must regis-
ter with the state registry.
(b) The county clerk must notify each local governmental entity of the
requirements of this section.
(c) Each year, according to the schedule set forth in the uniform ac-
counting manual for local governmental entities authorized under sec-
tion 67-1075, Idaho Code:
   (i) The state tax commission must submit a list to the state con-
troller of all taxing districts within the state; and
   (ii) The county clerk of each county must submit a list to the
   state controller of all taxing districts in the county and any
   other local governmental entities that are authorized to impose
   fees or assessments or to receive property tax money within the
   county.
   (2) On or before December 1 of each year, every local governmental en-
tity must submit to the online central registry and reporting portal the fol-
lowing information:
   (a) Administrative information:
      (i) The terms of membership and appointing authority for the gov-
      erning board member of the local governmental entity;
      (ii) The official name, mailing address, and electronic mailing
      address of the entity;
      (iii) The fiscal year of the entity; and
      (iv) Except for cities and counties, the section of Idaho Code un-
der which the entity was established, the date of establishment,
      the establishing entity, and the statute or statutes under which
      the entity operates, if different from the statute or statutes un-
der which the entity was established.
   (b) Financial information:
      (i) The most recent adopted budget of the entity;
      (ii) An unaudited comparison of the budget to actual revenues and
      expenditures for the most recently completed fiscal year;
      (iii) The date of its last independent audit; and
      (iv) Any other information required by the uniform accounting
      manual for local governmental entities.
   (c) Bonds or other debt obligation information:
      (i) The cumulative dollar amount of all bonds or other debt obli-
gations issued or incurred by the entity; and
      (ii) The average length of term of all bond issuances or other debt
      obligations and the average interest rate of all bonds or other
debt obligations.
(3) Within five (5) days of submitting to the central registry the informa-
tion required by this subsection, the local governing entity must no-
tify the entity's appointing authority, if the entity has an appointing au-
thority, that it has submitted such information.

(4) If any information provided by an entity as required by this subsec-
tion changes during the year, the entity must update its information on the
registry within thirty (30) days of any such change.

(5) All reasonable fees, costs, and other expenses incurred assisting
local governmental entities in compiling the reporting information required
by this section may be charged by the county against the local governmental
entity requesting the county's service. An entity may request assistance
from the county to comply with provisions of this section, but the county
is under no obligation to provide such assistance. For purposes of this
section, reasonable fees and costs include but are not limited to the labor
costs, material costs, and copying costs incurred while assisting local gov-
ernmental entities to comply with this section. Such fees and costs may be
deducted from any distributions of taxes, fees, or assessments collected by
the county on behalf of the local governmental entity.

Code, will be submitted to the online portal and provided by the state con-
troller's office to the legislative services office.

(7) Notification, late fees, and penalties.

(a) If a local governmental entity fails to submit information required
by this section or submits noncompliant information required by this
section, the state controller must notify the entity immediately af-
ter the due date of the information that either the information was not
submitted in a timely manner or the information submitted was noncom-
pliant. The local governmental entity then has thirty (30) days from
the date of notice to submit the information or notify the state con-
troller that it will comply by a time certain. The state controller may
impose a late fee for each day over said thirty (30) days that the local
governmental entity has failed to provide the information required un-
der this section. The late fee may be in the amount of up to five hundred
dollars ($500) per day and is immediately payable from the local govern-
mental entity to the state controller's office, which shall deposit the
fee in the state general fund.

(b) No later than January 15 of any year, the state controller must
notify the appropriate board of county commissioners and the state tax
commission of the entity's failure to comply with the provisions of this
section. Upon receipt of such notification, the board of county commis-
sioners must place a public notice in a newspaper of general circulation
in the county indicating that the entity is noncompliant with the legal
reporting requirements of this section. The county commissioners shall
assess to the entity the cost of the public notice. Such costs may be
deducted from any distributions of taxes, fees, increment financing, or
assessments collected by the county on behalf of the local governmental
entity. For any noncomplying entity, the state controller must notify
the board of county commissioners and the state tax commission of the
compliance status of such entity once the entity is in compliance.
(c) A local governmental entity that fails to comply with this section is prohibited from including in its budget any budget increase other-
wise permitted by subsection (1)(a) or (e) of section 63-802, Idaho
Code.
(d) In addition to any other penalty provided in this section, during
any failure to comply with this section, the state tax commission must
withhold the quarterly distribution of sales tax distribution pursuant
to section 63-3638(10), Idaho Code, for any noncomplying entity. The
state tax commission must withhold and retain such money in a reserve
account until the state controller certifies that the entity has com-
plied with the provisions of this section, at which point the state tax
commission must pay any money owed to the local governmental entity pre-
viously in violation of this section.
(e) For any local governmental entity that is a non-taxing district,
including entities established pursuant to title 50, Idaho Code,
upon notification to the board of county commissioners from the state
controller of noncompliance by such entity, the board of county com-
missoners must convene to determine appropriate compliance measures,
including but not limited to the following:
   (i) Require a meeting of the board of county commissioners and the
   entity's governing body wherein the board of county commissioners
   requires compliance of this section by the entity;
   (ii) Assess a noncompliance fee on the noncomplying entity. Such
   fee may not exceed five thousand dollars ($5,000). Such fees and
   costs may be deducted from any distributions of taxes, fees, in-
   crement financing, or assessments collected by the county on be-
   half of the local governmental entity until such time as the entity
   is in compliance with the requirements of this section and section
   67-1075, Idaho Code. The amount of any such fee may not be passed
   on to persons subject to the jurisdiction of the entity in the form
   of adjustments to any fee or assessment imposed or collected by the
   entity. Any fee collected must be deposited into the county's cur-
   rent expense fund; and
   (iii) Cause a special audit to be conducted on the entity at the
   cost of the entity.
(8) The provisions of this section have no impact or effect upon report-
ing requirements for local governmental entities relating to the state tax
commission.

