Journal of the House

State of Indiana

118th General Assembly *Second Regular Session*

Thirty-third Day **Thursday Morning** **March 13, 2014**

The invocation was offered by Pastor Matt Barnes of the Capitol Commission.

The House convened at 9:00 a..m. with Speaker Brian C. Bosma in the Chair.

The Pledge of Allegiance to the Flag was led by Representative Vernon G. Smith.

The Speaker ordered the roll of the House to be called:

Arnold
Austin
Bacon
Baird
Bartlett
Battles
Bauer
Behning
Beumer
Braun
C. Brown
T. Brown
Burton
Candelaria Reardon □
Carbaugh
Cherry
Clere
Cox
Culver
Davisson
DeLaney
Dermody
DeVon
Dvorak
Eberhart
Errington
Forestal
Friend
Frizzell
Frye
GiaQuinta
Goodin
Gutwein
Hale
Hamm
Harman
Harris
Heaton
Heuer
Huston
Karickhoff
Kersey
Kirchhofer
Klinker
Koch
Kubacki
Lawson
Lehe
Lehman
Leonard
Lucas
Lutz
Macer
Mahan
Mayfield
McMillan
McNamara
Messmer
Moed □
Morris
Morrison
Moseley
Neese
Negele
Niemeyer
Niezgodski
Ober
Pelath
Pierce
Porter
Price
Pryor
Rhoads
Richardson
Riecken
Saunders
Shackleford
Slager
Smaltz
M. Smith
V. Smith
Soliday □
Speedy
Stemler
Steuerwald
Sullivan
Summers
Thompson
Torr
Truitt
Turner
Ubelhor
VanDenburgh
VanNatter
Washburne
Wesco
Wolkins
Zent
Ziemke □
Mr. Speaker

Roll Call 486: 96 present; 4 excused. The Speaker announced a quorum in attendance. [*NOTE*: □ *indicates those who were excused*.]

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 11 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1206-01, 1321-01 and Engrossed Senate Bills 32-01 and 53-01.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 11 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1206-01, 1321-01 and Engrossed Senate Bills 32-01 and 53-01.

TORR, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1206–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1206 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-3-2-2.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: Sec. 2.8. Notwithstanding any provision of IC 6-3-1 through IC 6-3-7, there shall be no tax on the adjusted gross income of the following:

(1) Any organization described in Section 501(a) of the Internal Revenue Code, except that any income of such organization which is subject to income tax under the Internal Revenue Code shall be subject to the tax under IC 6-3-1 through IC 6-3-7.

(2) Any corporation which is exempt from income tax under Section 1363 of the Internal Revenue Code and which complies with the requirements of IC 6-3-4-13. However, income of a corporation described under this subdivision that is subject to income tax under the Internal Revenue Code is subject to the tax under IC 6-3-1 through IC 6-3-7. A corporation will not lose its exemption under this section because it fails to comply with IC 6-3-4-13 but it will be subject to the penalties provided by IC 6-8.1-10.

(3) Banks and trust companies, national banking associations, savings banks, building and loan associations, and savings and loan associations.

(4) Insurance companies subject to tax under **any of the following:**

(A) IC 27-1-18-2, including a domestic insurance company that elects to be taxed under IC 27-1-18-2.

(B) IC 27-1-2-2.3.

(5) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System (12 CFR 204)).

SECTION 2. IC 6-5.5-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: Sec. 7. Notwithstanding any other provision of this article, there is no tax imposed on the adjusted gross income or apportioned income of the following:

(1) Insurance companies subject to the tax under **any of the following:**

(A) IC 27-1-18-2. ~~or~~

(B) IC 27-1-2-2.3.

(C) IC 6-3.

(2) International banking facilities (as defined in Regulation D of the Board of Governors of the Federal Reserve System).

(3) Any corporation that is exempt from income tax under Section 1363 of the Internal Revenue Code.

(4) Any corporation exempt from federal income taxation under the Internal Revenue Code, except for the corporation's unrelated business income. However, this exemption does not apply to a corporation exempt from federal income taxation under Section 501(c)(14) of the Internal Revenue Code.

SECTION 3. IC 27-1-2-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: **Sec. 2.3. (a) As used in this section, "captive insurer" means a foreign company or an alien company:**

(1) that is supervised in the foreign or alien jurisdiction;

(2) that is owned by a person that conducts business in Indiana;

(3) whose exclusive purpose is to insure property and casualty risks of:

(A) the parent entity described in subdivision (2);

(B) affiliates of the parent entity; or

(C) a controlled unaffiliated business;

which may include reinsuring (through risk-sharing arrangements) property and casualty risks insured by other foreign companies or alien companies described in subdivision (1); and

(4) that has not more than two million dollars ($2,000,000) of annual direct written premium.

(b) As used in this section, "controlled unaffiliated business" means a business:

(1) that:

(A) is not an affiliate of; and

(B) has a contractual relationship with;

a parent entity described in subsection (a)(2) or an affiliate of the parent entity; and

(2) the risks of which are managed by a captive insurer.

(c) Except as provided in this section, this article does not apply to a captive insurer.

(d) A captive insurer that is doing business in Indiana:

(1) is not required to obtain a certificate of authority in Indiana;

(2) shall register with the commissioner; and

(3) shall, for each calendar year after 2012 in which the captive insurer is doing business in Indiana, pay into the treasury of this state a tax of two thousand five hundred dollars ($2,500).

(e) A captive insurer that is required to pay the tax imposed for a calendar year under subsection (d)(3) shall pay the tax as follows:

(1) For a tax imposed under subsection (d)(3) for calendar year 2013, the captive insurer shall pay the tax before July 1, 2014.

(2) For a tax imposed under subsection (d)(3) for a calendar year after 2013, the captive insurer shall pay the tax before April 15 of the following calendar year.

(f) The state and a political subdivision of the state shall not impose a license fee or privilege or other tax on a captive insurer, except the following:

(1) The tax described in subsection (d)(3).

(2) An applicable tax on real and tangible personal property of the captive insurer.

SECTION 4. IC 27-1-12-11, AS AMENDED BY P.L.276-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) After the department has ascertained the net reserve value of all policies under IC 27-1-12.8-18 or the reserve liabilities under IC 27-1-12.8 of any life insurance company organized and doing business in this state, the department shall notify said company of the amount or amounts thereof. Within sixty (60) days after the date of such notification, the officers of such company shall deposit with the department, solely for the security and benefit of all its policyholders, assets in an amount, invested in accordance with section 2 of this chapter (except paragraph 20 of section 2(b) of this chapter) which together with the assets already deposited with the department and such additional assets as may be deposited by said company with other states or governments, pursuant to the requirements of the laws of such other states or governments in which said company is doing business, shall be not less than the lesser of the amount of such reserve value or reserve liabilities or the amount provided under subsection (f). No life insurance company organized under this article or any other law of this state shall be required to make such deposit until the amount prescribed by this subsection exceeds the amount deposited by said company under IC 27-1-6-14 or IC 27-1-6-15. Investments in real estate shall be deposited in the form of satisfactory evidences of ownership. The deposit requirement in relation to policy loans and bank deposits shall be considered fulfilled by the inclusion of such item in the company's annual statement, but subject to the right of the company at any time, and the obligation of the company on demand of the department, to file with the department a certificate as to the amount of such item.

(b) If the department in the course of the year ascertains that the net reserve value of a company's policies under IC 27-1-12.8-18 or its reserve liabilities under IC 27-1-12.8 exceeds such company's deposits as required by subsection (a), it may require such company within sixty (60) days to increase its deposit to the required amount.

(c) Nothing in this article shall prevent the deposit of bonds, mortgages, or other securities which meet the investment requirements of a foreign or alien state or country, to an amount

not exceeding the amount of the reserves on policies issued to residents of, and to corporations doing business in, such state or country. If, pursuant to the law of a foreign or alien state or country in which an Indiana life insurance company is doing business, securities belonging to such a company are required to be deposited within the boundaries of such foreign or alien state or country, credit for the amount of such deposit, not exceeding the amount of the reserves on policies issued to residents of, and to corporations doing business in, such foreign or alien state or country, may be taken by the company as an offset against its deposits required under this article.

(d) If, pursuant to the law of a foreign or alien state or country, a life insurance company domiciled therein is not permitted a reserve credit for reserves maintained by a reinsurer foreign to such a state or country, except on the condition that the amount of such reserve be deposited with the insurance supervisory official of such state or country, a deposit credit for the amount of such reserves so deposited shall be allowed a domestic life insurance company accepting reinsurance from companies domiciled in such state or country.

(e) Any deposit of assets with the department pursuant to any law superseded by this chapter shall, prior to the first deposit date contemplated in subsection (a), be continued with the department and otherwise be subject to this section.

(f) The amount of the deposit, except as otherwise provided in subsection (a), shall be one million dollars ($1,000,000) excluding policy loans and bank deposits, or such greater amount as the department deems necessary to protect the interests of the policyholders of a particular company by an order to the company to deposit additional amounts under this section.

~~(g) Except for a company that maintains a deposit in the amount specified in subsection (f), each company:~~

~~(1) must report to the department each new asset acquisition to establish its eligibility for investment under the numbered categories of permissible investments under section 2 of this chapter at such regular intervals, within the time limit following each interval and on the forms as the department may require, without complying with IC 4-22-2; and~~

~~(2) when ordered by the department, shall make any additional report relating to:~~

~~(A) the category of eligibility, the characteristics, or the amount of any investment; or~~

~~(B) the amount of the assets of the company in any category;~~

~~calculated under the rules applied for annual statement purposes.~~

SECTION 5. IC 27-1-13-16, AS AMENDED BY P.L.6-2012, SECTION 186, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) This section applies to a policy of insurance that:

(1) covers first party loss to property located in Indiana; and

(2) insures against loss or damage to:

(A) real property consisting of not more than four (4) residential units, one (1) of which is the principal place of residence of the named insured; or

(B) personal property in which the named insured has an insurable interest and that is used within a residential dwelling for personal, family, or household purposes.

(b) An insurer that reduces, restricts, or removes, through a rider or an endorsement, coverage provided by a policy of insurance must provide to the named insured written notice, through the United States mail or by electronic means, of the changes to the policy. The written notice required by this subsection must:

(1) be part of a document that is separate from the rider or endorsement;

(2) be printed in at least 12 point type, 1 point leaded;

(3) consist of text that achieves a minimum score of forty (40) on the Flesch reading ease test or an equivalent score on a comparable test approved by the commissioner as provided by IC 27-1-26-6;

(4) identify the forms, provisions, or endorsements that are changed;

(5) indicate that the named insured may contact the servicing insurance producer for the policy, if any, or the insurer for assistance with any questions concerning the policy changes;

(6) indicate whether a premium adjustment will result from the policy changes; and

(7) set forth any options available to the named insured to repurchase the coverage that has been reduced, restricted, or removed.

~~(c) If the notice required under subsection (b) is sent through the United States mail, the outside of the envelope used to mail the notice must contain the following statement in at least 14 point type: "Coverage has been reduced, restricted, or removed from your policy.".~~

~~(d)~~ **(c)** The insurer bears the burden to prove that notice was sent to the named insured in accordance with this section. If the notice is sent through the United States mail, proof of mailing as described in IC 27-7-6-7 is sufficient proof of the notice.

~~(e)~~ **(d)** The commissioner may adopt rules under IC 4-22-2 to implement this section.

SECTION 6. IC 27-1-17-4, AS AMENDED BY P.L.193-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. Whenever a foreign or an alien insurance company desires to be admitted to do an insurance business in this state, it shall execute in the English language and present the following to the department, at its office, accompanied by the fees prescribed by law:

(1) A copy of its articles of incorporation or association, with all amendments thereto, duly authenticated by the proper officer of the state, country, province, or government wherein it is incorporated or organized, or the state in which it is domiciled in the United States.

(2) An application for admission, executed in the manner provided in this chapter, setting forth:

(A) the name of such company;

(B) the location of its principal office or place of business without this state;

(C) the names of the states in which it has been admitted or qualified to do business;

(D) the character of insurance business under its articles of incorporation or association which it intends to transact in this state, which must conform to the class or classes set forth in the provisions of IC 27-1-5-1;

(E) the total authorized capital stock of the company and the amount thereof issued and outstanding, and the surplus required of such company by the laws of the state, country, province, or government under which it is organized, or the state in which it is domiciled in the United States, if a stock company, which shall equal at least the requirements set forth in section 5(a) of this chapter;

(F) the total amount of assets and the surplus of assets over all its liabilities, if other than a stock company, which shall equal at least the requirements set forth in section 5(b) of this chapter;

(G) if an alien company, the surplus of assets invested according to the laws of the state in the United States where it has its deposit, which shall equal at least the requirements set forth in section 5(c) of this chapter; and

(H) such further and additional information as the department may from time to time require.

The application shall be signed, ~~in duplicate,~~ in the form prescribed by the department, by the president or a vice

president and the secretary or an assistant secretary of the corporation, and verified under oath by the officers signing the same.

(3) A statement of its financial condition and business, in the form prescribed by law for annual statements, signed and sworn to by the president or secretary or other principal officers of the company; provided, however, that an alien company shall also furnish a separate statement comprising only its condition and business in the United States, which shall be signed and sworn to by its United States manager.

(4) A copy of the last report of examination certified to by the insurance commissioner or other proper supervisory official of the state in which such company is domiciled; provided, however, that the commissioner may cause an examination to be made of the condition and affairs of such company before authority to transact business in this state is given.

(5) A certificate from the proper official of the state, country, province, or government wherein it is incorporated or organized, or the state in which it is domiciled in the United States, that it is duly organized or incorporated under those laws and authorized to make the kind or kinds of insurance which it proposes to make in this state.

(6) A copy of its bylaws or regulations, if any, certified to by the secretary or similar officer of the insurance company.

(7) A duly executed power of attorney in a form prescribed by the department which constitutes and appoints an individual or a corporate resident of Indiana, or an authorized Indiana insurer, as the insurance company's agent, its true and lawful attorney upon whom, except as provided in section 4.2 of this chapter, all lawful processes in any action in law or in equity against it shall be served. Such power of attorney shall contain an agreement by the insurance company that any lawful process against it which may be served upon the agent as its attorney shall be of the same force and validity as if served upon the insurance company and that such power of attorney shall continue in force and be irrevocable so long as any liability of the insurance company remains outstanding in this state. Such power of attorney shall be executed by the president and secretary of the insurance company or other duly authorized officers under its seal and shall be accompanied by a certified copy of the resolution of the board of directors of the company making said appointment and authorizing the execution of said power of attorney. Service of any lawful process shall be by delivering to and leaving with the agent two (2) copies of such process, with copy of the pertinent complaint attached. The agent shall forthwith transmit to the defendant company at its last known principal place of business by registered or certified mail, return receipt requested, one (1) of the copies of such process, with complaint attached, the other copy to be retained in a record which shall show all process served upon and transmitted by ~~him.~~ **the agent.** Such service shall be sufficient provided the returned receipt or, if the defendant company shall refuse to accept such mailing, the registered mail together with an affidavit of plaintiff or ~~his~~ **the plaintiff's** attorney stating that service was made upon the agent and forwarded as above set forth but that such mail was returned by the post office department is filed with the court. The agent shall make information and receipts available to plaintiff, defendant or their attorneys. No plaintiff or complainant shall be entitled to a judgment by default based on service authorized by this section until the expiration of at least thirty (30) days from the date on which either the post office receipt or the unclaimed mail together with affidavit is filed with the court. Nothing in this section shall limit or abridge the right to serve any process, notice or demand upon any company in any other manner permitted by law.

(8) Proof which satisfies the department that it has complied with the financial requirements imposed in this chapter upon foreign and alien insurance companies which transact business in this state and that it is entitled to public confidence and that its admission to transact business in this state will not be prejudicial to public interest.

SECTION 7. IC 27-1-23-3, AS AMENDED BY P.L.81-2012, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) Every insurer which is authorized to do business in this state and which is a member of an insurance holding company system shall register with the commissioner, except a foreign insurer subject to disclosure requirements and standards adopted by statute or regulation in the jurisdiction of its domicile which are substantially similar to those contained in:

(1) this section;

(2) section 4(a) and 4(c) of this chapter; and

(3) section 4(b) of this chapter or a provision such as the following:

> Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions within fifteen (15) days after the end of the month in which it learns of each such change or addition.

Any insurer which is subject to registration under this section shall register within fifteen (15) days after it becomes subject to registration, and annually thereafter by ~~March 15~~ **July 1** of each year for the previous calendar year, unless the commissioner for good cause shown extends the time for registration, and then within such extended time. The commissioner may require any authorized insurer which is a member of an insurance holding company system but not subject to registration under this section to furnish a copy of the registration statement or other information filed by such insurer with the insurance regulatory authority of its domiciliary jurisdiction.

(b) Every insurer subject to registration shall file a registration statement on a form prescribed by the commissioner, which shall contain current information about all of the following:

(1) The capital structure, general financial condition, ownership and management of the insurer and any person controlling the insurer.

(2) The identity of every member of the insurance holding company system.

(3) The following agreements in force, relationships subsisting, and transactions that are currently outstanding or that have occurred during the last calendar year between such insurer and its affiliates:

~~(i)~~ **(A)** loans, other investments, or purchases, sales or exchanges of securities of the affiliates by the insurer or of the insurer by its affiliates;

~~(ii)~~ **(B)** purchases, sales, or exchanges of assets;

~~(iii)~~ **(C)** transactions not in the ordinary course of business;

~~(iv)~~ **(D)** guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the insurer's assets to liability, other than insurance contracts entered into in the ordinary course of the insurer's business;

~~(v)~~ **(E)** all management and service contracts and all cost-sharing arrangements, other than cost allocation arrangements based upon generally accepted accounting principles; ~~and~~

~~(vi)~~ **(F)** reinsurance agreements covering all or substantially all of one **(1)** or more lines of insurance of the ceding insurer;

~~(vii)~~ **(G)** dividends and other distributions to shareholders; and

~~(viii)~~ **(H)** consolidated tax allocation agreements.

