

Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1267

AN ACT to amend the Indiana Code concerning state and local administration.

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

SECTION 1. IC 5-11-1-1, AS AMENDED BY P.L.59-2023, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) There is established a state board of accounts. The state board of accounts is designated as the independent external auditor of audited entities and is subject to applicable professional ~~accounting auditing~~ standards.

(b) The board is accountable to the legislative council and consists of the state examiner and two (2) deputy examiners, as provided in this section.

(c) The principal officer of the board is the state examiner. To hold the office of state examiner, an individual must:

- (1) be appointed by the governor;
- (2) have the individual's appointment accepted by the legislative council in conformity with subsection (f); and
- (3) be a certified public accountant with at least five (5) years of accounting experience, including at least three (3) years of single audit experience in the public or private sector.

(d) The governor shall also appoint two (2) deputy examiners. ~~To hold the office of deputy examiner, an individual must:~~

- ~~(1) be appointed by the governor; and~~
- ~~(2) be a certified public accountant. One (1) deputy examiner~~

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must be a certified public accountant and the other deputy examiner must be either a certified public accountant or an attorney licensed in Indiana.

A deputy examiner is subordinate to the state examiner. At least one (1) of the deputy examiners must have at least three (3) years of experience with the state board of accounts at the time of appointment.

(e) Not more than two (2) of the three (3) individuals appointed to the state board of accounts may be members of the same political party. The term of a state examiner is four (4) years. Notwithstanding the expiration of the term of a state examiner, the state examiner may continue to serve as acting state examiner until a state examiner is appointed or reappointed. The term of a deputy examiner is coterminous with the term of the state examiner.

(f) The governor shall submit to the executive director of the legislative services agency in an electronic format under IC 5-14-6 the name of an individual who the governor recommends for appointment under subsection (c) along with any supporting information that the governor determines is appropriate. The executive director of the legislative services agency shall submit the governor's recommendation along with any submitted supporting information to the members of the legislative council and place the information on the website maintained by the general assembly. At a meeting open to the public, the legislative council may adopt a resolution to accept or reject a recommendation of the governor. The legislative council may reject a recommendation with or without cause. If the legislative council fails to adopt a resolution accepting or rejecting a recommendation within forty-five (45) days after the recommendation is submitted to the executive director of the legislative services agency in an electronic format under IC 5-14-6, the recommendation shall be treated as accepted by the legislative council.

(g) IC 4-21.5 applies to an action under this subsection. The state examiner and the deputy examiners are subject to removal by the governor for incompetency (including failure to maintain the individual's status as a certified public accountant) or for misconduct of the office. If the governor seeks to remove the state examiner under this subsection, the governor shall notify the state examiner in writing of the governor's proposed action in conformity with IC 4-21.5-3-4 and submit a copy of the notice to the executive director of the legislative services agency in an electronic format under IC 5-14-6. The notice must state the reasons for the proposed action and indicate that the state examiner has fifteen (15) days after being given notice to petition for review of the proposed action. The notice must specify that a petition

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for review of the proposed action must be made in writing and be submitted to the executive director of the legislative services agency in accordance with IC 4-21.5-3-7. The notice must also state that the state examiner may petition the legislative council under IC 4-21.5-3-4 for a stay of the proposed action pending final resolution of the matter. If a timely petition is filed with the executive director of the legislative services agency, the legislative council shall conduct a proceeding under IC 4-21.5 to review the petition. The determination by the legislative council is a final order. A state examiner removed from office under this subsection may petition for judicial review of a final action of the legislative council under IC 4-21.5-5 in the circuit or a superior court of Marion County. A deputy examiner removed from office under this subsection may petition for judicial review regarding the removal in the circuit or a superior court of Marion County.

(h) A vacancy in the office of state examiner or deputy examiner must be filled in the same manner provided under this section for the appointment of the vacating officer. An individual appointed to fill a vacancy serves for the remainder of the vacating individual's term.

SECTION 2. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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