SECTION 7. That Section 31-1509, Idaho Code, be, and the same is hereby
amended to read as follows:

31-1509. ACCOUNTING SYSTEM. The system for accounting of receipts,
expenditures, and reporting in each county shall meet the criteria of
generally accepted accounting principles or the governmental accounting
standards board and as the same may be hereafter amended and revised and,
upon notification by the state controller, shall conform to the provisions
of the uniform accounting manual for local governmental entities as autho-
rized by section 67-1075, Idaho Code.
SECTION 8. That Section 31-1602, Idaho Code, be, and the same is hereby amended to read as follows:

31-1602. DUTIES OF BUDGET OFFICER -- ESTIMATE OF EXPENSES. (1) The county auditor of each county in this state shall be the budget officer of his county and, as such budget officer, it shall be his duty to compile and prepare a preliminary budget for consideration by the county commissioners of his county, and upon the adoption of the final budget, as hereinafter provided, it shall be his duty to see that the provisions thereof are complied with.

(2) On or before the first Monday in May of each year, the county budget officer shall notify, in writing, each county official, elective or appointive, in charge of any office, department, service, agency, or institution of the county to file with such budget officer, on or before the third Monday in May thereafter, an itemized estimate showing both the probable revenues from sources other than taxation that will accrue to his office, department, service, agency, or institution during the fiscal year, to which the budget is intended to apply, and all expenditures required by such office, department, service, agency, or institution, for the same period, together with a brief explanatory statement of the request.

(3) Said estimates and reports shall be submitted upon forms furnished by the budget officer showing the entire revenues and expenditures under each classification and subdivision thereof for the two preceding fiscal years, the amount actually received and expended to the second Monday of April of the current fiscal year, and the estimated total receipts and expenditures for the current fiscal year and show any and all estimated balances, at the end of the current fiscal year, in any appropriation available and applicable to the functions performed by such office, department, service, agency, or institution.

(4) Said estimates of probable expenditures shall be under classifications set by the board of county commissioners, to include, at a minimum, the "Salaries, Benefits, and Other Expenses."

(5) If any county official, elective or appointive, in charge of any office, department, service, agency, or institution has had, or contemplates having, any expenditures, the reports of which cannot be properly made under any of the above classifications, the same shall be reported in detail in addition to the information provided for in said forms.

(6) Any official or employee failing or refusing to furnish said estimates or information within the time hereinabove provided in this section shall pay a penalty of not less than ten dollars ($10.00) nor more than fifty dollars ($50.00) as may be determined by order of the board of county commissioners, said penalty to be deducted by the county auditor from the next salary warrant due such official or employee and credited to the current expense fund of said county.

(7) In the event of the absence, failure, or disability of any official or employee required to furnish estimates and information, as hereinabove provided in this section, the budget officer may designate any person temporarily in charge of such office, department, service, agency, or institution to furnish said estimates and information required by this act chapter. Provided, however, if for any cause said estimates and information are not
filed with the budget officer in proper time to be included in the county budget provided for in this chapter, the budget officer shall prepare an estimate of expenditures for any such office, department, service, agency or institution so failing to file its estimate, and such estimate so prepared by the budget officer and approved by the county commissioners shall be the budget for that office, department, service, agency or institution for the fiscal year to which the budget is intended to apply.

(8) Upon notification by the state controller, budget information shall conform to the standards established in the uniform accounting manual for local governmental entities pursuant to section 67-1075, Idaho Code.