(4) Any pledge of the insurer's stock, including stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system.

(5) If requested by the commissioner, financial statements of the insurance holding company system, the parent corporation of the insurer, or all affiliates, including annual audited financial statements filed with the federal Securities and Exchange Commission under the Securities Act of 1933 or the federal Securities Exchange Act of 1934, both as amended.

(6) Statements reflecting that the insurer's:

(A) board of directors oversees corporate governance and internal controls; and

(B) officers or senior management have approved and implemented and maintain and monitor corporate governance and internal control procedures.

(7) Other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms prescribed by the commissioner.

(8) Other information that the commissioner requires under rules adopted under IC 4-22-2.

(c) Every registration statement must contain a summary outlining all items in the current registration statement representing changes from the prior registration statement.

(d) No information need be disclosed on the registration statement filed pursuant to subsection (b) if such information is not material for the purposes of this section. Unless the commissioner by rule or order provides otherwise, sales, purchases, exchanges, loans or extensions of credit, or investments, involving one per cent (1%) or less of an insurer's admitted assets as of the 31st day of December next preceding shall not be deemed material for purposes of this section.

(e) Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions on amendment forms prescribed by the commissioner within fifteen (15) days after the end of the month in which it learns of each such change or addition.

(f) A person within an insurance holding company system subject to registration under this chapter shall provide complete and accurate information to an insurer when that information is reasonably necessary to enable the insurer to comply with this chapter.

(g) The commissioner shall terminate the registration of any insurer which demonstrates that it no longer is subject to the provisions of this section.

(h) The commissioner may require or allow two (2) or more affiliated insurers subject to registration under this section to file a consolidated registration statement or consolidated reports amending their consolidated registration statement or their individual registration statements.

(i) The commissioner may allow an insurer which is authorized to do business in this state and which is a member of an insurance holding company system to register on behalf of any affiliated insurer which is required to register under subsection (a) and to file all information and material required to be filed under this section.

(j) The provisions of this section shall not apply to any insurer, information, or transaction if and to the extent that the commissioner by rule or order shall exempt the same from the provisions of this section.

(k) Any person may file with the commissioner a disclaimer of affiliation with any authorized insurer or such a disclaimer may be filed by such insurer or any member of an insurance holding company system. The disclaimer shall fully disclose all material relationships and bases for affiliation between such person and such insurer as well as the basis for disclaiming such affiliation. After a disclaimer has been filed, the insurer shall be relieved of any duty to register or report under this section which may arise out of the insurer's relationship with such person unless and until the commissioner disallows such disclaimer. A disclaimer of affiliation is considered to have been granted unless the commissioner, less than thirty (30) days after receiving a disclaimer, notifies the person filing the disclaimer that the disclaimer is disallowed. The commissioner shall disallow such disclaimer only after furnishing all parties in interest with notice and opportunity to be heard.

(l) The person that ultimately controls an insurer that is subject to registration shall file with the lead state commissioner of the insurance holding company system (as determined by the procedures in the Financial Analysis Handbook adopted by the NAIC) an annual enterprise risk report that identifies, to the best of the person's knowledge, the material risks within the insurance holding company system that could pose enterprise risk to the insurer.

(m) The commissioner may impose on a person a civil penalty of one hundred dollars ($100) per day that the person fails to file, within the period specified, a:

(1) registration statement; or

(2) summary of a registration statement or enterprise risk filing;

required by this section. The commissioner shall deposit a civil penalty collected under this subsection in the department of insurance fund established by IC 27-1-3-28.

SECTION 8. IC 27-1-23.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 23.5. Risk Management and Own Risk and Solvency Assessment

Sec. 1. This chapter applies beginning January 1, 2015.

Sec. 2. Except as otherwise provided in this chapter, the definitions in IC 27-1-23 apply throughout this chapter.

Sec. 3. As used in this chapter, "insurance group", for purposes of conducting an ORSA, means insurers and affiliates of an insurance holding company system (as defined in IC 27-1-23-1).

Sec. 4. As used in this chapter, "insurer" has the same meaning as set forth in IC 27-1-2-3, except that the term:

(1) refers only to domestic insurers (as defined in IC 27-1-36-8); and

(2) does not include agencies, authorities, or instrumentalities of the United States, possessions and territories of the United States, the Commonwealth of Puerto Rico, the District of Columbia, or a state or political subdivision of a state.

Sec. 5. As used in this chapter, "ORSA" or "own risk and solvency assessment" means a confidential internal assessment:

(1) that is:

(A) appropriate to the nature, scale, and complexity of; and

(B) conducted by;

an insurer or insurance group; and

(2) of the:

(A) material and relevant risks associated with the insurer or insurance group's current business plan; and

(B) sufficiency of capital resources to support the risks described in clause (A).

Sec. 6. (a) As used in this chapter, "ORSA guidance manual" refers to the current version of the Own Risk and Solvency Assessment Guidance Manual of the NAIC.

(b) As used in subsection (a), "current version" means the version containing:

(1) all changes that were made before; and

(2) no changes that were made on or after;

January 1 of the current calendar year.

Sec. 7. As used in this chapter, "ORSA summary report" means a confidential, high level summary of an insurer or insurance group's ORSA.

Sec. 8. (a) An insurer shall maintain a risk management framework to assist the insurer with identifying, assessing, monitoring, managing, and reporting concerning the insurer's material and relevant risks.

(b) If an insurance group of which an insurer is a member maintains a risk management framework described in subsection (a) that applies to the operations of the insurer, the insurer is considered to be in compliance with subsection (a).

Sec. 9. Subject to section 11 of this chapter, an:

(1) insurer; or

(2) insurance group of which an insurer is a member;

shall, at any time when significant changes occur to the risk profile of the insurer or insurance group and at least one (1) time per year, conduct an ORSA in a manner consistent with the ORSA guidance manual.

Sec. 10. (a) Upon the request of the commissioner, and not more than one (1) time per year, an insurer shall submit to the commissioner:

(1) an ORSA summary report; or

(2) a combination of reports that together contain the information described in the ORSA guidance manual;

applicable to the insurer or insurance group of which the insurer is a member.

(b) Regardless of a request from the commissioner, if the commissioner is the lead state commissioner of an insurance group of which an insurer is a member (as determined by the procedures in the NAIC Financial Analysis Handbook), the insurer shall submit a report described in subsection (a) at least one (1) time per year.

(c) A report required by this section must include a signature of the insurer's or insurance group's chief risk officer, or another executive who has responsibility for the oversight of the insurer's enterprise risk management process, attesting that:

(1) to the best of the officer's or executive's belief and knowledge the insurer applies the enterprise risk management process described in the ORSA summary report; and

(2) a copy of the report has been provided to the insurer's board of directors or the appropriate committee of the insurer's board of directors.

(d) If an insurer or another member of an insurance group of which the insurer is a member submits to the commissioner the most recent report that:

(1) was provided to the:

(A) commissioner of another state; or

(B) regulatory authority of an alien jurisdiction;

(2) is substantially similar to an ORSA summary report; and

(3) contains information that is comparable to the information described in the ORSA guidance manual;

the insurer is considered to have satisfied the requirements of this section.

(e) If a report described in subsection (d) is completed in a language other than English, a translation of the report into the English language must be submitted with the report.

Sec. 11. (a) Except as otherwise provided in this section, an insurer is exempt from the requirements of this chapter if:

(1) the insurer has annual direct written and unaffiliated assumed premium, including international direct and assumed premium but excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, of less than five hundred million dollars ($500,000,000); and

(2) the insurance group of which the insurer is a member has annual direct written and unaffiliated assumed premium, including international direct and assumed premium but excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, of less than one billion dollars ($1,000,000,000).

(b) If:

(1) an insurer qualifies under subsection (a)(1) for exemption from the requirements of this chapter; and

(2) the insurance group of which the insurer is a member does not qualify for exemption under subsection (a)(2);

an ORSA summary report required by section 10 of this chapter must include every insurer that is a member of the insurance group.

(c) If:

(1) an insurance group described in subsection (b) submits more than one (1) ORSA summary report for a combination of insurers; and

(2) the combination of ORSA summary reports submitted as described in subdivision (1) includes every insurer that is a member of the insurance group;

the insurance group is considered to be in compliance with subsection (b).

(d) If:

(1) an insurer does not qualify under subsection (a)(1) for exemption from the requirements of this chapter; and

(2) the insurance group of which the insurer is a member qualifies for exemption under subsection (a)(2);

the only ORSA summary report that is required under section 10 of this chapter is the report that applies to the insurer.

(e) An insurer that does not qualify under subsection (a) for exemption from the requirements of this chapter may apply to the commissioner for a waiver from the requirements of this chapter based on unique circumstances. In deciding whether to grant an insurer's request for a waiver, the commissioner:

(1) may consider the type and volume of business written, ownership and organizational structure, and any other factor the commissioner considers relevant to the insurer or insurance group of which the insurer is a member; and

(2) shall, if the insurer is part of an insurance group with insurers domiciled in more than one (1) state, coordinate with the:

(A) lead state commissioner of the insurance group (as determined by the procedures in the NAIC Financial Analysis Handbook); and

(B) other domiciliary commissioners;

in considering whether to grant the insurer's request for a waiver.

(f) The commissioner may, regardless of an insurer's qualification under this section for exemption from the requirements of this chapter, require that an insurer maintain a risk management framework, conduct an ORSA, and file an ORSA summary report if one (1) of the following applies:

(1) If unique circumstances exist, as determined by the commissioner, including the following:

(A) The type and volume of business written by the insurer.

(B) The insurer's ownership and organizational structure.

(C) The request of a federal agency.

(D) The request of an international supervisor.

(2) If the insurer:

(A) has authorized control level RBC for a company

action level event under IC 27-1-36;

(B) meets at least one (1) of the standards of an insurer considered to be in hazardous financial condition according to rules adopted by the department under IC 27-1-3-7; or

(C) exhibits other qualities of a troubled insurer, as determined by the commissioner.

(g) If an insurer ceases to qualify for an exemption under this section due to changes in premium, as reflected in:

(1) the insurer's most recent annual statement; or

(2) the most recent annual statements of the insurers that are members of the insurance group of which the insurer is a member;

the insurer must meet the requirements of this chapter not later than one (1) year after the date on which the premium change occurs.

Sec. 12. (a) Except as provided in subsection (b), an ORSA summary report must be prepared in a manner consistent with the ORSA guidance manual. Documentation and supporting information must be maintained and made available upon examination or request of the commissioner.

(b) The commissioner's review of an ORSA summary report, and any requests for additional information, must be made in a manner similar to the procedures used by the commissioner in the analysis and examination of multistate or global insurers and insurance groups.

Sec. 13. (a) Documents, materials, and other information related to an ORSA, including an ORSA summary report, in the possession of or control of the department that are obtained by, created by, or disclosed to the commissioner or another person under this chapter, are:

(1) considered to be proprietary and contain trade secrets;

(2) confidential and privileged;

(3) not subject to subpoena; and

(4) not subject to discovery or admissible in evidence in a private civil action.

(b) The commissioner may:

(1) use the documents, materials, and other information described in subsection (a) in relation to a regulatory or legal action brought as part of the commissioner's duties; and

(2) otherwise make the documents, materials, and other information public only with the prior written consent of the insurer or insurance group.

(c) The commissioner, and any other person:

(1) who receives documents, materials, or other information related to an ORSA while acting under the authority of the commissioner; or

(2) with whom the documents, materials, or other information are shared;

under this chapter is not permitted or required to testify in a private civil action concerning any documents, materials, or other information described in subsection (a).

(d) The commissioner may do the following:

(1) Upon request, share all documents, materials, and other information described in subsection (a) with the following if the recipient agrees in writing, and provides written verification that the recipient has the legal authority, to maintain the confidential and privileged status of the documents, materials, and other information:

(A) Other state, federal, and international financial regulatory agencies.

(B) The NAIC.

(C) Members of a supervisory college.

(D) A third party consultant designated by the commissioner.

(2) Receive documents, materials, and other information described in subsection (a) from:

(A) regulatory officials of domestic or foreign jurisdictions;

(B) members of a supervisory college; and

(C) the NAIC;

if the commissioner maintains the confidential or privileged status of the documents, materials, and other information that are received with notice or the understanding that the documents, materials, and other information are confidential or privileged under the laws of the jurisdiction that is the source of the documents, materials, and other information.

(e) The commissioner shall enter into a written agreement with the NAIC or a third party consultant governing sharing and use of information provided under this chapter, including the following:

(1) Procedures and protocols concerning the confidentiality and security of information shared:

(A) with the NAIC or a third party consultant under this chapter; and

(B) by the NAIC with regulators of other states in which insurers that are members of an insurance group are domiciled.

(2) A statement that the recipient agrees in writing, and provides written verification that the recipient has the legal authority, to maintain the confidential and privileged status of the documents, materials, and other information.

(3) A statement that, with respect to information shared with the NAIC or a third party consultant under this chapter:

(A) the commissioner maintains ownership of the information; and

(B) the use of the information is subject to the direction of the commissioner.

(4) A statement that the NAIC or a third party consultant may not store information shared under this chapter in a permanent data base after the underlying analysis is completed.

(5) A requirement that, if confidential information of an insurer that is in the possession of the NAIC or a third party consultant under this chapter is subject to a request or subpoena to the NAIC or third party consultant for production or disclosure, the NAIC or a third party consultant will provide prompt notice to the insurer.

(6) A requirement that the NAIC or a third party consultant will allow intervention by an insurer in a judicial or administrative action under which the NAIC or third party consultant may be required to disclose confidential information concerning the insurer that has been shared with the NAIC or third party consultant under this chapter.

(7) If the written agreement is with a third party consultant, a statement that the insurer's written consent is required for the sharing of the information with the third party consultant.

(f) The sharing of information by the commissioner under this chapter is not a delegation of regulatory authority. The commissioner is solely responsible for the administration, implementation, and enforcement of this chapter.

(g) Disclosure to or sharing by the commissioner of documents, materials, or other information under this chapter is not a waiver of any applicable privilege or claim of confidentiality in the documents, materials, or other information.

(h) Documents, materials, and other information in the possession or control of the NAIC or a third party consultant under this chapter are:

(1) confidential and privileged;

(2) not subject to subpoena; and

(3) not discoverable or admissible in evidence in a private civil action.

Sec. 14. (a) An insurer that fails, without just cause (as determined by the commissioner), to timely file an ORSA summary report as required by this chapter shall, after notice and hearing under IC 4-21.5, pay a civil penalty of one hundred dollars ($100) for each day of noncompliance, not to exceed ten thousand dollars ($10,000).

(b) The commissioner may reduce a penalty imposed under subsection (a) if the insurer demonstrates to the commissioner that the imposition of the penalty would constitute a financial hardship to the insurer.

(c) A civil penalty collected under this section shall be deposited in the department of insurance fund established by IC 27-1-3-28.

SECTION 9. IC 27-1-43-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9. An insurance producer is not liable for harm or injury that occurs in relation to electronic delivery or nondelivery of a notice or document covered under this chapter.**

SECTION 10. IC 27-1-43.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 43.2. Service Contracts

Sec. 1. (a) As used in this chapter, "ancillary protection product" means a protective chemical, substance, device, or system that is:

(1) installed on or applied to a motor vehicle;

(2) formulated or designed to:

(A) prevent; or

(B) minimize the likelihood of;

a specified loss or damage to a motor vehicle from a specific cause; and

(3) sold with a service contract under which the provider agrees to pay specified incidental costs incurred by the holder as a result of the failure of the chemical, substance, device, or system to prevent or minimize the loss or damage described in subdivision (2).

(b) As used in this chapter, "ancillary protection product" includes the following:

(1) Protective chemicals.

(2) Alarm systems.

(3) Body part marking products.

(4) Steering locks.

(5) Window etching products.

(6) Pedal and ignition locks.

(7) Fuel and ignition kill switches.

(8) Electronic, radio, and satellite tracking devices.

(c) As used in this chapter, "ancillary protection product" does not include the following:

(1) Fuel additives.

(2) Oil additives.

(3) Other chemical products applied to the engine, transmission, or fuel system of a motor vehicle.

Sec. 2. As used in this chapter, "holder" means a person who is entitled to services or indemnification under a service contract.

Sec. 3. (a) As used in this chapter, "incidental cost" means an expense that is:

(1) specified in a service contract that applies to a motor vehicle;

(2) incurred by the holder due to the failure of an ancillary protection product to perform as provided in the service contract sold with the ancillary protection product; and

(3) reimbursed to the holder:

(A) as a fixed amount specified in the service contract; or

(B) by use of a formula that itemizes specific incurred expenses.

(b) "Incidental cost" includes the following:

(1) Insurance policy deductibles.

(2) Rental vehicle charges.

(3) The difference between the actual value of a stolen motor vehicle at the time of theft and the cost of a replacement motor vehicle.

(4) Sales tax.

(5) Registration fees.

(6) Transaction fees.

(7) Mechanical inspection fees.

(8) Expense incurred due to a defective part or mechanical or electrical breakdown.

(9) Expense incurred for labor.

(10) Expense incurred for other remedial measures, including a repair, a replacement, or repetition of a service.

Sec. 4. As used in this chapter, "motor vehicle" has the meaning set forth in IC 9-13-2-105(a).

Sec. 5. As used in this chapter, "provider" means a person who is contractually obligated to a holder under a service contract.

Sec. 6. (a) As used in this chapter, "road hazard" means a hazard encountered by a motor vehicle in normal driving conditions.

(b) "Road hazard" includes the following:

(1) A pothole.

(2) A rock.

(3) Wood debris.

(4) Metal parts.

(5) Glass.

(6) Plastic.

(7) A curb.

(8) A composite scrap.

Sec. 7. (a) As used in this chapter, "service contract" means an agreement:

(1) that is effective for a specified period; and

(2) under which a provider:

(A) receives consideration that is separate from the lease or purchase price of a motor vehicle; and

(B) agrees to provide the performance, or indemnification for the cost of performance, of the repair, replacement, or maintenance of a motor vehicle related to the operational or structural failure of the motor vehicle due to a defect in materials or workmanship, accidental damage, normal wear and tear, or damage resulting from a power surge or interruption.

