

1 HB430
2 117165-1
3 By Representative Knight
4 RFD: Government Appropriations
5 First Read: 26-JAN-10

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8 SYNOPSIS: This bill would provide that certain
9 warrants issued by the Comptroller to business
10 entities would be electronically disbursed through
11 the State Treasury.

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13 A BILL
14 TO BE ENTITLED
15 AN ACT

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17 To amend Section 41-4-50, Code of Alabama 1975,
18 relating to the Division of Control and Accounts within the
19 Department of Finance, to provide that certain warrants issued
20 by the Comptroller to business entities would be
21 electronically disbursed through the State Treasury.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. Section 41-4-50, Code of Alabama 1975, is
24 amended to read as follows:

25 "§41-4-50.

1 " There shall be in the Department of Finance the
2 division of control and accounts. The functions and duties of
3 the division of control and accounts shall be as follows:

4 "(1) To keep all books, records, and accounts
5 relating to the finances of the state government (including
6 the budget accounts) which are authorized or required to be
7 kept by the Department of Finance, in accordance with
8 recognized standards of public accounting and in such a manner
9 as at all times to reveal the true financial status of the
10 state government and of each special fund and account in the
11 State Treasury.

12 "(2) To control and make records of all payments
13 into and out of the State Treasury and each special fund and
14 account therein.

15 "(3) To audit currently all receipts and
16 receivables.

17 "(4) To preaudit and determine the correctness and
18 legality of every claim and account submitted for the issuance
19 of a warrant and to determine that funds have been
20 appropriated and allotted and are then available in the State
21 Treasury for the payment of such claim or account before any
22 warrant on the State Treasury shall be issued; except, that
23 the preaudit of claims for unemployment compensation, or
24 public assistance, or child welfare, or income tax refunds
25 shall be performed by the department or departments having
26 charge of the other functions and duties relating to
27 unemployment compensation, or public assistance, or child

1 welfare, or income tax refunds subject to the general
2 supervision of the division of control and accounts.

3 "(5)a. To draw every warrant authorized to be drawn
4 upon the State Treasury and any fund therein, whether a
5 special or earmarked fund or not.

6 "b. Any law to the contrary notwithstanding, any or
7 all warrants issued by the division of control and accounts
8 may be transferred or deposited electronically or by other
9 acceptable methods to any financial institution capable of
10 handling direct deposits by electronic transfer or other
11 acceptable methods if written approval is given by the
12 original payee of ~~said the~~ warrant. ~~The state Comptroller~~
13 ~~shall maintain files on all written approvals given by~~
14 ~~original payees and separate records on all transfers of funds~~
15 ~~authorized in this subsection and shall furnish sufficient~~
16 ~~documentation for the purpose of auditing and reconciling such~~
17 ~~electronic financial transactions.~~

18 "c. All warrants issued by the division of control
19 and accounts for amounts that equal or exceed two thousand
20 five hundred dollars (\$2,500) payable to business entities,
21 vendors, and providers of professional services shall be
22 electronically disbursed through the State Treasury.
23 Notwithstanding the foregoing, when the Department of Revenue
24 deems that a physical warrant for a refund, overpayment of
25 taxes, or any other tax related disbursement is necessary, the
26 department may continue to use a physical warrant.

1 "(6) To secure such information and data, to prepare
2 or make such studies and reports and to perform such other
3 functions and duties of the Department of Finance as may from
4 time to time be assigned by the Director of Finance."

5 Section 2. This act shall become effective on July
6 1, 2010, following its passage and approval by the Governor,
7 or its otherwise becoming law.