SECTION 9. That Section 31-1604, Idaho Code, be, and the same is hereby amended to read as follows:

31-1604. APPROVAL OF TENTATIVE APPROPRIATIONS -- NOTICE -- FINAL APPROPRIATIONS. (1) The suggested budget prepared by the county budget officer as hereinabove provided in this chapter, together with the estimates and information furnished by the various offices, departments, services, agencies, and institutions of the county shall be submitted by said county budget officer to the board of county commissioners of his county on or before the first Monday in August of each year; said county commissioners shall convene to consider said proposed budget in detail and make any alterations allowable by law and which they deem advisable and agree upon a tentative amount to be allowed and appropriated for the ensuing fiscal year to each office, department, service, agency or institution of the county. Such allowances or appropriations shall be made under the classifications of:

"Salaries" or "Salaries and Benefits," and
"Detail of Other Expenses," or "Detail of Other Expenses and Benefits," and may include "Benefits," as a separate category as hereinafter provided in this chapter.

(2) When the commissioners have agreed on such tentative appropriations, the county budget officer, not later than the third week in August, shall cause notice to be published setting forth the amount of anticipated revenue from property taxes and the total of revenues anticipated from sources other than property taxes and the amount proposed to be appropriated to each office, department, service, agency or institution for the ensuing fiscal year, in not less than two (2) classifications and which shall include "Salaries," or "Salaries and Benefits," and "Detail of Other Expenses," or "Detail of Other Expenses and Benefits," and which may include "Benefits" as a separate classification together with the amounts expended under these classifications during each of the two (2) previous fiscal years by each office, department, service, agency or institution and. The notice shall also provide that the board of county commissioners will meet on or before the Tuesday following the first Monday in September, next succeeding, for the purpose of considering and fixing a final budget and making appropriations to each office, department, service, agency or institution of the county for the ensuing fiscal year at which time any taxpayer may appear and be heard upon any part or parts of said tentative budget and fixing the time and place of such meeting. Said notice shall be published in a newspaper as prescribed in section 31-819, Idaho Code.
(3) Upon notification by the state controller, the classification
of appropriations shall conform to the standards established in the uni-
form accounting manual for local governmental entities pursuant to section
67-1075, Idaho Code.

SECTION 10. That Section 31-1606, Idaho Code, be, and the same is hereby
amended to read as follows:

31-1606. EXPENDITURE LIMITED BY APPROPRIATIONS -- ROAD AND BRIDGE
APPROPRIATIONS -- INCREASE OF SALARIES. (1) The estimates of expendi-
tures as classified in each of the three (3) general classes, "Salaries," "Benefits" and "Detail of Other Expenses," required in section 31-1602,
Idaho Code, as finally fixed and adopted as the county budget by said board
of county commissioners, shall constitute the appropriations for the county
for the ensuing fiscal year. Each and every county official or employee
shall be limited in making expenditures or the incurring of liabilities to
the respective amounts of such appropriations. Provided, in the case of
road and bridge appropriations, other than "Salaries" and "Benefits," any
lawful transfer deemed necessary may be made by resolution formally adopted
by the board of county commissioners at a regular or special meeting thereof,
which action must be entered upon the minutes of said board; provided, fur-
ther, that no salary may be increased during the ensuing year after the final
budget is adopted without resolution of the board of county commissioners,
which resolution shall be entered upon their minutes.

(2) Upon notification by the state controller, budget and appropria-
tions information shall conform to the standards established in the uniform
accounting manual for local governmental entities pursuant to section
67-1075, Idaho Code.

SECTION 11. That Section 31-2101, Idaho Code, be, and the same is hereby
amended to read as follows:

31-2101. DUTIES OF COUNTY TREASURER. The county treasurer must:
(1) Receive all moneys belonging to the county and all other moneys by
law directed to be paid to him, safely keep the same, and apply and pay them
out, rendering account thereof as required by law;
(2) File and keep the certificates of the auditor delivered to him when
moneys are paid into the treasury;
(3) Keep an account of the receipt and expenditure of all such moneys
in books provided for the purpose in which must be entered the amount, the
time when, from whom, and on what account all moneys were received by him;
and the amount, time when, to whom, and on what account all disbursements
were made by him;
(4) Keep his books so that the amounts received and paid out on ac-
count of separate funds or specific appropriations are exhibited in separate
and distinct accounts and the whole receipts and expenditures are shown
in one general or cash account. Upon notification by the state controller,
county financial records shall conform to the standards established in the
uniform accounting manual for local governmental entities pursuant to sec-
tion 67-1075, Idaho Code;
Enter no moneys received for the current year on his account with the county for the past fiscal year until after his annual settlement for the past year has been made with the county auditor and
Disburse the county moneys only on county warrants issued by the county auditor, based on orders of the board of commissioners or as otherwise provided by law.

SECTION 12. That Section 31-3620, Idaho Code, be, and the same is hereby amended to read as follows:

31-3620. ACCOUNTS AND REPORTS OF PERSON IN CHARGE. The person in charge of the county hospital shall keep a correct account of all receipts and expenditures in connection therewith and make full and complete reports thereof quarterly to the board of county commissioners. Upon notification by the state controller, all records shall be kept according to the provisions of the uniform accounting manual for local governmental entities authorized under section 67-1075, Idaho Code.