A service contract may also provide for the incidental payment of indemnity under limited circumstances, including indemnity for towing, temporary replacement motor vehicle rental, and emergency road service.

(b) The repair, replacement, or maintenance described in subsection (a)(2)(B) includes the following:

(1) Repair or replacement of tires or wheels on a motor vehicle damaged as a result of road hazards.

(2) Removal of dents, dings, or creases on a motor vehicle that can be repaired using the process of paintless dent removal without affecting the existing paint finish and without replacing vehicle body panels, sanding, bonding, or painting.

(3) Repair of chips or cracks in, or replacement of, motor vehicle windshields as a result of damage caused by road hazards.

(4) Replacement of an inoperable, lost, or stolen motor vehicle key or keyfob.

(5) Payment of specified incidental costs resulting from failure of an ancillary protection product to perform as specified.

(6) Payment related to other products and services approved by the commissioner and consistent with this chapter.

(c) A service contract may not include coverage:

(1) for the:
(A) repair of damage to;
(B) replacement of; or
(C) repair of damage to and replacement of;
the interior surfaces of a vehicle; or
(2) for the:
(A) repair of damage to;
(B) replacement of; or
(C) repair of damage to and replacement of;
the exterior paint or finish of a vehicle.

However, coverage described in subdivision (1) or (2) may be offered in connection with the sale of an ancillary protection product as defined in section 1 of this chapter.

(d) "Service contract" does not include an insurance policy that:
(1) is issued by an insurer authorized to engage in the insurance business in Indiana; and
(2) provides coverage for repair, replacement, or maintenance described in subsection (a)(2)(B).

Sec. 8. As used in this chapter, "service contract reimbursement policy" means a policy of insurance that provides coverage for one (1) of the following:
(1) All obligations and liabilities incurred by a provider under a service contract issued by the provider in Indiana.
(2) In the event of the provider's nonperformance under a service contract issued by the provider in Indiana, performance of all obligations:
(A) of the provider under the service contract; and
(B) that the provider did not perform.

Sec. 9. As used in this chapter, "warranty" means a guarantee that:
(1) is made:
(A) solely by the manufacturer, importer, or seller of property or services; and
(B) without consideration;
(2) is not negotiated or separated from the sale of the property or services;
(3) is incidental to the sale of the property or services; and
(4) the person making the guarantee will indemnify the warranty holder for:
(A) defective parts;
(B) mechanical or electrical failure;
(C) labor; or
(D) other remedial measures, including repair or replacement of the property or repetition of services.

Sec. 10. (a) A service contract:
(1) is not insurance; and
(2) except as provided in this chapter, is not regulated under IC 27.

(b) The authority of the commissioner under this chapter is in addition to all other authority of the commissioner under this title.

Sec. 11. (a) Except as provided in section 14 of this chapter, a service contract may not be offered, sold, or issued in Indiana unless the provider complies with one (1) of the following subdivisions:
(1) All of the following conditions are met:
(A) The provider is insured under a service contract reimbursement policy issued by an insurer authorized to do business in Indiana.
(B) True and correct copies of the service contract reimbursement policy have been filed with the commissioner.
(C) The service contract conspicuously:
(i) states that the obligations of the provider to the holder are covered under the service contract reimbursement policy; and
(ii) sets forth the name and address of the insurer that issued the service contract reimbursement policy.
(2) The provider maintains a funded reserve account for its obligations under each service contract issued by the provider in Indiana and outstanding, subject to the following:
(A) The reserves are calculated at not less than forty percent (40%) of the gross consideration received, then minus the amount of claims paid under the service contracts.
(B) The service contract conspicuously states that the obligations of the provider under the service contract are backed by the full faith and credit of the provider.

A reserve account maintained under subdivision (2) is subject to examination and review by the commissioner under section 15 of this chapter.

(b) A filing described in subsection (a)(1)(B) is for informational purposes only and is not subject to approval by the commissioner.

Sec. 12. A service contract must meet the following requirements:
(1) Be legibly typed or printed in understandable language.
(2) Include the following disclosures:
(A) The name and address of:
(i) the provider;
(ii) any administrator of the service contract, if different from the provider;
(iii) the person selling the service contract; and
(iv) if the information has been furnished by the holder, the holder.
This information may be added to the service contract at the time of sale and is not required to be preprinted on the service contract.
(B) The total purchase price and the terms under which the service contract is sold. This information may be negotiated with the holder and added to the service contract at the time of sale and is not required to be preprinted on the service contract.
(C) The existence and amount of any applicable deductible.
(D) The products and services to be provided under the service contract, including any conditions, limitations, exceptions, and exclusions.
(E) Whether the use of nonoriginal manufacturer parts is allowed.
(F) Any applicable restrictions governing the transferability of the service contract.
(G) The terms, restrictions, or conditions governing cancellation, by the provider or the holder, of the service contract before the termination or expiration date of the service contract.
(H) All obligations and duties of the holder, including any applicable:
(i) duty to protect the motor vehicle from additional damage; and
(ii) motor vehicle service requirements, as provided in the motor vehicle owner's manual, supplement, or guide.
(I) Whether the service contract provides for or excludes consequential damages or preexisting conditions.
(3) Conspicuously set forth the following statement or a substantially similar statement:
"This service contract is not insurance and is not subject to Indiana insurance law.".
(4) If the service provider is insured under a service contract reimbursement policy under section 11(a)(1)(A) of this chapter, conspicuously state that if the provider fails to perform or make payment due

under the service contract within sixty (60) days after the holder requests the performance or payment, the holder may request the performance or payment directly from the insurer that issued the provider's service contract reimbursement policy, including any applicable requirement under the service contract that the provider refund any part of the cost of the service contract upon cancellation of the service contract.

Sec. 13. Except as provided in section 14 of this chapter, a service contract reimbursement policy may not be offered, sold, or issued in Indiana unless the service contract reimbursement policy conspicuously states that the insurer will do either of the following:

(1) Pay all sums that the provider is obligated to pay under service contracts issued by the provider and outstanding in Indiana.

(2) In the event of the provider's nonperformance under a service contract issued by the provider and outstanding in Indiana, perform or pay for the performance of services that the provider:

(A) is obligated to perform under the service contract; and

(B) failed to perform.

Sec. 14. Sections 11, 12(4), and 13 of this chapter do not apply to a warranty, service contract, or other agreement:

(1) that is offered or sold by a motor vehicle dealer in connection with a motor vehicle sold by the motor vehicle dealer; and

(2) under which the motor vehicle dealer, motor vehicle manufacturer, or affiliate of the dealer or manufacturer is obligated to perform.

Sec. 15. The commissioner may do the following:

(1) Conduct an investigation or examination of a provider, an administrator, an insurer, or another person to enforce this chapter.

(2) Take action that is necessary or appropriate to enforce this chapter.

(3) If a provider violates this chapter, issue an order to do the following:

(A) Require a provider to cease and desist.

(B) Prohibit a provider from offering, issuing, or selling a service contract in Indiana.

(C) Impose a civil penalty not to exceed ten thousand dollars ($10,000) per violation.

Sec. 16. (a) If a person is aggrieved by an order issued under section 15(3) of this chapter, the person may, not more than twenty (20) days after the effective date of the order, request a hearing under IC 4-21.5.

(b) If a person requests a hearing under subsection (a) the commissioner shall suspend the effective date of the order pending the outcome of the hearing.

(c) In a hearing requested under subsection (a), the burden is on the commissioner to show cause why the order is justified.

Sec. 17. The commissioner may commence an action in the circuit or superior court of Marion County to do the following:

(1) Enjoin an actual or threatened violation of this chapter.

(2) Seek restitution on behalf of a person aggrieved by a violation of this chapter.

Sec. 18. This chapter does not apply to the following:

(1) A warranty provided under the Magnuson-Moss Warranty Act, 15 U.S.C. 2301 et seq.

(2) A contract that is effective for a specified period and under which a person agrees to:

(A) provide; or

(B) indemnify the contract holder for;

regular maintenance.

(3) A motor club approved under IC 9-30-2-8.

Sec. 19. The commissioner may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 11. IC 34-30-2-106.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 106.7. IC 27-1-43-9 (Concerning an insurance producer in relation to electronic delivery or nondelivery of a notice or document).**

SECTION 12. **An emergency is declared for this act.**

(Reference is to EHB 1206 as printed February 26, 2014.)

LEHMAN	PAUL
DELANEY	MRVAN
House Conferees	Senate Conferees

Roll Call 487: yeas 95, nays 0. Report adopted.

Representatives Forestal, Hamm, Macer, Price and Saunders are excused.

CONFERENCE COMMITTEE REPORT
EHB 1321–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1321 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-25.5 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 25.5. INNOVATION NETWORK SCHOOLS

Chapter 1. Findings

Sec. 1. The general assembly finds the following:

(1) The Indianapolis Public Schools face challenges due to:

(A) decades of declining enrollment that have resulted in significantly underutilized school buildings, unsustainable operating and maintenance costs, and steep reductions in revenue;

(B) competition with an unusually large number of charter schools that are located within Indianapolis Public School boundaries as a result of legislation that granted the mayor of Indianapolis the unique authority to open charter schools and provided financial incentives for charter schools to locate within Indianapolis Public School boundaries;

(C) an unusually high percentage of chronically low-performing schools, including four (4) schools that are under state intervention; and

(D) a large number of newly built or recently renovated school buildings that are owned by the building corporation and serve as security for four (4) different bond issues.

(2) A unique approach is necessary to allow the Indianapolis Public Schools:

(A) to use existing underutilized facilities to open new, innovative, and autonomous schools either independently or in collaboration with school leaders or operators of high performing charter schools;

(B) to offer more high-quality educational options to the students served by Indianapolis Public Schools; and

(C) to produce improved academic performance and better serve all of the community stakeholders.

Chapter 2. Applicability

Sec. 1. This article applies to a common school corporation that:

(1) is located in whole or in part in the most populous township in a county having a population of more than seven hundred thousand (700,000); and

(2) serves the largest geographical territory of any school corporation in the county.

Chapter 3. Definitions

Sec. 1. As used in this article, "board" has the meaning set forth in IC 20-25-2-5.

Sec. 2. As used in this article, "eligible school" means a school that is part of a school corporation that:

(1) has been in the lowest two (2) categories of school improvement for the last three (3) consecutive school years; or

(2) was operated by the school corporation as an innovation network (iNetwork) school before January 1, 2014.

Sec. 3. As used in this article, "innovation network school" is a school operated by a school management team under this article.

Sec. 4. As used in this article, "participating innovation network charter school" means a charter school whose organizer enters into an agreement under IC 20-25.5-5 to have the charter school participate as an innovation network school.

Sec. 5. As used in this article, "school management team" means an entity responsible for the operations of an innovation network school within a school corporation.

Chapter 4. Establishment of Innovation Network Schools

Sec. 1. An innovation network school is subject to all federal and state laws and constitutional provisions that prohibit discrimination on the basis of the following:

(1) Disability.

(2) Race.

(3) Color.

(4) Gender.

(5) National origin.

(6) Religion.

(7) Ancestry.

Sec. 2. (a) The board may enter into an agreement with a school management team to:

(1) except as provided in this subsection, establish an innovation network school within a vacant, underutilized, or underenrolled school building, as determined by the board; or

(2) reconstitute an eligible school as an innovation network school.

The board may not establish an innovation network school in the same building as a school described in subdivision (1) if the school was in the highest two (2) categories of school improvement in the most recent school year.

(b) The terms of the agreement shall specify the following:

(1) A statement that the innovation network school is considered to be part of the school corporation and not considered a separate local educational agency.

(2) A statement that the school management team authorizes the department to include the innovation network school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board.

(3) The amount of state and federal funding, including tuition support, that will be distributed by the school corporation to the innovation network school.

(4) The performance goals and accountability metrics agreed upon for the innovation network school.

(5) Grounds for termination of the agreement, including the right of termination if the school management team fails to:

(A) comply with the conditions or procedures established in the agreement;

(B) meet generally accepted fiscal management and government accounting principles;

(C) comply with applicable laws; or

(D) meet the educational goals set forth in the agreement between the board and the school management team.

(c) If a school management team and the board enter into an agreement under subsection (a), the school management team and the board shall notify the department that an agreement has been made under this section within thirty (30) days of the agreement.

(d) Upon receipt of the notification under subsection (c), the department shall, for school years starting after the date of the agreement:

(1) include the innovation network school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board; and

(2) treat the innovation network school in the same manner as a school operated by the school corporation when calculating the total amount of state and federal funding to be distributed to the school corporation.

Sec. 3. (a) For as long as the school management team operates the innovation network school:

(1) the school management team may use the school building, the accompanying real property, and the building's contents, equipment, and supplies, as provided in the agreement established in section 2 of this chapter; and

(2) the school corporation may:

(A) provide transportation for students attending the innovation network school; and

(B) maintain and repair the buildings and grounds consistent with the maintenance and repair to the school corporation's other buildings and grounds.

(b) If the school management team contracts with a school corporation for goods or services, the school corporation may not charge the school management team more for the goods or services than the school corporation pays for the goods or services.

Sec. 4. (a) The school management team shall have full operational autonomy to run the innovation network school as provided in the agreement described in section 2 of this chapter.

(b) A school management team that operates an innovation network school under this chapter shall make all personnel decisions in the innovation network school. In operating the school as an innovation network school under this chapter, the school management team is not bound by a contract entered into by the board under IC 20-29. Employees of a school management team may organize and collectively bargain under IC 20-29.

(c) Individuals employed by the innovation network school are entitled to participate in either:

(1) the state teachers' retirement fund created by IC 5-10.4; or

(2) the public employees' retirement fund created by IC 5-10.3.

Sec. 5. (a) Except as otherwise provided in this article, the following do not apply to an innovation network school:

(1) An Indiana statute applicable to a governing body or school corporation.

(2) A rule or guideline adopted by the state board.

(3) A rule or guideline adopted by the state board concerning teachers, except for those rules that assist a teacher in gaining or renewing a standard or advanced license.

(4) A local regulation or policy adopted by a school corporation unless specifically incorporated in the agreement described in section 2 of this chapter.

(b) Except as otherwise provided in this article, the

following statutes apply to an innovation network school:

(1) IC 20-24-8-5 (statutes applicable to charter schools).

(2) IC 20-30 (curriculum).

(3) IC 20-24-6 (employment of teachers and other personnel in charter schools).

(4) IC 20-28-11.5 (staff performance evaluations).

Sec. 6. Any student who lives in the attendance area served by a school that is operated as an innovation network school under this chapter may attend the innovation network school. The innovation network school may not refuse enrollment to a student who lives in the attendance area.

Sec. 7. The school management team and the board shall hold a joint public meeting at least two (2) times each year to discuss issues and progress concerning the innovation network school.

Sec. 8. The board shall develop a program to provide support to teachers and administrators who wish to establish an innovation network school.

Sec. 9. During the initial year of implementation of this article by the board, the maximum number of eligible schools that may be reconstituted as innovation network schools may not exceed ten percent (10%) of the total number of schools operated by the school corporation.

Chapter 5. Participation of Charter School as an Innovation Network School

Sec. 1. Except as expressly provided in this article, a participating innovation network charter school remains subject to all state laws that govern charter schools.

Sec. 2. (a) Notwithstanding IC 20-26-7-1, the board may enter into an agreement with an organizer to establish a participating innovation network charter school within a vacant, underutilized, or underenrolled school building, as determined by the board.

(b) The terms of the agreement entered into between the board and an organizer shall specify the following:

(1) A statement that the organizer authorizes the department to include the charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board.

(2) The amount of state funding, including tuition support, that will be distributed by the school corporation to the organizer.

(3) The performance goals and accountability metrics agreed upon for the charter school in the charter agreement between the organizer and the authorizer.

(c) If an organizer and the board enter into an agreement under subsection (a), the organizer and the board shall notify the department that the agreement has been made under this section within thirty (30) days after the agreement is entered into.

(d) Upon receipt of the notification under subsection (c), the department shall, for school years starting after the date of the agreement:

(1) include the participating innovation network charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board; and

(2) treat the participating innovation network charter school in the same manner as a school operated by the school corporation when calculating the total amount of state funding to be distributed to the school corporation.

Sec. 3. (a) For as long as the charter school remains a participating innovation network charter school, the school corporation may:

(1) provide transportation for students attending the participating innovation network charter school; and

(2) maintain and repair the buildings and grounds used by the participating innovation network charter school consistent with the maintenance and repair to the school corporation's other buildings and grounds.

(b) If an organizer contracts with a school corporation for goods or services, the school corporation may not charge the organizer more for the goods or services than the school corporation pays for the goods or services.

Sec. 4. An employee of a school corporation who provides services to a participating innovation network charter school under this article remains an employee of the school corporation.

SECTION 2. **An emergency is declared for this act.**

(Reference is to EHB 1321 as reprinted March 4, 2014.)

BEHNING	PETE MILLER
V. SMITH	TAYLOR
House Conferees	Senate Conferees

Roll Call 488: yeas 59, nays 32. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 32–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 32 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning public officials.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to an appropriate study committee all aspects of the topic of bonding of elected public officials, including any constitutional issues that might be related to requiring elected officials to be bonded.**

(b) This SECTION expires January 1, 2015.

SECTION 2. **An emergency is declared for this act.**

(Reference is to ESB 32 as printed February 21, 2014.)

TOMES	RICHARDSON
R. YOUNG	BARTLETT
Senate Conferees	House Conferees

Roll Call 489: yeas 86, nays 0. Report adopted.

Representative Moed, who had been excused is now present.

CONFERENCE COMMITTEE REPORT
ESB 53–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 53 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 2, line 12, after "sent" insert "**by first class mail or**".

Page 2, line 13, delete "requested, or an equivalent service permitted under IC 1-1-7-1" and insert "**requested (or an equivalent service permitted under IC 1-1-7-1)**".

Page 2, line 22, after "subsection." insert "**The cost of sending notice under this subsection is an administrative cost that may be billed to the owner.**".