SECTION 13. That Section 33-357, Idaho Code, be, and the same is hereby amended to read as follows:

33-357. CREATION OF INTERNET-BASED EXPENDITURE WEBSITE. (1) As used in this section, unless otherwise required:
(a) "Education provider" means:
   (i) A school district, including a specially chartered district organized and existing pursuant to law;
   (ii) A cooperative services agency or intermediate school district;
   (iii) A public charter school authorized pursuant to state law; or
   (iv) A publicly funded governmental entity established by the state for the express purpose of providing online courses.
(b) "Entity" means a corporation, association, union, limited liability company, limited liability partnership, grantee, contractor, local government, or other legal entity, including a nonprofit corporation or an employee of the education provider.
(c) "Internet-based website" means a website developed and maintained by the state controller pursuant to section 67-1075, Idaho Code.
(d) "ISEE" means the Idaho system for educational excellence or a successor system.
(e) "Public record" shall have the same meaning as set forth in chapter 1, title 74, Idaho Code.
(2) (a) No later than December 1, 2011, each education provider shall develop and maintain a publicly available website where, as part of its ISEE data submissions, submit the education provider's expenditures are posted in a nonsearchable PDF format, a searchable PDF format, a spreadsheet or in a database format and revenues accompanying general ledger codes consistent with the Idaho financial accounting reporting management system or a successor system to the state board of education on a schedule determined by the board. Within ten (10) business days of receiving such submission, the state board of education must transmit the full submission to the office of the state controller, which must
then correlate the education provider's data to the uniform accounting
system created pursuant to section 67-1075, Idaho Code, for posting on
the state controller's website.
(b) The internet-based website shall include the following data con-
cerning all expenditures made by the education provider:
(i) The name and location or address of the entity receiving mon-
ey;
(ii) The amount of expended moneys;
(iii) The date of the expenditure; and
(iv) A description of the purpose of the expenditure, unless the
expenditure is self-describing;
(v) Supporting contracts and performance reports upon which the
expenditure is related when these documents already exist;
(vi) To the extent possible, a unique identifier for each expendi-
ture;
(vii) The annual budget approved by the education provider's gov-
erning board, to be posted within thirty (30) days after its ap-
proval; and
(viii) Any current master labor agreements approved by the educa-
tion provider's governing board.
(c) The expenditure data shall be provided in an open structured data
format that may be downloaded by the user.
(d) The internet-based website shall contain only information that is a
public record or that is not confidential or otherwise exempt from pub-
lic disclosure pursuant to state or federal law.
(3)(a) The education provider shall state controller must:
(ai) Update the expenditures contained on the internet-based
website at least monthly; upon receiving a new transmission from
the state board of education; and
(aii) Archive all expenditures, which shall remain accessible and
on the internet-based website for a number of years, consistent
with state law regarding keeping and retention of records.
(b) The education provider shall:
(i) Make Link to the internet-based website easily accessible
from the main page of the education provider's website; and
(ii) Post the following on the education provider's website:
1. Supporting contracts and performance reports upon which
the expenditure is related when these documents already ex-
ist;
2. The annual budget approved by the education provider's
governing board, to be posted within thirty (30) days after
its approval; and
3. Any current master labor agreements approved by the educa-
tion provider's governing board.
(c) The internet-based website shall include these records beginning
on the effective date of this act on July 1, 2011 referenced in this sec-
tion according to the schedule set forth pursuant to section 67-1075,
Idaho Code, and all data prior to that date shall be available by way of a
public records request.
SECTION 14. That Section 39-414A, Idaho Code, be, and the same is hereby amended to read as follows:

39-414A. AUDIT OF HEALTH DISTRICT FINANCES. It shall be the duty of each district board of health to cause to be made a full and complete audit of all the financial transactions of the health district no less frequently than every two (2) years. Such audit shall be made by or under the direction of the legislative council services office, pursuant to section 67-702, Idaho Code, in accordance with generally accepted auditing standards and procedures. The district board of health shall include all necessary expenses for such audit in its budget.

SECTION 15. That Section 50-208, Idaho Code, be, and the same is hereby amended to read as follows:

50-208. DUTIES OF TREASURER -- RECORD OF OUTSTANDING BONDS. (1) The treasurer of each city shall be the custodian of all moneys belonging to the city. He shall account for each fund or appropriation made in its annual budget appropriation or otherwise directed by the city council. Such accounting shall track the debits and credits relating thereto. The treasurer shall on a monthly basis, and no more than sixty (60) days after the conclusion of each month at a regular meeting of the city council, render an accounting to the city council showing the financial condition of the treasury at the date of such accounting. The report shall state the balances of accounts maintained in the city’s treasury. The treasurer shall also make available credit and debit details of all such accounts when required by the mayor or by action of the governing board. Making the quarterly treasurer's report available for public review on the city’s website within thirty (30) days of the conclusion of each quarter shall satisfy publication requirements established by section 50-1011, Idaho Code.

(2) The treasurer shall also keep a record of all outstanding bonds against the city showing the number, amount of each, and to whom said bonds were issued and when any bonds are purchased, paid, or canceled. In his annual report, the treasurer shall describe particularly the bonds issued and sold during the year and the fiscal terms of the sale including the expenses related thereto.

(3) Upon notification by the state controller, the treasurer shall comply with the accounting and fiscal reporting requirements set forth in the uniform accounting manual for local governmental entities authorized under section 67-1075, Idaho Code.

SECTION 16. That Section 50-1002, Idaho Code, be, and the same is hereby amended to read as follows:

50-1002. ANNUAL BUDGET. (1) The city council of each city shall, prior to passing the annual appropriation ordinance, prepare a budget estimating the probable amount of money necessary for all purposes for which an appropriation is to be made, including interest and principal due on the bonded debt and sinking fund, itemizing and classifying the proposed expenditures by department, fund, or service, as nearly as may be practicable, and specifying any fund balances accumulated under section 50-1005A, Idaho Code.
support such proposed expenditure, the council shall prepare an estimate
of the total revenue anticipated during the ensuing fiscal year for which
a budget is being prepared classifying such receipts by source as nearly
as may be possible and practicable, said estimate to include any surplus
not subject to the provisions of sections 50-1004 and 50-1005A, Idaho Code,
or shall said estimated revenue include funds accumulated under section
50-236, Idaho Code. The proposed budget for the ensuing fiscal year shall
list expenditures and revenues during each of the two (2) previous fiscal
years by fund and/or department. Following tentative approval of the rev-
enues and expenditures estimated by the council, the same shall be entered at
length in the journal of proceedings. Prior to certifying to the county com-
misisoners, a notice of time and place of public hearing on the budget, which
notice shall include the proposed expenditures and revenues by fund and/or
department, including the two (2) previous fiscal years, and a statement of
the estimated revenue from property taxes and the total amount from sources
other than property taxes of the city for the ensuing fiscal year, shall be
published twice at least seven (7) days apart in the official newspaper. At
said hearing, any interested person may appear and show cause, if any he has,
why such proposed budget should or should not be adopted.

(2) Upon notification by the state controller, budget information
shall conform to the standards established in the uniform accounting manual
for local governmental entities pursuant to section 67-1075, Idaho Code.

SECTION 17. That Section 50-2006, Idaho Code, be, and the same is hereby
amended to read as follows:

50-2006. URBAN RENEWAL AGENCY.
(1) (a) There is hereby created in each municipality an independent pub-
lic body corporate and politic to be known as the "urban renewal agency"
that was created by resolution as provided in section 50-2005, Idaho
Code, before July 1, 2011, for the municipality; provided, that such
agency shall not transact any business or exercise its powers hereunder
until or unless: (1) the local governing body has made the findings
prescribed in section 50-2005, Idaho Code; and provided further, that
such
(b) An urban renewal agency created after July 1, 2011, shall not trans-
act any business or exercise its powers provided for in this chapter un-
til a majority of qualified electors, voting in a citywide or coun-
trywide election, depending on the municipality in which such agency is
created, vote to authorize such agency to transact business and exer-
cise its powers provided for in this chapter. If prior to July 1, 2011,
the local governing body has made the findings prescribed in subsection
paragraph (a)(1) of this subsection, then such agency shall transact
business and shall exercise its powers hereunder and is not subject to
the requirements of subsection (a)(2) of this section this paragraph.
(b2) Upon satisfaction of the requirements under subsection (a1) of
this section, the urban renewal agency is authorized to transact the busi-
ness and exercise the powers hereunder by a board of commissioners to be
established as follows:
(a1) Unless provided otherwise in this section, the mayor, by and with
the advice and consent of the local governing body, shall appoint a
board of commissioners of the urban renewal agency, which shall consist of not less than three (3) commissioners nor more than nine (9) commissioners. In the order of appointment, the mayor shall designate the number of commissioners to be appointed, and the term of each, provided that the original term of office of no more than two (2) commissioners shall expire in the same year. The commissioners shall serve for terms not to exceed five (5) years, from the date of appointment, except that all vacancies shall be filled for the unexpired term.

(2b) For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed by a majority vote of the local governing body only after a hearing and after he shall have been given a copy of the charges at least ten (10) days prior to such hearing and have had an opportunity to be heard in person or by counsel. Any commission position that becomes vacant at a time other than the expiration of a term shall be filled by the mayor or chair of the board of county commissioners, if that is the local governing body, by and with the advice and consent of the local governing body, including the mayor, if applicable, and shall be filled for the unexpired term.

(3c) By enactment of an ordinance, the local governing body may appoint and designate, from among its members, to be members of the board of commissioners of the urban renewal agency, provided that such representation shall be less than a majority of the board of commissioners of the urban renewal agency of the members of the local governing body on and after July 1, 2017, in which case all the rights, powers, duties, privileges, and immunities vested by the urban renewal law of 1965, and as amended, in an appointed board of commissioners, shall be vested in the local governing body, which shall, in all respects when acting as an urban renewal agency, be acting as an arm of state government, entirely separate and distinct from the municipality, to achieve, perform, and accomplish the public purposes prescribed and provided by said urban renewal law of 1965, and as amended.