Page 7, line 3, delete "an ordinance described in" and insert

"**a provision included in an ordinance under**".

Page 8, line 7, after "(f)" delete "The municipal legislative body may adopt an ordinance" and insert "**Notwithstanding IC 14-33-5-21, this subsection does not apply to a conservancy district established under IC 14-33 for the collection, treatment, and disposal of sewage and other liquid wastes. In an ordinance adopted under this section, the municipal legislative body may include one (1) or more of the following provisions**".

Page 8, delete line 8.

Page 8, run in lines 7 through 9.

Page 8, line 23, delete "only".

Page 9, between lines 6 and 7, begin a new line double block indented and insert:

"**(C) The property owner or the person occupying the property satisfies any other requirements or conditions that the municipal legislative body includes in the ordinance.**".

Page 9, line 11, delete "ordinance under subdivision (1) or" and insert "**ordinance.**".

Page 9, delete line 12, begin a new line blocked left and insert:

"**This subsection may not be construed to prohibit a municipal legislative body from including in an ordinance adopted under this section any other provision that the municipal legislative body considers appropriate.**".

Page 9, line 16, delete "an ordinance described in section 25(f)" and insert "**a provision included in an ordinance under section 25(f)(3)**".

Page 9, line 33, delete "an ordinance described in" and insert "**a provision included in an ordinance under**".

Page 9, line 34, delete "25(f)" and insert "**25(f)(3)**".

Page 9, line 41, strike "certified mail, return receipt requested, or" and insert "**first class mail or by certified mail, return receipt requested (or**".

Page 9, line 42, delete "IC 1-1-7-1" and insert "IC 1-1-7-1)".

Page 10, line 24, after "ordinance" insert "**provision**".

Page 10, line 27, after "ordinance" insert "**provision**".

Page 10, line 30, delete "authorized under" and insert "**described in**".

Page 13, line 8, after "ordinance" insert "**provision**".

Page 14, line 12, after "ordinance" insert "**provision**".

Page 15, line 6, after "." insert "**This subsection does not apply to a conservancy district established under IC 14-33 for the collection, treatment, and disposal of sewage and other liquid wastes. In an ordinance adopted under this chapter, the municipal legislative body may include one (1) or more of the following provisions with respect**".

Page 15, delete lines 7 through 8.

Page 15, run in lines 6 through 9.

Page 15, line 23, delete "only".

Page 16, between lines 6 and 7, begin a new line double block indented and insert:

"**(C) The property owner or the person occupying the property satisfies any other requirements or conditions that the municipal legislative body includes in the ordinance.**".

Page 16, line 11, delete "ordinance under subdivision (1) or (2)." and insert "**ordinance.**".

Page 16, after line 11, begin a new line blocked left and insert:

"**This subsection may not be construed to prohibit a municipal legislative body from including in an ordinance adopted under this chapter any other provision that the municipal legislative body considers appropriate.**".

(Reference is to ESB 53 as printed February 21, 2014.)

ZAKAS	CULVER
BRODEN	ERRINGTON
Senate Conferees	House Conferees

Roll Call 490: yeas 70, nays 21. Report adopted.

CONFEREES AND ADVISORS APPOINTED

The Speaker announced the following changes in appointment of Representatives as conferees and advisors:

EHB 1388	Conferees:	Huston replacing V. Smith
ESB 1	Conferees:	T. Brown replacing Porter

RESOLUTIONS ON FIRST READING

House Resolution 75

Representative Richardson introduced House Resolution 75:

A HOUSE RESOLUTION honoring Representative Rick Niemeyer.

Whereas, Representative Rick Niemeyer, who was first elected to represent the citizens of House District 11 in 2012, will be leaving the House Chamber for the last time at the end of the 2014 legislative session;

Whereas, During his time in the House of Representatives, Representative Niemeyer has served on the Government and Regulatory Reform Committee, Local Government Committee, and the Roads and Transportation Committee;

Whereas, In addition to his work at the Statehouse, Representative Niemeyer is active in a number of organizations, including Gleaners, Moose, and Eagles;

Whereas, Prior to his election to the Indiana House of Representatives, Representative Niemeyer served as the West Creek Township Trustee Assessor for 23 years, was a Lake County Councilman from the 7th District, and Chairman of the Lake County Solid Waste Board;

Whereas, Representative Niemeyer has also served on the Lake County Planning Commission, the Lake County Drainage Board Advisory Committee, and the Tri-Creek Ambulance Service Agency;

Whereas, Representative Niemeyer graduated from Lowell Senior High School and Indiana State University;

Whereas, Representative Niemeyer is married to Connie; and

Whereas, Representative Rick Niemeyer has served his constituency loyally and faithfully since his election to the Indiana House of Representatives: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives bids a fond farewell to Representative Rick Niemeyer. The House of Representatives has seen only good things during his tenure. Legislators and staff alike will miss him greatly. His departure will leave a void that will never be truly filled.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to Representative Rick Niemeyer and his family.

The resolution was read a first time and adopted by voice vote.

House Resolution 76

Representative Richardson introduced House Resolution 76:

A HOUSE RESOLUTION honoring Representative Mark Messmer.

Whereas, Representative Mark Messmer, who was first elected to represent the citizens of House District 63 in 2008, will be leaving the House Chamber for the last time at the end of the 2014 legislative session;

Whereas, During his time in the House of Representatives, Representative Messmer has served on the Financial Institutions Committee, the Public Policy Committee, Chairman of the Commerce, Small Business and Economic Development Committee, and Family, Children and Human Affairs;

Whereas, In addition to his work at the Statehouse, Representative Messmer is active in a number of organizations, including the Jasper Kiwanis, Knights of Columbus, and the Boy Scouts of America;

Whereas, Representative Messmer also serves as a music minister at Holy Family Catholic Church;

Whereas, Representative Messmer and his two brothers are co-owners of Messmer Mechanical;

Whereas, Representative Messmer graduated from Jasper High School in 1981 and from Purdue University in May 1985 with a mechanical engineering degree and is a licensed professional engineer;

Whereas, Representative Messmer is married to Kim and they have four children: Eric, Laura, Madeline, and Luke; and

Whereas, Representative Mark Messmer has served his constituency loyally and faithfully since his election to the Indiana House of Representatives: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives bids a fond farewell to Representative Mark Messmer. The House of Representatives has seen only good things during his tenure. Legislators and staff alike will miss him greatly. His departure will leave a void that will never be truly filled.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to Representative Mark Messmer and his family.

The resolution was read a first time and adopted by voice vote.

House Resolution 77

Representative Richardson introduced House Resolution 77:

A HOUSE RESOLUTION honoring Representative Timothy Neese.

Whereas, Representative Timothy Neese, who was first elected to represent the citizens of House District 48 in 2002, will be leaving the House Chamber for the last time at the end of the 2014 legislative session;

Whereas, During his time in the House of Representatives, Representative Neese has served on the Utilities and Energy Committee, the Environmental Affairs Committee, the Statutory Committee on Interstate and International Cooperation, and as Chairman of the Local Government Committee;

Whereas, In addition to his work at the Statehouse, Representative Neese is active in a number of organizations, including St. Thomas the Apostle Church, Who's Who in American Executives, The National Caucus of Environmental Legislators, Rick Mount Basketball Shooting School, and the Indiana Recycling Coalition;

Whereas, Prior to his election to the Indiana House of Representatives, Representative Neese served as a senior assistant to former Indiana Secretary of State Ed Simcox;

Whereas, Representative Neese was a four-term member of the Elkhart City Council and currently serves as the Director of the Solid Waste Management District of Elkhart County;

Whereas, Representative Neese graduated from Lebanon High School in 1973 and from Ball State University in 1977;

Whereas, Representative Neese is married to Paula and they have three children, Emily, Drew, and Adam, and two granddaughters, Macy and Alice; and

Whereas, Representative Timothy Neese has served his constituency loyally and faithfully since his election to the Indiana House of Representatives: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives bids a fond farewell to Representative Timothy Neese. The House of Representatives has seen only good things during his tenure. Legislators and staff alike will miss him greatly. His departure will leave a void that will never be truly filled.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to Representative Timothy Neese and his family.

The resolution was read a first time and adopted by voice vote.

House Concurrent Resolution 61

Representative Bosma introduced House Concurrent Resolution 61:

A CONCURRENT RESOLUTION fixing the date for the second regular technical session of the One Hundred Eighteenth General Assembly.

Whereas, IC 2-2.1-1-3.5 authorizes the General Assembly to fix a date for the second regular technical session of the General Assembly;

Whereas, The General Assembly finds that it is in the best interest of the State of Indiana to fix a date for the technical session; and

Whereas, It is prudent to allow the Speaker of the House of Representatives and the President Pro Tempore of the Senate to jointly order that the technical session not convene if they determine its cost and inconvenience do not justify meeting in technical session: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. The date for the second regular technical session of the One Hundred Eighteenth General Assembly is hereby fixed for Tuesday, June 17, 2014, at 1:30 p.m.

SECTION 2. The Speaker of the House of Representatives and the President Pro Tempore of the Senate may issue a joint order that the General Assembly not convene in technical session if they determine that the cost and convenience of meeting in technical session are not justified.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Long.

Senate Concurrent Resolution 56

The Speaker handed down Senate Concurrent Resolution 56, sponsored by Representative Porter:

A CONCURRENT RESOLUTION congratulating the Episcopal Church of All Saints, Indianapolis on its one hundred fiftieth anniversary.

Whereas, Grace Church, which was later to become All Saints Church, was organized in November 1864, and is the second oldest Episcopal parish in the city of Indianapolis;

Whereas, The Church served as the Cathedral Church for the Episcopal Diocese of Indiana and the Diocese of Indianapolis

for approximately sixty years;

Whereas, All Saints is noted for its tradition of high Anglo-Catholic liturgy and activism;

Whereas, All Saints embraced racial integration early in the 1950s, when it placed a sign above its front doors declaring "Everyone is Welcome";

Whereas, In 1977, All Saints became the site of the first regular ordination of a woman to the priesthood in the Episcopal Church;

Whereas, During the 1980s, All Saints opened the doors of its sanctuary to the homeless, allowed guests to sleep in the pews of the church, and permitted its parish hall to be turned into the Dayspring Center for homeless families;

Whereas, In 1985, All Saints called an African-American woman to serve as the Rector in a time when there were no other African-American priests in the Diocese;

Whereas, During the 1990s, All Saints had a special ministry to those diagnosed with HIV and AIDS;

Whereas, All Saints remains an intentionally diverse congregation, and a vibrant part of the Old Northside Neighborhood of Indianapolis by engaging in issues of social justice, exploring the connection between theology and the arts, and always focusing on the Worship of God in ancient, solemn liturgy, coupled with a joyful focus on the promises of Christ; and

Whereas, The Episcopal Church of All Saints will observe its one hundred fiftieth anniversary on September 21, 2014: Therefore,

Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly congratulates the Episcopal Church of All Saints in Indianapolis on celebrating its one hundred fiftieth anniversary, and wishes its congregation continued success.

SECTION 2. That the Secretary of the Senate is hereby directed to transmit copies of the resolution to the Episcopal Church of All Saints.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 2:20 p.m. with the Speaker in the Chair.

Representatives Ziemke, Soliday, Price, Hamm, Candelaria Reardon, Forestal, Macer and Saunders, who had been excused are now present.

Upon request of Representative VanDenburgh, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 491: 98 present. The Speaker declared a quorum present.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 3 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1002-01, 1004-01, 1083-01 and Engrossed Senate Bill 225-01.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 3 hours, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1002-01, 1004-01, 1083-01 and Engrossed Senate Bill 225-01.

TORR, Chair

Motion prevailed.

Representative V.Smith was excused.

CONFERENCE COMMITTEE REPORT
EHB 1002–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1002 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 3, line 25, after "subsection." insert "**A transfer under this subsection is in addition to any transfer from the state general fund to the fund before January 1, 2014.**".

Page 3, line 28, after "4." insert "**(a)**".

Page 3, between lines 33 and 34, begin a new paragraph and insert:

"**(b) Notwithstanding section 3(e) of this chapter, if one (1) or more transfers under section 3(h) of this chapter are made to the fund after December 31, 2013, the budget agency may transfer from the fund to the major moves construction fund established by IC 8-14-14-5 an amount equal to the lesser of:**

(1) two hundred million dollars ($200,000,000); or

(2) the total amount of any transfers under section 3(h) of this chapter that are made to the fund after December 31, 2013.

(c) The following apply to a transfer described in subsection (b):

(1) The transfer is subject to review by the budget committee and may be made as late as the date on which the budget committee submits the budget report and budget bill for the biennium beginning July 1, 2015, and ending June 30, 2017, to the governor under IC 4-12-1-9(a).

(2) The transfer is in addition to any transfer made under subsection (a).

(3) Money that is transferred may be used for any purpose of the major moves construction fund.".

(Reference is to EHB 1002 as printed February 21, 2014.)

SOLIDAY	KENLEY
PORTER	HERSHMAN
House Conferees	Senate Conferees

Roll Call 492: yeas 95, nays 4. Report adopted.

Representative V. Smith, who had been excused is now present.

CONFERENCE COMMITTEE REPORT
EHB 1004–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1004 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education and to make an appropriation.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-3.1-30.5-7, AS ADDED BY P.L.182-2009(ss), SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. **(a)** A taxpayer that makes a contribution to a scholarship granting organization for use by the scholarship granting organization in a school scholarship program is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer makes the contribution.

(b) A taxpayer is not entitled to a credit under this chapter for a contribution to a scholarship granting organization that is used to provide a scholarship or other assistance to a child participating in the early education grant pilot program under IC 12-17.2-7.2.

SECTION 2. IC 12-17.2-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 7.2. Early Education Grant Pilot Program

Sec. 1. As used in this chapter, "eligible child" refers to an individual who:

(1) is at least four (4) years of age and less than five (5) years of age on August 1 of the state fiscal year for which a grant is sought under the pilot program;

(2) is a resident of Indiana or otherwise has legal settlement in Indiana, as determined under IC 20-26-11;

(3) is a member of a household with an annual income that does not exceed one hundred twenty-seven percent (127%) of the federal poverty level;

(4) receives qualified early education services from an eligible provider, as determined by the office;

(5) has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider; and

(6) has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office.

Sec. 2. As used in this chapter, "eligible provider" refers to a provider that satisfies the following conditions:

(1) The provider is:

(A) a:

(i) public school, including a charter school;

(ii) child care center licensed under IC 12-17.2-4;

(iii) child care home licensed under IC 12-17.2-5; or

(iv) child care ministry registered under IC 12-17.2-6;

that meets the standards of quality recognized by a Level 3 or Level 4 paths to QUALITY program rating; or

(B) a school that is accredited by the state board of education or a national or regional accreditation agency that is recognized by the state board of education.

(2) The provider provides qualified early education services to eligible children.

(3) The provider is located in a county in which the pilot program is implemented.

Sec. 3. As used in this chapter, "office" means the office of the secretary of family and social services.

Sec. 4. As used in this chapter, "paths to QUALITY program" has the meaning set forth in IC 12-17.2-2-14.2(b).

Sec. 5. As used in this chapter, "pilot program" refers to the pilot program established under section 7 of this chapter.

Sec. 6. As used in this chapter, "qualified early education services" refers to a program of early education services that:

(1) is provided by an eligible provider to an eligible child;

(2) includes a parental engagement and involvement component provided by the eligible provider;

(3) administers the kindergarten readiness assessment adopted by the state board of education; and

(4) meets the design parameters for inclusion in the longitudinal study described in section 12 of this chapter, as determined by the office.

Sec. 7. (a) The office may establish a pilot program to provide grants for qualified early education services in a manner consistent with how funds are distributed under the Child Care and Development Fund (CCDF) grant program.

(b) The office shall administer the pilot program. The program may include eligible providers in not more than five (5) counties. In determining which counties are designated as pilot counties, the office shall attempt to achieve diversity among the designated counties based on the geographical location of the counties, the population of the counties, and whether the counties are primarily rural or urban. The office shall ensure that the counties selected include a population of eligible children sufficient to conduct the longitudinal study under section 12 of this chapter.

(c) Subject to the requirements of this chapter, the office shall determine:

(1) the eligibility requirements, application process, and selection process for awarding grants under the pilot program;

(2) the administration and reporting requirements for eligible providers participating in the pilot program; and

(3) with the assistance of the early learning advisory committee, an appropriate outcomes based accountability system for eligible providers.

(d) Before implementing the pilot program, the office shall submit the provisions of the pilot program to the state board of education for the state board of education's review and comment.

(e) The office shall, subject to the availability of funding, determine the number of eligible children who will participate in the pilot program.

Sec. 8. (a) The office shall determine:

(1) which applicants shall be awarded a grant; and

(2) subject to subsection (b) and to the availability of funding, the amount of each grant.

(b) At least ten percent (10%) but not more than fifty percent (50%) of the tuition for eligible children under the pilot program during the state fiscal year must be paid from donations, gifts, grants, bequests, and other funds received from a private entity or person, from the United States government, or from other sources (excluding funds from a grant provided under this chapter and excluding other state funding). The office may receive and administer grants on behalf of the pilot program. The grants shall be distributed by the office to fulfill the requirements of this subsection.

(c) The amount of a grant made under the pilot program

to an eligible child:

(1) must equal at least two thousand five hundred dollars ($2,500) during the state fiscal year; and

(2) may not exceed six thousand eight hundred dollars ($6,800) during the state fiscal year.

(d) The total amount of grants provided from the funding under section 9(a) of this chapter that are awarded under the pilot program in a state fiscal year may not exceed ten million dollars ($10,000,000).

Sec. 9. (a) The pilot program, including the longitudinal study under section 12 of this chapter, must be funded from one (1) or both of the following:

(1) After review by the budget committee and approval by the budget agency, from Child Care and Development Fund (CCDF) grant funding received from the United States government that is designated by the budget agency as available for funding the pilot program.

(2) After review by the budget committee and approval by the budget agency, from amounts reverted in a state fiscal year from funds appropriated to the divisions, departments, and bureaus administered by the office that are designated by the budget agency as available for funding the pilot program.