(4d) By enactment of an ordinance, the local governing body may terminate the appointed board of commissioners and thereby appoint and designate itself as the board of commissioners of the urban renewal agency for not more than one (1) calendar year.

(5e) By enactment of an ordinance, the local governing body may provide that the board of commissioners of the urban renewal agency shall be elected at an election held for such purpose on one (1) of the November dates provided in section 34-106, Idaho Code, and the ordinance may provide term limits for the commissioners. In this case, all the rights, powers, duties, privileges, and immunities vested by the urban renewal law of 1965, and as amended, in an appointed board of commissioners, shall be vested in the elected board of commissioners of the urban renewal agency, which shall, in all respects when acting as an urban renewal agency, be acting as an arm of state government, entirely separate and distinct from the municipality, to achieve, perform, and accomplish the public purposes prescribed and provided by said urban renewal law of 1965, and as amended. The provisions of chapter 66, title 67, Idaho Code, shall apply to elected commissioners, and the county election law shall apply to the person running for commissioner as if
the person were running for county commissioner. In the event of a
vacancy in an elected commissioner position, the replacement shall be
appointed by the mayor or chair of the board of county commissioners, if
that is the local governing body, by and with the advice and consent of
the local governing body, and shall be filled for the unexpired term.
(4) In all instances, a member of the board of commissioners of the ur-
ban renewal agency must be a resident of the county where the urban renewal
agency is located or is doing business.
(5) (a) The powers of an urban renewal agency shall be exercised by the
commissioners thereof. A majority of the commissioners shall consti-
tute a quorum for the purpose of conducting business and exercising the
powers of the agency and for all other purposes. Action may be taken by
the agency upon a vote of a majority of the commissioners present, un-
less in any case the bylaws shall require a larger number.
(b) The commissioners shall elect the chairman, cochairman, or vice
chairman for a term of one (1) year from among their members. An agency
may employ an executive director, technical experts, and such other
agents and employees, permanent and temporary, as it may require, and
determine their qualifications, duties, and compensation. For such
legal service as it may require, an agency may employ or retain its own
counsel and legal staff.
(c) An agency authorized to transact business and exercise powers un-
der this chapter shall file, with the local governing body, on or be-
fore March 31 of each year a report of its activities for the preced-
ing calendar year, which report shall include a complete financial
statement setting forth its assets, liabilities, income and operating
expense as of the end of such calendar year. Data and audit reports re-
quired under sections 67-1075 and 67-1076, Idaho Code. The agency shall
be required to hold a public meeting to report these findings and take
comments from the public. At the time of filing the report, the agency
shall publish in a newspaper of general circulation in the community a
notice to the effect that such report has been filed with the munici-
pality and the state controller and that the report is available for in-
spection during business hours in the office of the city clerk or county
recorder, in the office of the agency, and at all times on the web-
site of the state controller.
(d) An urban renewal agency shall have the same fiscal year as a mu-
nicipality and shall be subject to the same audit requirements as a mu-
nicipality. An urban renewal agency shall be required to prepare and
file with its local governing body an annual financial report and shall
prepare, approve, and adopt an annual budget for filing with the local
governing body, for informational purposes. A budget means an annual
estimate of revenues and expenses for the following fiscal year of the agency.

(2) An urban renewal agency shall comply with the public records law pursuant to chapter 1, title 74, Idaho Code, open meetings law pursuant to chapter 2, title 74, Idaho Code, the ethics in government law pursuant to chapter 4, title 74, Idaho Code, and the competitive bidding provisions of chapter 28, title 67, Idaho Code.

SECTION 18. That Section 67-450C, Idaho Code, be, and the same is hereby amended to read as follows:

67-450C. INDEPENDENT FINANCIAL AUDITS OF AFFILIATED ORGANIZATIONS TO STATE GOVERNMENTAL AGENCIES OR ENTITIES -- FILING REQUIREMENTS. (1) The requirements set forth in this section 67-450B(2), Idaho Code, are minimum audit requirements for all affiliated organizations to state governmental entities and include without limitation all state departments, commissions, institutions, colleges, or universities, which are created pursuant to statute or the constitution and which receive an appropriation from the legislature.

(2) As used in this section, "affiliated organization" means an organization affiliated with an agency or entity of state government which meets all of the following criteria:

(a) The organization has separate legal standing, where neither direct association through appointment of a voting majority of the organization's body nor fiscal dependency exists.

(b) The affiliation with a specific primary state government agency or entity is set forth in the organization's articles of incorporation by reference to the name of the primary state government agency or entity in describing the purposes for which the organization was established and

(c) The affiliation with a specific primary state government agency or entity is set forth in the organization's application to the internal revenue service for exemption for payment of federal income tax pursuant to the Internal Revenue Code by reference to the name of the primary government in response to any of the questions contained in the exemption application and the organization has been granted that exemption.