This subsection expires June 30, 2015.

(b) The amounts necessary to make the grants and pay the expenses of the longitudinal study under section 12 of this chapter from funds designated under subsection (a) are appropriated from the sources described in subsection (a) for the state fiscal year beginning July 1, 2014, and ending June 30, 2015, for the purposes of the pilot program.

Sec. 10. The office shall apply for any available waivers under the federal Child Care and Development Fund (CCDF) grant program and the federal Head Start program.

Sec. 11. The receipt of a grant under the pilot program does not qualify, nor have an effect on the qualification or eligibility, of a child for a choice scholarship under IC 20-51-4.

Sec. 12. (a) The office shall carry out a longitudinal study of students who participate in the pilot program to determine the achievement levels of those students in kindergarten and later grades.

(b) The longitudinal study must include a comparison of test and assessment results in grade 3 of:

(1) the eligible children who participated in the pilot program; and

(2) a control group determined by the office that consists of children who did not participate in the pilot program.

(c) The office may, after consulting with the state board of education, enter into a contract with one (1) or more persons to carry out the longitudinal study under this section. The office may expend not more than one million dollars ($1,000,000) from the funds appropriated under section 9 of this chapter to carry out the longitudinal study. The amount expended to carry out the longitudinal study under this section is in addition to the ten million dollar ($10,000,000) limit under section 8(d) of this chapter on the amount of grants under the pilot program in a state fiscal year.

Sec. 13. The office shall before November 1 of each year report to the governor, the budget committee, the state board of education, the department of education, and, in an electronic format under IC 5-14-6, the legislative council regarding the pilot program.

Sec. 14. This chapter expires July 1, 2026.

SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commission" refers to the prekindergarten and early learning study commission established by subsection (b).

(b) The prekindergarten and early learning study commission is established.

(c) The legislative council established by IC 2-5-1.1-1 shall determine the number of members to appoint to the commission. The members of the commission may consist of legislators and lay members. The legislative council shall specify the number of legislative members and lay members. The lay members must have expertise in the area of education, business, childhood development, or social services. At least one (1) lay member must be a member of the early learning advisory committee established under IC 12-17.2-3.6-8.

(d) The chairman of the legislative council shall appoint the chairperson of the commission. The vice chairman of the legislative council shall appoint a member of the commission to serve as vice chairperson of the commission. The chairman and vice chairman of the legislative council each shall appoint one-half (1/2) of the remaining members of the commission. If there is an odd number of members of the commission, the chairman of the legislative council appoints one (1) more member than the vice chairman of the legislative council.

(e) If a vacancy occurs on the commission, the legislative council shall appoint an individual to fill the vacancy.

(f) The commission shall do the following:

(1) Study the feasibility of obtaining a block grant and necessary waivers under the federal Head Start program under 42 U.S.C. 9831 et seq. to establish an early learning scholarship program or another type of alternative program.

(2) Study the feasibility of obtaining a Child Care and Development Block Grant under 42 U.S.C. 9858 et seq. or other federal funds to fund prekindergarten or early learning education programs in Indiana.

(3) Study options for funding prekindergarten or early learning programs, including opportunities to partner with business, philanthropic, or community leaders.

(4) Review whether other states have developed rigorous accountability standards for prekindergarten or early learning programs.

(5) Study parental involvement opportunities to prepare children for education outside the educational environment, including the benefits of reading to a child.

(6) Study opportunities to equip parents with skills necessary to improve the parents' ability to contribute to their child's early education.

(7) Study the economic benefits of prekindergarten or early learning programs.

(8) Study the appropriate state agency or entity to oversee and develop early learning accountability standards.

(9) Determine the appropriate income standard to use to determine whether a parent is eligible to receive assistance from the state for prekindergarten or early learning programs.

(10) Study opportunities to partner with an investment group or entity to establish an investment fund or vehicle to finance early education in Indiana.

(g) The commission shall submit a final report of the results of its study and any recommendations to the legislative council before November 1, 2014. The report must be in an electronic format under IC 5-14-6.

(h) The legislative services agency shall provide staff support to the commission.

(i) The affirmative votes of a majority of the members appointed to the commission are required for the commission to take action on any measure, including a final report.

(j) Except as otherwise specifically provided in this

SECTION, the commission shall operate under the rules of the legislative council.

(k) This SECTION expires January 1, 2015.

SECTION 4. **An emergency is declared for this act**.

(Reference is to EHB 1004 as reprinted February 25, 2014.)

BEHNING	PETE MILLER
VANDENBURGH	ROGERS
House Conferees	Senate Conferees

Roll Call 493: yeas 92, nays 8. Report adopted.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 185-2014 because it conflicts with HEA 1096-2014 without properly recognizing the existence of HEA 1096-2014, has had Engrossed Senate Bill 185-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed Senate Bill 185-2014 be corrected as follows:

Page 9, delete lines 37 through 42.

Page 10, delete lines 1 through 28, begin a new paragraph and insert the following:

"SECTION 5. IC 3-11-10-27, AS AMENDED BY HEA 1096-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. (a) This section does not apply to a ballot mailed to a voter under this chapter.

(b) Subject to IC 3-5-4-9, before a ballot is voted under section 25 of this chapter before an absentee voter board, it must bear the circuit court clerk's official seal and signature or facsimile signature and be initialed by the absentee voter board visiting the voter under section 25(b) of this chapter (except in a county subject to subsection (d)).

(c) Subject to IC 3-5-4-9, before a ballot is:

(1) voted under section 26 of this chapter; or

(2) placed in a secrecy envelope if it has been marked using a marking device for an optical scan ballot;

the ballot must bear the circuit court clerk's official seal and signature or facsimile signature and be initialed by the county election board or the board's designated representatives under IC 3-11-4-19.

(d) A county election board may adopt a resolution providing that the absentee ballots to be voted before an absentee voter board visiting the voter under section 25(b) of this chapter must be initialed by the county election board or the board's representatives under IC 3-11-4-19 and not by the absentee voter board visiting the voter. A resolution adopted under this subsection remains in effect until rescinded by the county election board. The election board may not rescind the resolution during the final sixty (60) days before an election.

(e) The initials must be:

(1) in ink on the back of the ballot, in the person's ordinary handwriting or printing, and without a distinguishing mark of any kind; **or**

(2) in a vote center county using an electronic poll list:

(A) printed on the back of the ballot by a printer separate from the electronic poll list, immediately before the ballot is delivered to the voter; and

(B) the initials of the county election board or the board's representatives captured through the electronic signature pad or tablet at the time the county election board or the board's representatives log into the electronic poll book system.

(f) No other initialing of the absentee ballot is necessary.".

Page 11, delete lines 1 through 20, begin a new paragraph and insert the following:

"SECTION 7. IC 3-11-13-28, AS AMENDED BY HEA 1096-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) This section does not apply to a ballot card voted by absentee ballot.

(b) **Except as provided in subsection (c),** the two (2) poll clerks of each precinct shall place their initials in ink on the back of each ballot card:

(1) at the time the card is issued to a voter; or

(2) in the case of a ballot marked by a marking device for an optical scan ballot, before the ballot is placed into the tabulating device.

The initials must be in the poll clerks' ordinary handwriting or printing and without a distinguishing mark of any kind.

(c) In a vote center county using an electronic poll list and a printer separate from the electronic poll list, the printed initials of the poll clerks captured through the electronic signature pad or tablet at the time the poll clerks log into the electronic poll book system may be printed by a printer separate from the electronic poll list on the back of each ballot card immediately before the ballot card is delivered to the voter.

~~(c)~~ **(d)** Except as provided in IC 3-12-1-12, a ballot card is not valid unless, ~~it~~ **immediately before the ballot card is delivered to the voter:**

(1) the ballot card is initialed by both poll clerks; **or**

(2) the initials of both poll clerks are printed on the back of the ballot card in accordance with subsection (c).".

(Reference is to ESB 185 as printed February 21, 2014.)

TORR, Chair
PIERCE, R.M.M.
OBER, Sponsor

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1343-2014 because it conflicts with HEA 1080-2014, SEA 24-2014, and HEA 1279-2014 without properly recognizing the existence of HEA 1080-2014, SEA 24-2014, and HEA 1279-2014 , has had Engrossed House Bill 1343-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed Senate Bill 1343-2014 be corrected as follows:

Page 20, line 30, after "9-21-10-7" insert ", AS AMENDED BY HEA 1080-2014, SECTION 2,".

Page 20, line 31, delete "All" and insert "(a) Subject to subsection (b), all".

Page 20, between lines 38 and 39, begin a new paragraph and insert:

"(b) IC 9-21-3-7(b)(3)(D) applies to the operation of a motorcycle.".

Page 28, line 5, delete "AS AMENDED BY P.L.85-2013,".

Page 28, line 6, delete "SECTION 60," and insert "AS AMENDED BY SEA 24-2014, SECTION 43,".

Page 28, line 37, delete "permit or license. identification card." and insert "identification card.".

Page 30, line 39, delete "AS AMENDED BY P.L.85-2013,".

Page 30, line 40, delete "SECTION 62," and insert "AS AMENDED BY HEA 1279-2014, SECTION 92,".

Page 31, delete lines 5 through 23.

Page 31, line 24, delete "(e)" and insert "(b)".

(Reference is to EHB 1343 as printed February 26, 2014.)

TORR, Chair
PIERCE, R.M.M.
WOLKINS, Author

Report adopted.

RESOLUTIONS ON FIRST READING

House Resolution 80

Representative Thompson introduced House Resolution 80:

A HOUSE RESOLUTION urging the Blue Ribbon Commission to include different classes of property in the study of tax policy deductions.

Whereas, The restructuring of a tax system can be an intimidating task, and broad tax reform efforts should not be undertaken lightly;

Whereas, In order to conduct a thorough investigation of the effect of tax reform on our state, all appropriate areas should be studied thoroughly including deductions on all classes of property; and

Whereas, The Blue Ribbon Commission to study the effect that phasing out the business personal property tax would have on the state's economy over time should broaden its scope to include different classes of property: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the Indiana House of Representatives urges the Blue Ribbon Commission to include different classes of property in the study of tax policy deductions

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the Blue Ribbon Commission.

The resolution was read a first time and adopted by voice vote.

House Resolution 81

Representative Karickhoff introduced House Resolution 81:

A HOUSE RESOLUTION urging the legislative council to assign to the appropriate study committee the topic of factors that contribute to shifts of the local property tax burden.

Whereas, Many factors contribute to the shift of the local property tax burden throughout the state of Indiana; and

Whereas, These factors must be studied thoroughly: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana:

SECTION 1. That the legislative council is urged to assign to the appropriate study committee the topic of the factors contributing to the shift of the local property tax burden, including the following issues:

(1) Shifts in property taxes that result from property tax abatements.

(2) Abatement claw-backs.

(3) Property tax deductions, exemptions, and credits that shift the local property tax burden.

(4) Increased circuit breaker losses to local units that may result from property tax shifts.

(5) Increasing numbers of taxpayers that are claiming property tax exemptions.

The resolution was read a first time and adopted by voice vote.

Senate Concurrent Resolution 53

The Speaker handed down Senate Concurrent Resolution 53, sponsored by Representatives Bosma and Pelath:

A CONCURRENT RESOLUTION memorializing the life of Stephen J. Johnson

Whereas, Stephen J. Johnson was born on May 16, 1947, in Lafayette, Indiana, to Herbert Ossian Johnson and Margaret Blanchard;

Whereas, Stephen graduated from Upper Arlington High School in Columbus, Ohio in 1965. He then continued his education at Michigan State University, earning his bachelor's degree in zoology in 1970. Stephen received his law degree from Indiana University-Bloomington in 1973;

Whereas, Following his graduation from law school in 1973, Stephen began working for the Indiana Prosecuting Attorneys Council (IPAC). Stephen eventually became the Executive Director of IPAC in 1997, a position he held until his retirement in 2011;

Whereas, Over the course of nearly forty years of public service, Stephen was involved in many important undertakings, including serving on several legislative committees, drafting and proposing bills, educating and mentoring prosecutors and other law enforcement officers, authoring an ethics manual for prosecutors, helping re-write the Indiana penal code, and, most notably, spearheading the implementation and oversight of a statewide computer system linking state and local offices in the criminal justice system;

Whereas, Stephen's expertise in his field led to numerous awards and accolades from his peers, earning him the Eugene "Shine" Feller Award (a sort of "lifetime achievement" award given by Indiana's prosecutors to those with distinguished service), recognition by Governor Mitch Daniels as a Distinguished Hoosier, and recognition by the Indiana Supreme Court for his many years of service. Stephen's knowledge also made him a highly sought-out lecturer at both the state and local level; and nearly every prosecutor with whom Stephen had interaction would agree that he was responsible for making them better;

Whereas, Although a highly skilled and brilliant professional, Stephen derived the greatest joy from spending time with his family. He was known by all as a loving husband to his wife of forty-seven years, Susie, and a dedicated father and grandfather. He is survived by his wife, Susie Johnson; children, Brian (Elizabeth) Johnson, Glenn (Leigh Anne) Johnson, Marni (Craig) Steinfort, and Matt Johnson; grandchildren, Elyse, Christopher, Caroline, Rachel, Luke, Nicholas, Alexander, and Keira; sister, Janice Johnson; and aunt, Audree Wentworth; and

Whereas, Stephen will be greatly missed by his friends, family, and colleagues: Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly remembers and honors Stephen J. Johnson for his lifetime of service to his community and the State of Indiana.

SECTION 2. The Secretary of the Senate is hereby directed to transmit copies of this resolution to Stephen's wife, Susie Johnson; children, Brian (Elizabeth) Johnson, Glenn (Leigh Anne) Johnson, Marni (Craig) Steinfort, and Matt Johnson; and David N. Powell, Executive Director of the Indiana Prosecuting Attorneys Council.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

CONFEREES AND ADVISORS APPOINTED

The Speaker announced the following changes in appointment of Representatives as conferees and advisors:

EHB 1380 Conferees: Thompson replacing Porter
ESB 229 Conferees: Mayfield replacing Lawson
ESB 321 Conferees: Thompson replacing V. Smith
ESB 367 Conferees: T. Brown replacing Porter

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 4:55 p.m. with the Speaker in the Chair.

CONFEREES AND ADVISORS APPOINTED

The Speaker announced the following changes in appointment of Representatives as conferees and advisors:

EHB 1351 Conferees: VanNatter replacing Riecken
ESB 273 Conferees: Lehman replacing Pryor

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1005-01, 1028-01, 1061-01, 1062-01, 1075-01, 1318-01, 1347-01, 1358-01, 1388-01, and Engrossed Senate Bills 1-01, 52-01, 80-01, 169-01, 176-01, 179-01, 249-01 and 406-01.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1005-01, 1028-01, 1061-01, 1062-01, 1075-01, 1318-01, 1347-01, 1358-01, 1388-01, and Engrossed Senate Bills 1-01, 52-01, 80-01, 169-01, 176-01, 179-01, 249-01 and 406-01.

TORR, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1028-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1028 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-24-1-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 2.3. "Adult high school" refers to a charter school that has a majority of students enrolled with the school that:**

(1) belong to a graduation cohort that has already graduated; or

(2) are over the age of eighteen (18) years of age;

at the time the student was first enrolled at the school.

SECTION 2. IC 20-24-2.1-5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 5. (a) Except as provided in subsection (b), a charter may not be granted after the effective date of this section by the charter board or any other sponsor or authorizer for a charter school that will serve students who:~~

~~(1) are at least twenty (20) years of age; and~~

~~(2) have dropped out of high school before receiving a diploma.~~

~~(b) Charters may be granted by the mayor of Indianapolis before July 1, 2013, for not more than three (3) Christel House Academies that will serve students described in subsection (a).~~

SECTION 3. IC 20-24-3-18.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 18.5. (a) Notwithstanding IC 20-24-1-2.5 and except as provided in subsection (b), an adult high school as defined in IC 20-24-1-2.3 may only be authorized by the charter board.**

(b) This section does not prohibit the mayor of Indianapolis from renewing a charter of an adult high school that was initially authorized by the mayor of Indianapolis prior to July 1, 2014.

SECTION 4. IC 20-24-4-1, AS AMENDED BY P.L.280-2013, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) A charter must meet the following requirements:

(1) Be a written instrument.

(2) Be executed by an authorizer and an organizer.

(3) Confer certain rights, franchises, privileges, and obligations on a charter school.

(4) Confirm the status of a charter school as a public school.

(5) Be granted for:

(A) not less than three (3) years; and

(B) a fixed number of years agreed to by the authorizer and the organizer.

(6) Provide for the following:

(A) A review by the authorizer of the charter school's performance, including the progress of the charter school in achieving the academic goals set forth in the charter, at least one (1) time in each five (5) year period while the charter is in effect.

(B) Renewal, if the authorizer and the organizer agree to renew the charter.

(C) The renewal application must include guidance from the authorizer, and the guidance must include the performance criteria that will guide the authorizer's renewal decisions.

(D) The renewal application process must, at a minimum, provide an opportunity for the charter school to:

(i) present additional evidence, beyond the data contained in the performance report, supporting its case for charter renewal;

(ii) describe improvements undertaken or planned for the charter school; and

(iii) detail the charter school's plans for the next charter term.

(E) Not later than October 1 in the year in which the charter school seeks renewal of a charter, the governing board of a charter school seeking renewal shall submit a renewal application to the charter authorizer under the renewal application guidance issued by the authorizer.

The authorizer shall make a final ruling on the renewal application not later than March 1 after the filing of the renewal application. The March 1 deadline does not apply to any review or appeal of a final ruling. After the final ruling is issued, the charter school may obtain further review by the authorizer of the authorizer's final ruling in accordance with the terms of the charter school's charter and the protocols of the authorizer.

(7) Specify the grounds for the authorizer to:

(A) revoke the charter before the end of the term for which the charter is granted; or

(B) not renew a charter.