(3) Audits under these requirements are to be performed by independent auditors in accordance with generally accepted governmental auditing standards, as defined by the United States general accounting office. The auditor shall be employed on written contract.

(4) The affiliated organization's governing body shall be required to include in its annual budget all necessary expenses for carrying out the provisions of this section.

(5) The affiliated organization shall file one (1) copy of each completed audit report with the legislative services office within nine (9) months after the end of the audit period.

(2) The minimum requirements for any audit performed under the provisions of this section are:

(a) The governing body of an affiliated organization whose annual expenditures (from all sources) exceeds two hundred fifty thousand dol-
The governing body of an affiliated organization whose annual expenditures (from all sources) exceed one hundred thousand dollars ($100,000), but do not exceed two hundred fifty thousand dollars ($250,000) may elect to have its financial statements audited on a biennial basis and may continue biennial auditing cycles in subsequent years as long as the organization's annual expenditures do not exceed two hundred fifty thousand dollars ($250,000) during either year of any biennial period. Biennial audits shall include an audit of each fiscal year since the previous audit.

(c) The governing body of an affiliated organization whose annual expenditures (from all sources) do not exceed one hundred thousand dollars ($100,000) has no minimum audit requirements under this section.

(d) Federal audit requirements applicable because of expenditure of federal assistance supersedes the minimum audit requirements provided referenced in subsection (1) of this section.

SECTION 19. That Section 67-450D, Idaho Code, be, and the same is hereby amended to read as follows:

67-450D. INDEPENDENT FINANCIAL AUDITS -- DESIGNATED ENTITIES. (1) Notwithstanding any other provisions of the Idaho Code relating to audit requirements regarding the entities hereinafter designated in this section, beginning on July 1, 2040, the requirements set forth in this section 67-450B(2), Idaho Code, shall constitute the minimum audit requirements for the following entities:

(a) Alfalfa and clover seed commission;
(b) Idaho apple commission;
(c) Idaho barley commission;
(d) Idaho bean commission;
(e) Idaho beef council;
(f) Idaho cherry commission;
(g) Idaho dairy products commission;
(h) Idaho food quality assurance institute;
(i) Idaho forest products commission;
(j) Idaho grape growers and wine producers commission;
(k) Idaho honey commission;
(l) Idaho hop grower's commission;
(m) Idaho mint commission;
(n) Idaho oilseed commission;
(o) Idaho pea and lentil commission;
(p) Idaho potato commission;
(q) Idaho rangeland resource commission; and
(r) Idaho wheat commission.

(2) The minimum requirements for any audit performed under the provisions of this section are:

(a) Any entity whose annual expenditures (from all sources) exceed two hundred fifty thousand dollars ($250,000) shall cause a full and complete audit of its financial statements to be made each fiscal year.
(b) Any entity whose annual expenditures (from all sources) exceed one hundred thousand dollars ($100,000), but do not exceed two hundred fifty thousand dollars ($250,000), in the current year shall have an annual audit or may elect to have its financial statements audited on a biennial basis. The first year that expenditures exceed one hundred thousand dollars ($100,000) is the first year of the biennial audit period. The designated entity may continue the biennial audit cycle in subsequent years as long as the entity's annual expenditures during the first year of the biennial audit period do not exceed two hundred fifty thousand dollars ($250,000). In the event that annual expenditures exceed two hundred fifty thousand dollars ($250,000) in the current year following a year in which a biennial audit was completed, the designated entity shall complete an annual audit. In the event that annual expenditures in the current year do not exceed one hundred thousand dollars ($100,000) following a year in which an annual or biennial audit was completed, the designated entity has no minimum audit requirement.

(c) Any entity whose annual expenditures (from all sources) do not exceed one hundred thousand dollars ($100,000) has no minimum audit requirements under the provisions of this section.

(d) Federal audit requirements applicable because of expenditure of federal assistance supersede the minimum audit requirements provided in subsection (1) of this section.

(3) All moneys received or expended by the entities identified in subsection (1) of this section shall be audited at the direction of the legislative services office, the central registry pursuant to section 67-1076, Idaho Code, and to the senate agricultural affairs committee and the house of representatives agricultural affairs committee. The audit shall be completed within ninety (90) days following the close of the commission's fiscal year.

(4) Any entity identified in subsection (1) of this section that is not audited pursuant to the provisions of this section shall submit an unaudited annual statement of revenues, expenditures, and fund balances to the director of the legislative services office, to the senate agricultural affairs committee and the house of representatives agricultural affairs committee, to the state controller, and to the division of financial management.

(5) The right is reserved to the state of Idaho to audit the funds of the entities identified in this section at any time.