(8) Set forth the methods by which the charter school will be held accountable for achieving the educational mission and goals of the charter school, including the following:

(A) Evidence of improvement in:

(i) assessment measures, including the ISTEP and end of course assessments;

(ii) attendance rates;

(iii) graduation rates (if appropriate);

(iv) increased numbers of Core 40 diplomas and other college and career ready indicators including advanced placement participation and passage, dual credit participation and passage, and International Baccalaureate participation and passage (if appropriate);

(v) increased numbers of academic honors and technical honors diplomas (if appropriate);

(vi) student academic growth;

(vii) financial performance and stability; and

(viii) governing board performance and stewardship, including compliance with applicable laws, rules and regulations, and charter terms.

(B) Evidence of progress toward reaching the educational goals set by the organizer.

(9) Describe the method to be used to monitor the charter school's:

(A) compliance with applicable law; and

(B) performance in meeting targeted educational performance.

(10) Specify that the authorizer and the organizer may amend the charter during the term of the charter by mutual consent and describe the process for amending the charter.

(11) Describe specific operating requirements, including all the matters set forth in the application for the charter.

(12) Specify a date when the charter school will:

(A) begin school operations; and

(B) have students attending the charter school.

(13) Specify that records of a charter school relating to the school's operation and charter are subject to inspection and copying to the same extent that records of a public school are subject to inspection and copying under IC 5-14-3.

(14) Specify that records provided by the charter school to the department or authorizer that relate to compliance by the organizer with the terms of the charter or applicable state or federal laws are subject to inspection and copying in accordance with IC 5-14-3.

(15) Specify that the charter school is subject to the requirements of IC 5-14-1.5.

(16) This subdivision applies to a charter established or renewed for an adult high school after June 30, 2014. The charter must require:

(A) that the school will offer flexible scheduling;

(B) that students will not complete the majority of instruction of the school's curriculum online or through remote instruction;

(C) that the school will offer dual credit or industry certification course work that aligns with career pathways as recommended by the Indiana career council established by IC 22-4.5-9-3; and

(D) a plan:

(i) to support successful program completion and to assist transition of graduates to the workforce or to a postsecondary education upon receiving a diploma from the adult high school; and

(ii) to review individual student accomplishments and success after a student receives a diploma from the adult high school.

(b) A charter school shall set annual performance targets in conjunction with the charter school's authorizer. The annual performance targets shall be designed to help each school meet applicable federal, state, and authorizer expectations.

SECTION 5. IC 20-24-7-4, AS AMENDED BY P.L.205-2013, SECTION 231, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) Services that a school corporation provides to a charter school, including transportation, may be provided at not more than one hundred three percent (103%) of the actual cost of the services.

(b) This subsection applies to an authorizer that is a state educational institution described in IC 20-24-1-2.5(2). **Except as provided in subsection (f),** in a state fiscal year, a state educational institution may receive from the organizer of a charter school authorized by the state educational institution an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year from basic tuition support (as defined in IC 20-43-1-8).

(c) This subsection applies to the executive of a consolidated city that authorizes a charter school. **Except as provided in subsection (f),** in a state fiscal year, the executive may collect from the organizer of a charter school authorized by the executive an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year for basic tuition support.

(d) This subsection applies to an authorizer that is a nonprofit college or university that is approved by the state board of education. **Except as provided in subsection (f),** in a state fiscal year, a private college or university may collect from the organizer of a charter school authorized by the private college or university an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year for basic tuition support.

(e) This subsection applies to the charter board. **Except as provided in subsection (f),** in a state fiscal year, the charter school board may collect from the organizer of a charter school authorized by the charter board an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the state fiscal year for basic tuition support.

(f) This subsection applies to an adult high school. An authorizer described in subsections (b) through (e) may collect an administrative fee equal to not more than three percent (3%) of the total state appropriation to the adult high school for a state fiscal year under section 13.5 of this chapter.

~~(f)~~ **(g)** An authorizer's administrative fee may not include any costs incurred in delivering services that a charter school may purchase at its discretion from the authorizer. The authorizer shall use its funding provided under this section exclusively for the purpose of fulfilling authorizing obligations.

~~(g)~~ **(h)** Except for oversight services, a charter school may not be required to purchase services from its authorizer as a condition of charter approval or of executing a charter contract, nor may any such condition be implied.

~~(h)~~ **(i)** A charter school may choose to purchase services from its authorizer. In that event, the charter school and authorizer shall execute an annual service contract, separate from the charter contract, stating the parties' mutual agreement concerning the services to be provided by the authorizer and any service fees to be charged to the charter school. An authorizer may not

charge more than market rates for services provided to a charter school.

~~(i)~~ **(j)** Not later than ninety (90) days after the end of each fiscal year, each authorizer shall provide to each charter school it authorizes an itemized accounting of the actual costs of services purchased by the charter school from the authorizer. Any difference between the amount initially charged to the charter school and the actual cost shall be reconciled and paid to the owed party. If either party disputes the itemized accounting, any charges included in the accounting, or charges to either party, either party may request a review by the department. The requesting party shall pay the costs of the review.

SECTION 6. IC 20-24-7-13.5, AS ADDED BY P.L.205-2013, SECTION 235, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.5. (a) This section applies to the following charter schools:

(1) The Excel Centers for Adult Learners that is located in Indianapolis, is sponsored or authorized by the mayor of Indianapolis, and that is operating as of May 1, 2013.

(2) The Anderson Excel Center that is sponsored or authorized by the charter board and that is operating as of May 1, 2013.

(3) The Christel House Academy DOR center that is located in Indianapolis, is sponsored or authorized by the mayor of Indianapolis, and that is operating as of May 1, 2013.

(4) The Excel Centers for Adult Learners located in Kokomo, Lafayette, and Richmond that are sponsored or authorized by the charter board and that are scheduled to begin operating not later than fall 2013, and the Excel Center for Adult Learners located in Indianapolis (Lafayette Square) that is sponsored or authorized by the mayor of Indianapolis and that is scheduled to begin operating not later than fall 2013.

(5) The Gary Middle College charter school that is sponsored or authorized by Ball State University, that includes students who are twenty-two (22) years of age and older, and that is operating as of May 1, 2013.

(b) Notwithstanding any other law, for state fiscal years beginning after June 30, 2013, a charter school described in subsection (a) is entitled to receive funding from the state in an amount equal to the product of:

(1) the charter school's number of students (expressed as full-time equivalents); multiplied by

(2) six thousand six hundred dollars ($6,600).

However, in the case of the charter school described in subsection (a)(5), the funding under this section applies only for those students who are twenty-two (22) years of age and older.

(c) A charter school described in subsection (a) is entitled to receive federal special education funding.

(d) ~~A charter school that is granted a charter as described in IC 20-24-2.1-5(b) is not~~ **A Christel House Academy that, before July 1, 2013, was granted a charter by the mayor of Indianapolis to establish an adult high school may be** entitled to state funding **after June 30, 2015, if the adult high school was not in operation on May 1, 2013.**

(e) The state funding under this section shall be paid each state fiscal year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each state fiscal year shall equal the amount required under this section. However, if the appropriations for this purpose are insufficient, the distributions to each recipient shall be reduced proportionately.

(f) This section expires July 1, 2015.

SECTION 7. IC 20-24-7-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 14. Except as provided in section 13.5 of this chapter, notwithstanding any other law, for state fiscal years beginning after June 30, 2014, an adult high school is not entitled to receive funding from the state, including any tuition support, unless the general assembly enacts an appropriation for the adult high school.**

SECTION 8. IC 20-31-8-5.2, AS ADDED BY SEA 24-2014, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5.2. **(a)** The state board shall establish an alternative accountability system to assess the performance of **an adult high school.** ~~a charter school that is sponsored by the Indiana charter school board established by IC 20-24-2.1-1 and designated as a recovery school or an accelerated learning center.~~ **The system shall:**

(1) establish rigorous academic outcomes criteria;

(2) measure college and career readiness outcomes for each graduate;

(3) measure student accomplishments and success after graduation for a period of time as determined by the state board; and

(4) require that a substantial majority of graduates who receive waiver diplomas must also be on track to receive or have already received an industry certification that aligns with career pathways as recommended by the Indiana career council established by IC 22-4.5-9-3.

(b) An adult high school is subject to the alternative accountability system developed by the state board under subsection (a).

(Reference is to EHB 1028 as printed February 21, 2014.)

DEVON	YODER
V. SMITH	TALLIAN
House Conferees	Senate Conferees

Roll Call 494: yeas 97, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1061-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1061 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 25-13-1-2, AS AMENDED BY P.L.134-2008, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. As used in this article:

(a) "Dental hygienist" means one who is especially educated and trained in the science and art of maintaining the dental health of the individual or community through prophylactic or preventive measures applied to the teeth and adjacent structures.

(b) "License" means the license to practice dental hygiene issued by the state board of dentistry to dental hygienist candidates who satisfactorily pass the board's examinations.

(c) "Board" means the state board of dentistry established by IC 25-14-1.

(d) "Proprietor dentist" means a licensed dentist who is the owner and operator of the dental office in which ~~he~~ **the licensed dentist** practices the profession of dentistry and who employs at least one (1) **licensed** dentist or dental hygienist to supplement ~~his~~ **the licensed dentist's** operation and conduct of ~~his~~ **the licensed dentist's** dental office.

(e) "Employer dentist" means a proprietor dentist who employs at least one (1) dental hygienist to supplement ~~his~~ **the proprietor dentist's** dental service to ~~his~~ **the proprietor**

dentist's clientele.

(f) "Referral" means a recommendation that a patient seek further dental care from a licensed dentist, but not a specific dentist.

(g) "Screening" means to identify and assess the health of the hard or soft tissues of the human oral cavity.

(h) "Public health setting" means a location, including a mobile health care vehicle, where the public is invited for health care, information, and services by a program sponsored or endorsed by a governmental entity or charitable organization.

(i) "Direct supervision" means that a licensed dentist is physically present in the facility when patient care is provided by the dental hygienist.

(j) "Prescriptive supervision" means that a licensed dentist is not required to be physically present in the facility when patient care is provided by the dental hygienist if:

(1) the dental hygienist has completed at least two (2) years of active practice as a dental hygienist under the direct supervision of a licensed dentist;

(2) a licensed dentist:

(A) has:

(i) in a dental office setting, provided the patient with a comprehensive oral examination and any appropriate care in the previous seven (7) months; and

(ii) issued written authority for the care to be provided in a dental office; and

(iii) notified the patient that the licensed dentist will not be present when the dental hygienist is providing the patient care; or

(B) has:

(i) in a setting other than a dental office, provided the patient with a comprehensive oral examination; and

(ii) issued to the patient, on the same day the licensed dentist provided the patient with a comprehensive oral examination, a written prescription that is valid for forty-five (45) days; and

(3) the patient has provided a current medical history.

~~examined the patient and has prescribed the patient care within the previous forty-five (45) days.~~

Nothing in subdivisions (2)(A)(i) or (2)(B)(i) prohibits a dental hygienist from providing patient care before the licensed dentist provides the comprehensive oral examination if the licensed dentist provides the comprehensive oral examination on the same day that the dental hygienist has provided the patient care.

(k) "Licensed dentist" refers to a dentist licensed under IC 25-14.

SECTION 2. IC 25-13-1-10, AS AMENDED BY P.L.134-2008, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) A licensed dental hygienist may practice dental hygiene in Indiana in the following:

(1) A dental office, ~~or~~ clinical setting, **or health facility** ~~except as described in subdivisions (3) through (5),~~ where the dental hygienist is practicing under the direct supervision **or prescriptive supervision** of a ~~legally practicing~~ **licensed** dentist.

(2) A dental school or dental hygiene school to teach and demonstrate the practice of dental hygiene if direct supervision by a licensed dentist is provided for training on providing local anesthetics by injection.

(3) The dental clinic of any public, parochial, or private school or other institution supported by public or private funds in which the licensee is employed by the state department of health or any county or city board of health or board of education or school trustee or parochial authority or the governing body of any private school where the dental hygienist is practicing under the direct or prescriptive supervision of a licensed dentist.

(4) The dental clinic of a bona fide hospital, sanitarium, or charitable institution duly established and being operated under the laws of Indiana in which the licensee is employed by the directors or governing board of such hospital, sanitarium, or institution. However, such practice must be under the direct or prescriptive supervision at all times of a licensed dentist who is a staff member of the hospital or sanitarium or a member of the governing board of the institution.

(5) A:

(A) fixed charitable dental care clinic;

(B) public health setting; ~~or~~

(C) correctional institution; **or**

(D) location other than one described in clauses (A) through (C);

that has been approved by the board and where the dental hygienist is under the direct or prescriptive supervision of a licensed dentist.

(b) A licensed dental hygienist may provide without supervision the following:

(1) Dental hygiene instruction and in-service training without restriction on location.

(2) Screening and referrals for any person in a public health setting.

(c) A dental hygienist may not use a laser to provide treatment to a patient.

(d) The board may adopt rules under IC 4-22-2 concerning subsection (a)(5)(D).

(e) Before October 1, 2017, the board, with assistance from the professional licensing agency, shall report to the legislative council in an electronic format under IC 5-14-6 on the effectiveness of the prescriptive supervision laws and rules and any changes that are needed in the law concerning prescriptive supervision. This subsection expires December 31, 2017.

(Reference is to EHB 1061 as reprinted March 4, 2014.)

FRIZZELL	LEISING
SHACKLEFORD	BREAUX
House Conferees	Senate Conferees

Roll Call 495: yeas 99, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1062–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1062 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-1-5-2.5, AS AMENDED BY P.L.257-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) As used in this section, "eligible school corporation" means a school corporation (as defined in IC 36-1-2-17) that satisfies all the conditions required by this section.

(b) As used in this section, "increment" means the annual difference between:

(1) the annual debt service payment for the bonds proposed to be retired or refunded; and

(2) the annual debt service payment for the proposed refunding bonds;

for each year that the bonds that are being retired or refunded would have been outstanding.

(c) In order for a school corporation to be an eligible school corporation under this section, the school corporation must determine that the percentage computed under this subsection for the school corporation is at least twenty percent (20%), regarding the year for which the latest certified levies have been determined. A school corporation shall compute its percentage as follows:

(1) Compute the amount of credits granted under IC 6-1.1-20.6 against the school corporation's combined levy for the school corporation's:

(A) debt service fund, as described in IC 20-46-7-15;

(B) capital projects fund;

(C) transportation fund;

(D) school bus replacement fund; and

(E) racial balance fund.

(2) Compute the school corporation's combined levy for the school corporation's:

(A) capital projects fund;

(B) transportation fund;

(C) school bus replacement fund; and

(D) racial balance fund.

(3) Divide the amount computed under subdivision (1) by the amount computed under subdivision (2) and express it as a percentage.

A school corporation that desires to be an eligible school corporation under this section must submit a written request for a certification by the department of local government finance that the computation of the school corporation's percentage computed under this subsection is correct. The department of local government finance shall, not later than ten (10) working days after the date the department receives the school corporation's request, certify the percentage computed under this subsection for the school corporation.

(d) A school corporation that desires to be an eligible school corporation under this section ~~must satisfy the following conditions: (1) The school corporation~~ shall conduct a public hearing and provide notice of the **purpose of the hearing and the** time, date, and place of the hearing, published as required by IC 5-3-1, before the school corporation may adopt a resolution under this section. At the public hearing, the governing body must provide the following information:

~~(A)~~ **(1)** The annual debt service payments, applicable debt service tax rate, and total debt service payments for the bonds proposed to be retired or refunded.

~~(B)~~ **(2)** The annual debt service payments, applicable debt service fund tax rate, and total debt service payments for the proposed refunding bonds.

~~(C)~~ **(3)** The annual increment for each year that the bonds that are being retired or refunded would have been outstanding and any other benefits to be derived from issuing the refunding bonds.

~~(2) The requirements of this subdivision do not apply to a school corporation that adopts a resolution under subsection (g) before January 1, 2014, and that has a percentage computed under subsection (c) that is at least twenty percent (20%), as certified by the department of local government finance. If the amount determined under subsection (c)(3) is:~~

~~(A) more than forty-five percent (45%), notwithstanding IC 6-1.1-20-3.1(a) and IC 6-1.1-20-3.2(a), the school corporation shall use the petition and remonstrance process prescribed by IC 6-1.1-20-3.1(b) and IC 6-1.1-20-3.2(b) and more individuals must sign the petition for the bond refunding under this section than the number of individuals signing a remonstrance against the bond refunding; or~~

~~(B) at least thirty percent (30%) but not more than forty-five percent (45%), the school corporation shall conduct a referendum on a public question regarding the bond refunding using the process for a referendum tax levy under IC 20-46-1 and the bond refunding must be approved by the eligible voters of the school corporation. The question to be submitted to the voters in the referendum must read as follows:~~

~~"Shall _____ (insert the name of the school corporation) issue refunding bonds to refund not more than fifty percent (50%) of its outstanding bonds to provide an annual savings to the school's debt service fund that can be transferred from the school's debt service fund to the school's capital projects fund, transportation fund, or school bus replacement fund?".~~

~~(3) The requirements of this subdivision apply to a school corporation that adopts a resolution under subsection (g) before January 1, 2014, and that has a percentage computed under subsection (c) that is at least twenty percent (20%), as certified by the department of local government finance. The school corporation must either:~~

~~(A) have the distressed unit appeal board approve the school corporation's financial plan for paying any refunding bonds issued under this section, as provided in subsection (e); or~~

~~(B) meet all of the following conditions:~~

~~(i) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the ten (10) highest among all school corporations.~~

~~(ii) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's total assessed valuation for calendar year 2011 ranks in the ten (10) highest among all school corporations.~~

~~(iii) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.~~

~~(e) A school corporation meets the requirement of subsection (d)(3)(A) if:~~

~~(1) the school corporation submits to the distressed unit appeal board the school corporation's financial plan for paying any refunding bonds issued under this section; and~~

~~(2) the distressed unit appeal board approves the plan after making a determination that the financial plan is feasible.~~

~~The distressed unit appeal board must either approve or disapprove the financial plan not more than sixty (60) days after the later of the date the school corporation submits the financial plan under this subsection or the date on which the department of local government finance certifies the percentage computed for the school corporation under subsection (c). The distressed unit appeal board may not unreasonably deny approval of a school corporation's financial plan under this subsection.~~

(e) If at least one (1) taxpayer appearing at the public hearing under subsection (d) objects to the proposed resolution and files a written objection with the governing body of the school corporation and the county auditor not more than ten (10) days after the public hearing, a petition requesting the application of a petition and remonstrance process may be filed not more than thirty (30) days after the public hearing by one hundred (100) persons who are either owners of property within the school corporation or registered voters residing within the school corporation. Except as provided in this subsection, the provisions of IC 6-1.1-20-3.1(b) governing the initiation of a petition and remonstrance process for a controlled project (including the provisions governing verification of petitions) apply to a petition under this subsection requesting the application of a petition and remonstrance process. The following apply if a sufficient petition requesting the application of a petition

and remonstrance process has been filed as set forth in this subsection:

(1) The petition and remonstrance process prescribed by IC 6-1.1-20-3.2(b) for controlled projects shall be used to determine whether the governing body of the school corporation may adopt a resolution under subsection (g) and issue refunding bonds as provided in subsection (g).