SECTION 20. That Section 67-702, Idaho Code, be, and the same is hereby amended to read as follows:

67-702. AUDIT FUNCTION OF LEGISLATIVE SERVICES OFFICE. (1) The legislative services office at the direction of the legislative council has authority to:

(a) Perform an annual audit of the statewide annual financial report prepared by the state controller in accordance with generally accepted government auditing standards.
(b) Perform an annual audit of federal financial assistance provided to the state that meets the requirements established by the federal government.

(c) Perform a management review of each executive department of state government at least once in a three (3) year period. Management reviews shall cover the period since the last review and may include evaluation of internal controls over financial and program activities and other matters related to the department's operations.

(d) Provide audit services to any unit of state government or public institution that requests services, if authorized by the legislative council.

(e) Report to the attorney general all facts which may indicate malfeasance, illegal expenditure of public funds or misappropriation of public funds or public property for such investigation or action, civil or criminal, as the attorney general may deem necessary. The governor and state controller shall also be notified when the report is made to the attorney general pursuant to this subsection. The legislature shall be informed through the regular audit process pursuant to section 67-429, Idaho Code.

(f) Be the official repository of all audit reports of the state and political subdivisions that are required to be audited pursuant to sections 67-450B and 67-450C, Idaho Code. Perform an audit of any local governmental entity, as defined in section 67-1076, Idaho Code, at the request of the legislative council or the committee on uniform accounting and transparency for local governmental entities established in section 67-448, Idaho Code; and

(g) Report to the legislature annually no later than February 1 of each year on all land exchanged by the state board of land commissioners pursuant to section 58-138, Idaho Code, during the preceding year and all appraisals and review appraisals conducted on such state endowment land exchanges pursuant to the provisions of section 58-138, Idaho Code.

(2) The legislative council reserves the right to audit or examine any and every fund in the state treasury and any institution, association, board, or other defined entity created by, or that receives an appropriation from, the legislature.

SECTION 21. That Section 67-1001, Idaho Code, be, and the same is hereby amended to read as follows:

67-1001. DUTIES OF CONTROLLER. It is the duty of the state controller:

(1) To superintend the fiscal concerns of the state, with its accounting, informational, payroll, and related data processing services.

(2) To deliver to the governor and the legislative services office on or before the first day of January a financial statement which complies with generally accepted accounting principles of the funds of the state, its revenues, and of the public expenditures during the preceding fiscal year.

(3) When requested, to give information in writing to either house of the legislature relating to the fiscal affairs of the state or the duties of his office.
(4) To suggest plans and provide internal control standards for the improvement and management of the public revenues, assets, expenditures, and liabilities.

(5) To keep and state all accounts in which the state is interested.

(6) To keep an account of all warrants drawn upon the treasurer, and a separate account under the head of each specified appropriation, showing at all times the unexpended balance of such appropriation.

(7) To keep an account between the state and the treasurer and therein to charge the treasurer with the balance in the treasury when he came into office and with all moneys received by him and to credit him with all warrants drawn on and paid by him.

(8) To keep a register of warrants showing the fund or funds upon which they are drawn, the number, in whose favor, the appropriation applicable to the payment thereof, and when the liability accrued.

(9) To examine and settle the accounts of all persons indebted to the state.

(10) In his discretion, to require any person presenting an account for settlement to be sworn before him and to answer, orally or in writing, as to any facts relating to the account for settlement.

(11) To require all persons who have received any moneys belonging to the state, and have not accounted therefor to settle their accounts.

(12) To account for the collection of all moneys due the state, not the responsibility of any other agency and institute suits in its name for all official delinquencies in relation to assessment, collection and payment of the revenue, and against persons who by any means have become possessed of public money or property and fail to pay over or deliver the same, and against all debtors of the state, of which suits the courts of Ada County have jurisdiction, without regard to the residence of the defendants.

(13) To draw warrants on the treasurer for the payment of moneys directed by law to be paid out of the treasury; but no warrant must be drawn unless authorized by law.

(14) To furnish the state treasurer with a daily total dollar amount, by fund, and/or account when requested by the state treasurer, of warrants drawn upon the treasury.

(15) To authenticate with his signature, his electronic signature, or his facsimile signature all warrants drawn by him and all copies of official documents issued from his office.

(16) To charge the state treasurer with money and evidences of indebtedness received from and to credit him for money drawn by the state board of land commissioners in the moneys or accounts over which said board has control.

(17) To act ex officio as member of the state board of canvassers and state board of land commissioners, secretary of the state board of examiners, and participant in other organizations in the performance of such duties as prescribed by law for such officer.

(18) To create and establish such divisions and other administrative units within the office as necessary.

(19) To be the official repository of all audit reports of the state and political subdivisions that are required to be audited pursuant to sections 67-450B, 67-450C, and 67-450D, Idaho Code.
SECTION 22. Sections 1 through 4 and Sections 7 through 21 of this act shall be in full force and effect on and after July 1, 2021. Sections 5 and 6 of this act shall be in full force and effect on and after January 1, 2022.