(2) The governing body of the school corporation may not adopt a resolution under subsection (g) and may not issue refunding bonds as provided in subsection (g) unless more individuals sign the petition for the bond refunding under this subsection than the number of individuals signing a remonstrance against the bond refunding under this subsection.

Except as provided in this subsection, the provisions of IC 6-1.1-20-3.2(b) governing the petition and remonstrance process for a controlled project apply to a petition and remonstrance process under this subsection.

(f) Except as provided in subsection ~~(d)(2)(A),~~ **(e),** IC 6-1.1-20 does not apply to bonds issued under this section.

(g) A school corporation that desires to be an eligible school corporation under this section must, before January 1, ~~2014,~~ **2019,** and notwithstanding any other law, adopt a resolution that sets forth the following:

(1) The determinations made under subsection (c), including the department of local government finance's certification of the percentage computed under subsection (c).

~~(2) The requirements of this subdivision do not apply to a resolution adopted under this subsection before January 1, 2014, if the school corporation has a percentage computed under subsection (c) that is at least twenty percent (20%), as certified by the department of local government finance. The result of the petition remonstrance process under subsection (d)(2)(A) or the result of the vote on the public question under subsection (d)(2)(B), whichever applies.~~

~~(3)~~ **(2)** A determination providing for the:

(A) issuance of bonds to refund not more than fifty percent (50%) of outstanding bonds or leases issued by or on behalf of the school corporation **before January 1, 2009;** and

(B) payment of redemption premiums and the costs of the refunding.

~~(4)~~ **(3)** With respect to the refunding bonds, the following:

(A) The maximum principal amount.

(B) The maximum interest rate.

(C) The annual lease or debt service payment.

(D) The final maturity date.

(E) The estimated amount of the increment that will occur for each year that the bonds that are being retired or refunded by the issuance of refunding bonds would have been outstanding.

(F) A finding that the annual debt service or lease payment on the refunding bonds will not increase the annual debt service or lease payment above the annual debt service or lease payment approved by the school corporation for the original project.

If the governing body adopts a resolution under this section, the governing body must publish notice of the adoption of the resolution as required by IC 5-3-1.

(h) An eligible school corporation may issue refunding bonds as permitted by this section. In addition, an eligible school corporation may extend the repayment period beyond the repayment period for the bonds that are being retired or refunded by the issuance of refunding bonds. However, the repayment period may be extended only once for a particular bond, and the extension may not exceed ten (10) years after the latest maturity date for any of the bonds being retired or refunded by the eligible school corporation under this section.

(i) Property taxes imposed by an eligible school corporation to pay debt service for bonds permitted by this section shall be considered for purposes of calculating the limits to property tax liability under Article 10, Section 1 of the Constitution of the State of Indiana and for calculating a person's credit under IC 6-1.1-20.6-7.5. However, property taxes imposed by an eligible school corporation through December 31, 2019, to pay debt service for bonds permitted by this section may not be considered in an eligible county, as used in Article 10, Section 1(h) of the Constitution of the State of Indiana, for purposes of calculating the limits to property tax liability under Article 10, Section 1 of the Constitution of the State of Indiana or for calculating a person's credit under IC 6-1.1-20.6-7.5.

~~(j) If a school corporation described in subsection (d)(3)(B) issues refunding bonds as permitted by this section, the school corporation must, not more than sixty (60) days after the department of local government finance certifies the school corporation's percentage under subsection (c), report information concerning the refunding to the distressed unit appeal board. The distressed unit appeal board shall make a non-binding review with recommendations regarding the school's financial condition and operating practices.~~

SECTION 2. IC 6-1.1-17-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22. (a) In determining the amount of the levy for a debt service fund for an ensuing year, the maximum amount allowed for an operating balance in the debt service fund is the sum of:**

(1) fifteen percent (15%) of the budget estimate for the debt service fund for the ensuing year for debt originally incurred after June 30, 2014; plus

(2) fifty percent (50%) of the budget estimate for the debt service fund for the ensuing year for debt originally incurred before July 1, 2014.

If debt is refinanced, the date the refinanced debt was originally incurred, and not the date that the refinancing is closed, is the date to be used for purposes of this subsection.

(b) For purposes of IC 6-1.1-20.6-9.5, the property taxes allowed for an operating balance in the debt service fund under this section may not be construed as an increase in a political subdivision's property tax levy to make up for a reduction in property tax collections resulting from the application of credits under IC 6-1.1-20.6.

SECTION 3. IC 6-1.1-20.6-9.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.9. (a) A school corporation is eligible to allocate credits proportionately under this section for 2014, 2015, or 2016, if the school corporation's percentage computed under this subsection is at least ten percent (10%) for its transportation fund levy for that year, as certified by the department of local government finance. A school corporation shall compute its percentage under this subsection as follows:**

(1) Compute the amount of credits granted under this chapter against the school corporation's levy for the school corporation's transportation fund.

(2) Compute the school corporation's levy for the school corporation's transportation fund.

(3) Divide the amount computed under subdivision (1) by the amount computed under subdivision (2) and express it as a percentage.

The computation must be made by taking into account the requirements of section 9.8 of this chapter regarding protected taxes and the impact of credits granted under this chapter on the revenue to be distributed to the school corporation's transportation fund for the particular year.

(b) A school corporation that desires to be an eligible school corporation under this section must, before May 1 of the year for which it wants a determination, submit a written

request for a certification by the department of local government finance that the computation of the school corporation's percentage under subsection (a) is correct. The department of local government finance shall, not later than June 1 of that year, determine whether the percentage computed by the school corporation is accurate and certify whether the school corporation is eligible under this section.

(c) For a school corporation that is certified as eligible under this section, the school corporation may allocate the effect of the credits granted under this chapter proportionately among all the school corporation's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes.

SECTION 4. [EFFECTIVE UPON PASSAGE] **(a) IC 6-1.1-17-22, as added by this act, applies to property taxes first due and payable after December 31, 2014.**

(b) This SECTION expires January 1, 2016.

SECTION 5. **An emergency is declared for this act.**

(Reference is to EHB 1062 as reprinted February 26, 2014.)

HUSTON	PETE MILLER
ERRINGTON	SKINNER
House Conferees	Senate Conferees

Roll Call 496: yeas 100, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1083–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1083 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-33-3-1, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. This chapter does not apply to:

(1) a parent who employs the parent's own child; ~~or~~

(2) a person standing in place of a parent who employs a child in the person's custody; **or**

(3) a legal entity whose ownership is limited to the parents of the employed child or persons standing in place of the parent of the employed child;

except ~~for:~~ **in the instances of** ~~(1)~~ underage employment (section 31(a) of this chapter), ~~(2)~~ employment during school hours (section 31(b) of this chapter), and ~~(3)~~ employment in hazardous occupations designated by federal law (**as set forth in** section 35 of this chapter).

SECTION 2. IC 20-33-3-16, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. ~~(a)~~ All blank forms necessary to carry out this chapter shall be prepared by the department of labor and supplied to issuing officers **by means of electronic or printed publication.**

~~(b) Funds to pay expenses incurred by the department of labor in printing and distributing these forms are appropriated annually out of any money in the state general fund that is not otherwise appropriated.~~

SECTION 3. IC 20-33-3-28, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. **(a) A child who is at least sixteen (16) years of age and less than seventeen (17) years of age may work until 11 p.m. on a night followed by a school day if the employer has obtained written permission from the child's parent and placed the written permission on file in the employer's office.**

(b) A child who is at least seventeen (17) years of age and less than eighteen (18) years of age may work until 11:30 p.m. on nights that are followed by a school day if the employer has obtained written permission from the child's parent and placed the written permission on file in the employer's office. A child covered by this ~~section~~ **subsection** may work until 1 a.m. the following day if the employer has obtained written permission from the child's parent and placed the written permission on file in the employer's office. However, the nights followed by a school day on which a child works until 1 a.m. the following day may not be consecutive and may not exceed two (2) nights per week.

SECTION 4. IC 20-33-3-35, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. The department of labor shall prohibit a child who is less than eighteen (18) years of age from working in an occupation designated as hazardous by the child labor provisions of the federal Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201 et seq.), **except when the child is working for the child's parent or a person standing in the place of the child's parent on a farm owned or operated by the parent or person.**

SECTION 5. IC 22-4-1-2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 2. (a) Unemployment benefits are paid from state funds and are not considered paid from any special insurance plan or by an employer. An application for unemployment benefits is not considered a claim against an employer, but is considered a request for unemployment benefits from the unemployment insurance benefit trust fund.**

(b) The commissioner is responsible for the proper payment of unemployment benefits without regard to the level of interest or participation in any determination or appeal by an applicant or an employer.

(c) An applicant's entitlement to unemployment benefits is determined based on the information that is available without regard to a burden of proof. An agreement between an applicant and an employer is not binding on the commissioner in determining an applicant's entitlement to unemployment benefits.

(d) There is no presumption of entitlement or nonentitlement to unemployment benefits. There is no equitable or common law allowance for or denial of unemployment benefits.

SECTION 6. IC 22-4-2-40 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 40. As used in this article, "drug test" means a test that contains at least a five (5) drug panel that tests for the following:~~

~~(1) Amphetamines.~~
~~(2) Cocaine.~~
~~(3) Opiates (2,000 ng/ml).~~
~~(4) PCP.~~
~~(5) THC.~~

~~A drug test described in this section must be performed at a United States Department of Health and Human Services certified laboratory, with specimen collection performed by a collector certified by the United States Department of Transportation and the cost of the drug test paid by the employer.~~

SECTION 7. IC 22-4-3-4, AS AMENDED BY P.L.6-2012, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. ~~(a) Except as provided in subsection (b),~~ An individual is not totally unemployed, part-totally unemployed, or partially unemployed for any week in which the department finds that the individual:

(1) is on a vacation week; and

(2) is receiving, or has received, remuneration from the employer for that week.

~~(b) Subsection (a) does not apply to an individual whose employer fails to comply with a department rule or policy regarding the filing of a notice, report, information, or claim in connection with an individual, group, or mass separation arising from the vacation period.~~

SECTION 8. IC 22-4-3-5, AS AMENDED BY P.L.6-2012, SECTION 152, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) ~~Except as provided in subsection (c) and~~ Subject to subsection (b), an individual is not totally unemployed, part-totally unemployed, or partially unemployed for any week in which the department finds the individual:

(1) is on a vacation week; and

(2) has not received remuneration from the employer for that week, because of:

(A) a written contract between the employer and the employees; or

(B) the employer's regular vacation policy and practice.

(b) Subsection (a) applies only if the department finds that the individual has a reasonable assurance that the individual will have employment available with the employer after the vacation period ends.

~~(c) Subsection (a) does not apply to an individual whose employer fails to comply with a department rule or policy regarding the filing of a notice, report, information, or claim in connection with an individual, group, or mass separation arising from the vacation period.~~

SECTION 9. IC 22-4-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Payments in lieu of a vacation awarded to an employee by an employing unit shall be considered as deductible income in and with respect to the week in which the ~~same is actually paid.~~ **vacation occurs.**

(b) The payment of accrued vacation pay, dismissal pay, or severance pay to an individual separated from employment by an employing unit shall be allocated to the period of time for which such payment is made immediately following the date of separation, and an individual receiving such payments shall not be deemed unemployed with respect to a week during which such allocated deductible income equals or exceeds the weekly benefit amount of ~~his~~ **the individual's** claim.

(c) Pay for:

(1) idle time;

(2) sick pay;

(3) traveling expenses granted to an individual by an employing unit and not fully accounted for by such individual;

(4) earnings from self-employment;

(5) awards by the National Labor Relations Board of additional pay, back pay, or for loss of employment; ~~or~~

(6) ~~any such~~ payments made under an agreement entered into by an employer, a union, and the National Labor Relations Board; ~~and~~ **or**

(7) payments to an employee by an employing unit made pursuant to the terms and provisions of the Fair Labor Standards Act;

shall be deemed to constitute deductible income with respect to the week or weeks for which such payments are made. However, if ~~such~~ payments made ~~pursuant to the provisions of the National Labor Relations Act or of the Fair Labor Standards Act or through agreement with a union~~ **under subsection (c)(5) or (c)(6)** are not, by the terms of the order or agreement under which ~~said~~ **the** payments are made, allocated to any designated week or weeks, then, and in such cases, such payments shall be considered as deductible income in and with respect to the week in which the same is actually paid.

~~(b)~~ **(d)** Holiday pay ~~which is paid not later than the normal pay day for the pay period in which the holiday occurred~~ shall be deemed to constitute deductible income with respect to the week ~~for~~ **in** which ~~such payments are made. Holiday pay which is paid after the normal pay day for the pay period in which~~ the holiday ~~occurred shall be considered as deductible income in and with respect to the week in which the same is actually paid.~~ **occurs.**

~~(c)~~ **(e)** Payment of vacation pay ~~if made prior to the vacation period or not later than the normal pay day for the pay period in which the vacation was taken,~~ shall be deemed deductible income with respect to the week or weeks falling within such vacation period for which vacation payment is made. ~~Payment of vacation pay made subsequent to the normal pay day for the pay period in which the vacation was taken shall be deemed deductible income with respect to the week in which such payment is made.~~

SECTION 10. IC 22-4-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~Prior to January 1, 1978, "employer" means any employing unit which for some portion of a day, but not necessarily simultaneously, in each of twenty (20) different weeks, whether or not such weeks are or were consecutive within either the current or preceding calendar year, has or had in employment, and/or has incurred liability for wages payable to one (1) or more individuals (irrespective of whether the same individuals are or were employed in each such day), or any employing unit which in any calendar quarter in either the current or preceding calendar year paid for service in employment wages of one thousand five hundred dollars ($1,500) or more, except as provided in IC 22-4-7-2(h). Subsequent to December 31, 1977,~~

(a) Before January 1, 2015, "employer" means:

(1) any employing unit which for some portion of a day, but not necessarily simultaneously, in each of twenty (20) different weeks, whether or not such weeks are or were consecutive within either the current or the preceding year, has or had in employment, and/or has incurred liability for wages payable to, one (1) or more individuals (irrespective of whether the same individual or individuals are or were employed in each such day); or

(2) any employing unit which in any calendar quarter in either the current or preceding calendar year paid for service in employment wages of one thousand five hundred dollars ($1,500) or more, except as provided in ~~IC 22-4-7-2(h), (c), and (i).~~ **section 2(e), 2(h), and 2(i) of this chapter.**

(b) After December 31, 2014, "employer" means either of the following:

(1) An employing unit that has incurred liability for wages payable to one (1) or more individuals.

(2) An employing unit that in any calendar quarter during the current or preceding calendar year paid for service in employment wages of one dollar ($1) or more, except as provided in section 2(e), 2(h), and 2(i) of this chapter.

(c) For the purpose of this definition, if any week includes both December 31, and January 1, the days up to January 1 shall be deemed one (1) calendar week and the days beginning January 1 another such week.

(d) For purposes of this section, "employment" shall include services which would constitute employment but for the fact that such services are deemed to be performed entirely within another state pursuant to an election under an arrangement entered into by the board (pursuant to IC 22-4-22) and an agency charged with the administration of any other state or federal unemployment compensation law.

SECTION 11. IC 22-4-13-1.1, AS AMENDED BY P.L.154-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.1. (a) Notwithstanding any other provisions of this article, if an individual knowingly:

(1) fails to disclose amounts earned during any week in the individual's waiting period, benefit period, or extended benefit period; or

(2) fails to disclose or has falsified any fact;

that would disqualify the individual for benefits, reduce the individual's benefits, or render the individual ineligible for benefits or extended benefits, the individual forfeits any wage credits earned or any benefits or extended benefits that might otherwise be payable to the individual for ~~the period~~ **any week** in which the failure to disclose or falsification ~~occurs.~~ **caused benefits to be paid improperly.**

(b) In addition to amounts forfeited under subsection (a), an individual is subject to the following civil penalties for each instance in which the individual knowingly fails to disclose or falsifies any fact that if accurately reported to the department would disqualify the individual for benefits, reduce the individual's benefits, or render the individual ineligible for benefits or extended benefits:

(1) For the first instance, an amount equal to twenty-five percent (25%) of the benefit overpayment.

(2) For the second instance, an amount equal to fifty percent (50%) of the benefit overpayment.

(3) For the third and each subsequent instance, an amount equal to one hundred percent (100%) of the benefit overpayment.

(c) The department's determination under this section constitutes an initial determination under IC 22-4-17-2(a) and is subject to a hearing and review under IC 22-4-17-3 through IC 22-4-17-15.

(d) Interest and civil penalties collected under this chapter shall be deposited as follows:

(1) Fifteen percent (15%) of the amount collected shall be deposited in the unemployment insurance benefit fund established under IC 22-4-26-1.

(2) The remainder of the amount collected shall be deposited in the special employment and training services fund established under IC 22-4-25-1.

SECTION 12. IC 22-4-15-1, AS AMENDED BY P.L.175-2009, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) ~~With respect to benefit periods established on and after July 6, 1980, an individual who has voluntarily left the individual's most recent employment without good cause in connection with the work or who was discharged from the individual's most recent employment for just cause~~ **Regarding an individual's most recent separation from employment before filing an initial or additional claim for benefits, an individual who voluntarily left the employment without good cause in connection with the work or was discharged from the employment for just cause** is ineligible for waiting period or benefit rights for the week in which the disqualifying separation occurred and until:

(1) the individual has earned remuneration in employment ~~equal to or exceeding the weekly benefit amount of the individual's claim~~ in ~~each of~~ **at least** eight (8) weeks; **and**

(2) the remuneration earned equals or exceeds the product of the weekly benefit amount multiplied by eight (8).

If the qualification amount has not been earned at the expiration of an individual's benefit period, the unearned amount shall be carried forward to an extended benefit period or to the benefit period of a subsequent claim.

(b) When it has been determined that an individual has been separated from employment under disqualifying conditions as outlined in this section, the maximum benefit amount of the individual's current claim, as initially determined, shall be reduced by an amount determined as follows:

(1) For the first separation from employment under disqualifying conditions, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim, as initially determined; multiplied by

(B) seventy-five percent (75%);

rounded (if not already a multiple of one dollar ($1)) to the next higher dollar.

(2) For the second separation from employment under disqualifying conditions, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim determined under subdivision (1); multiplied by

(B) eighty-five percent (85%);

rounded (if not already a multiple of one dollar ($1)) to the next higher dollar.

(3) For the third and any subsequent separation from employment under disqualifying conditions, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim determined under subdivision (2); multiplied by

(B) ninety percent (90%);

rounded (if not already a multiple of one dollar ($1)) to the next higher dollar.

(c) The disqualifications provided in this section shall be subject to the following modifications:

(1) An individual shall not be subject to disqualification because of separation from the individual's employment if:

(A) the individual left to accept with another employer previously secured permanent full-time work which offered reasonable expectation of continued covered employment and betterment of wages or working conditions and thereafter was employed on said job;

(B) having been simultaneously employed by two (2) employers, the individual leaves one (1) such employer voluntarily without good cause in connection with the work but remains in employment with the second employer with a reasonable expectation of continued employment; or

(C) the individual left to accept recall made by a base period employer.

(2) An individual whose unemployment is the result of medically substantiated physical disability and who is involuntarily unemployed after having made reasonable efforts to maintain the employment relationship shall not be subject to disqualification under this section for such separation.

(3) An individual who left work to enter the armed forces of the United States shall not be subject to disqualification under this section for such leaving of work.

(4) An individual whose employment is terminated under the compulsory retirement provision of a collective bargaining agreement to which the employer is a party, or under any other plan, system, or program, public or private, providing for compulsory retirement and who is otherwise eligible shall not be deemed to have left the individual's work voluntarily without good cause in connection with the work. However, if such individual subsequently becomes reemployed and thereafter voluntarily leaves work without good cause in connection with the work, the individual shall be deemed ineligible as outlined in this section.

(5) An otherwise eligible individual shall not be denied benefits for any week because the individual is in training approved under Section 236(a)(1) of the Trade Act of 1974, nor shall the individual be denied benefits by reason of leaving work to enter such training, provided the work left is not suitable employment, or because of the application to any week in training of provisions in this law (or any applicable federal unemployment compensation

law), relating to availability for work, active search for work, or refusal to accept work. For purposes of this subdivision, the term "suitable employment" means with respect to an individual, work of a substantially equal or higher skill level than the individual's past adversely affected employment (as defined for purposes of the Trade Act of 1974), and wages for such work at not less than eighty percent (80%) of the individual's average weekly wage as determined for the purposes of the Trade Act of 1974.

(6) An individual is not subject to disqualification because of separation from the individual's employment if:

(A) the employment was outside the individual's labor market;

(B) the individual left to accept previously secured full-time work with an employer in the individual's labor market; and

(C) the individual actually became employed with the employer in the individual's labor market.

(7) An individual who, but for the voluntary separation to move to another labor market to join a spouse who had moved to that labor market, shall not be disqualified for that voluntary separation, if the individual is otherwise eligible for benefits. Benefits paid to the spouse whose eligibility is established under this subdivision shall not be charged against the employer from whom the spouse voluntarily separated.

(8) An individual shall not be subject to disqualification if the individual voluntarily left employment or was discharged due to circumstances directly caused by domestic or family violence (as defined in IC 31-9-2-42). An individual who may be entitled to benefits based on this modification may apply to the office of the attorney general under IC 5-26.5 to have an address designated by the office of the attorney general to serve as the individual's address for purposes of this article.

As used in this subsection, "labor market" means the area surrounding an individual's permanent residence, outside which the individual cannot reasonably commute on a daily basis. In determining whether an individual can reasonably commute under this subdivision, the department shall consider the nature of the individual's job.

(d) "Discharge for just cause" as used in this section is defined to include but not be limited to:

(1) separation initiated by an employer for falsification of an employment application to obtain employment through subterfuge;

(2) knowing violation of a reasonable and uniformly enforced rule of an employer, including a rule regarding attendance;

(3) if an employer does not have a rule regarding attendance, an individual's unsatisfactory attendance, if the individual cannot show good cause for absences or tardiness;

(4) damaging the employer's property through willful negligence;

(5) refusing to obey instructions;

(6) reporting to work under the influence of alcohol or drugs or consuming alcohol or drugs on employer's premises during working hours;

(7) conduct endangering safety of self or coworkers;

(8) incarceration in jail following conviction of a misdemeanor or felony by a court of competent jurisdiction; or

(9) any breach of duty in connection with work which is reasonably owed an employer by an employee.

(e) To verify that domestic or family violence has occurred, an individual who applies for benefits under subsection (c)(8) shall provide one (1) of the following:

(1) A report of a law enforcement agency (as defined in IC 10-13-3-10).

(2) A protection order issued under IC 34-26-5.

(3) A foreign protection order (as defined in IC 34-6-2-48.5).

(4) An affidavit from a domestic violence service provider verifying services provided to the individual by the domestic violence service provider.

SECTION 13. IC 22-4-15-2, AS AMENDED BY P.L.12-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) With respect to benefit periods established on and after July 3, 1977, an individual is ineligible for waiting period or benefit rights, or extended benefit rights, if the department finds that, being totally, partially, or part-totally unemployed at the time when the work offer is effective or when the individual is directed to apply for work, the individual fails without good cause:

(1) to apply for available, suitable work when directed by the commissioner, the deputy, or an authorized representative of the department of workforce development or the United States training and employment service;

(2) to accept, at any time after the individual is notified of a separation, suitable work when found for and offered to the individual by the commissioner, the deputy, or an authorized representative of the department of workforce development or the United States training and employment service, or an employment unit; or

(3) to return to the individual's customary self-employment when directed by the commissioner or the deputy.

(b) With respect to benefit periods established on and after July 6, 1980, the ineligibility shall continue for the week in which the failure occurs and until the individual earns remuneration in employment equal to or exceeding the weekly benefit amount of the individual's claim in each of eight (8) weeks. If the qualification amount has not been earned at the expiration of an individual's benefit period, the unearned amount shall be carried forward to an extended benefit period or to the benefit period of a subsequent claim.

(c) With respect to extended benefit periods established on and after July 5, 1981, the ineligibility shall continue for the week in which the failure occurs and until the individual earns remuneration in employment equal to or exceeding the weekly benefit amount of the individual's claim in each of four (4) weeks.

(d) If an individual failed to apply for or accept suitable work as outlined in this section, the maximum benefit amount of the individual's current claim, as initially determined, shall be reduced by an amount determined as follows:

(1) For the first failure to apply for or accept suitable work, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim, as initially determined; multiplied by

(B) seventy-five percent (75%);

rounded (if not already a multiple of one dollar ($1)) to the next higher dollar.

(2) For the second failure to apply for or accept suitable work, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim determined under subdivision (1); multiplied by

(B) eighty-five percent (85%);

rounded (if not already a multiple of one dollar ($1)) to the next higher dollar.

(3) For the third and any subsequent failure to apply for or accept suitable work, the maximum benefit amount of the individual's current claim is equal to the result of:

(A) the maximum benefit amount of the individual's current claim determined under subdivision (2);

multiplied by

(B) ninety percent (90%);

rounded (if not already a multiple of one dollar ($1)) to the next higher dollar.

(e) In determining whether or not any such work is suitable for an individual, the department shall consider:

(1) the degree of risk involved to such individual's health, safety, and morals;

(2) the individual's physical fitness and prior training and experience;

(3) the individual's length of unemployment and prospects for securing local work in the individual's customary occupation; and

(4) the distance of the available work from the individual's residence.

However, work under substantially the same terms and conditions under which the individual was employed by a base-period employer, which is within the individual's prior training and experience and physical capacity to perform, shall be considered to be suitable work unless the claimant has made a bona fide change in residence which makes such offered work unsuitable to the individual because of the distance involved. During the fifth through the eighth consecutive week of claiming benefits, work is not considered unsuitable solely because the work pays not less than ninety percent (90%) of the individual's prior weekly wage. After eight (8) consecutive weeks of claiming benefits, work is not considered unsuitable solely because the work pays not less than eighty percent (80%) of the individual's prior weekly wage. However, work is not considered suitable under this section if the work pays less than Indiana's minimum wage as determined under IC 22-2-2. For an individual who is subject to section 1(c)(8) of this chapter, the determination of suitable work for the individual must reasonably accommodate the individual's need to address the physical, psychological, legal, and other effects of domestic or family violence.

(f) Notwithstanding any other provisions of this article, no work shall be considered suitable and benefits shall not be denied under this article to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) If the position offered is vacant due directly to a strike, lockout, or other labor dispute.

(2) If the remuneration, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality.

(3) If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining a bona fide labor organization.

(4) If as a condition of being employed the individual would be required to discontinue training into which the individual had entered with the approval of the department.

(g) Notwithstanding subsection (e), with respect to extended benefit periods established on and after July 5, 1981, "suitable work" means any work which is within an individual's capabilities. However, if the individual furnishes evidence satisfactory to the department that the individual's prospects for obtaining work in the individual's customary occupation within a reasonably short period are good, the determination of whether any work is suitable work shall be made as provided in subsection (e).

(h) With respect to extended benefit periods established on and after July 5, 1981, no work shall be considered suitable and extended benefits shall not be denied under this article to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(1) If the gross average weekly remuneration payable to the individual for the position would not exceed the sum of:

(A) the individual's average weekly benefit amount for the individual's benefit year; plus

(B) the amount (if any) of supplemental unemployment compensation benefits (as defined in Section 501(c)(17)(D) of the Internal Revenue Code) payable to the individual for such week.

(2) If the position was not offered to the individual in writing or was not listed with the department of workforce development.

(3) If such failure would not result in a denial of compensation under the provisions of this article to the extent that such provisions are not inconsistent with the applicable federal law.

(4) If the position pays wages less than the higher of:

(A) the minimum wage provided by 29 U.S.C. 206(a)(1) (the Fair Labor Standards Act of 1938), without regard to any exemption; or

(B) the state minimum wage (IC 22-2-2).

(i) The department of workforce development shall refer individuals eligible for extended benefits to any suitable work (as defined in subsection (g)) to which subsection (h) would not apply.

(j) An individual is considered to have refused an offer of suitable work under subsection (a) if an offer of work is withdrawn by an employer after an individual:

(1) tests positive for drugs after a drug test given on behalf of the prospective employer as a condition of an offer of employment; or

(2) refuses, without good cause, to submit to a drug test required by the prospective employer as a condition of an offer of employment.

~~(k) For purposes of this article, a drug test is not found to be positive unless:~~

~~(1) a second confirmation test:~~

~~(A) renders a positive result that has been performed by a SAMHSA (as defined in IC 22-10-15-3) certified laboratory on the same sample used for the first screen test using gas chromatography mass spectrometry for the purposes of confirming or refuting the screen test results; and~~

~~(B) has been reviewed by a licensed physician and:~~

~~(i) the laboratory results described in clause (A);~~

~~(ii) the individual's medical history; and~~

~~(iii) other relevant biomedical information;~~

~~confirm a positive result of the drug tests; or~~

~~(2) the individual who has submitted to the drug test has no valid medical reason for testing positive for the substance found in the drug test.~~

~~(l)~~ **(k)** The department's records concerning the results of a drug test described in subsection (j) may not be admitted against a defendant in a criminal proceeding.

SECTION 14. IC 22-4-15-6.1, AS AMENDED BY P.L.175-2009, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6.1. (a) Notwithstanding any other provisions of this article, all of the individual's wage credits established prior to the day upon which the individual was discharged for gross misconduct in connection with work are canceled.

(b) As used in this section, "gross misconduct" means any of the following committed in connection with work, as determined by the department by a preponderance of the evidence:

(1) A felony.

(2) A Class A misdemeanor.

(3) Working, or reporting for work, in a state of intoxication caused by the individual's use of alcohol or a controlled substance (as defined in IC 35-48-1-9).

(4) Battery on another individual while on the employer's property or during working hours.

(5) Theft or embezzlement.

(6) Fraud.

~~(c) An employer:~~

~~(1) has the burden of proving by a preponderance of the evidence that a discharged employee's conduct was gross misconduct; and~~

~~(2) may present evidence that the employer filled or maintained the position or job held by the discharged employee after the employee's discharge.~~

~~(d) Evidence that a discharged employee's conduct did not result in:~~

~~(1) a prosecution for an offense; or~~

~~(2) a conviction of an offense;~~

~~may be presented.~~

~~(e)~~ **(c)** If evidence is presented that an action or requirement of the employer may have caused the conduct that is the basis for the employee's discharge, the conduct is not gross misconduct under this section.

~~(f)~~ **(d)** Lawful conduct not otherwise prohibited by an employer is not gross misconduct under this section.

SECTION 15. IC 22-4-15-8, AS AMENDED BY P.L.108-2006, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. Notwithstanding any other provisions of this article, benefits otherwise payable for any week under this article shall not be denied or reduced on account of any payment or payments the claimant receives, has received, will receive, or accrues right to receive with respect to or based upon such week under a private unemployment benefit plan financed in whole or part by the claimant's employer or former employer. No claim for repayment of benefits and no deduction from benefits otherwise payable under this article shall be made under IC 22-4-13-1(d) and IC 22-4-13-1(e) because of payments which have been or will be made under such private unemployment benefit plans. **However, a payment of private unemployment benefits that is conditional upon the signing of a release of employment related claims against the claimant's employer is severance pay and is deductible income as prescribed by IC 22-4-5-2.**

SECTION 16. IC 22-4-17-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) Any decision of the review board, in the absence of appeal as provided in this section, shall become final ~~fifteen (15)~~ **thirty (30)** days after the date the decision is mailed to the interested parties. The review board shall mail with the decision a notice informing the interested parties of their right to appeal the decision to the court of appeals of Indiana. The notice shall inform the parties that they have ~~fifteen (15)~~ **thirty (30)** days from the date of mailing within which to file a notice of intention to appeal, and that in order to perfect the appeal they must request the preparation of a transcript in accordance with section 12 of this chapter.

(b) If the commissioner or any party adversely affected by the decision files with the review board a notice of an intention to appeal the decision, that action shall stay all further proceedings under or by virtue of the review board decision for a period of thirty (30) days from the date of the filing of the notice, and, if the appeal is perfected, further proceedings shall be further stayed pending the final determination of the appeal. However, if an appeal from the decision of the review board is not perfected within the time provided for by this chapter, no action or proceeding shall be further stayed.

SECTION 17. IC 22-4-25-1, AS AMENDED BY P.L.182-2009(ss), SECTION 368, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the board for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. The board shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the board directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by the board or the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the bureau of employment security. The money in this fund shall be continuously available to the board for expenditures in accordance with the provisions of this section **and for the prevention, detection, and recovery of delinquent contributions, penalties, and improper benefit payments,** and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) Whenever the balance in the special employment and training services fund exceeds eight million five hundred thousand dollars ($8,500,000), the board shall order payment of the amount that exceeds eight million five hundred thousand dollars ($8,500,000) into the unemployment insurance benefit fund.

(c) Subject to the approval of the board, and the availability of funds, on ~~July 1, 2008, and each subsequent~~ July 1 **each year** the commissioner shall release:

(1) one million dollars ($1,000,000) to the state educational institution established under IC 21-25-2-1 for training provided to participants in apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(2) four million dollars ($4,000,000) to the state educational institution instituted and incorporated under IC 21-22-2-1 for training provided to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(3) two hundred fifty thousand dollars ($250,000) for journeyman upgrade training to each of the state educational institutions described in subdivisions (1) and (2);

(4) four hundred thousand dollars ($400,000) annually for training and counseling assistance:

(A) provided by Hometown Plans under 41 CFR 60-4.5; and

(B) approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars ($20,000); and

(5) three hundred thousand dollars ($300,000) annually for training and counseling assistance provided by the state institution established under IC 21-25-2-1 to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars ($20,000) for the purpose of enabling those individuals to apply for admission to apprenticeship programs offered by providers approved by the United States Department of Labor, Bureau of Apprenticeship and Training.

(d) The funds released under subsection (c)(4) through (c)(5):

(1) shall be considered part of the amount allocated under section 2.5 of this chapter; and

(2) do not limit the amount that an entity may receive under section 2.5 of this chapter.

(e) Each state educational institution described in subsection (c) is entitled to keep ten percent (10%) of the funds released under subsection (c) for the payment of costs of administering the funds. On each June 30 following the release of the funds, any funds released under subsection (c) not used by the state educational institutions under subsection (c) shall be returned to the special employment and training services fund.

SECTION 18. IC 22-4.1-18-2, AS AMENDED BY P.L.6-2012, SECTION 156, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The department may grant ~~a general educational development (GED)~~ **an Indiana high school equivalency** diploma to an individual who achieves satisfactory high school level scores on the ~~general educational development (GED)~~ **Indiana high school equivalency** test or any other properly validated test of comparable difficulty designated by the council.

SECTION 19. IC 22-4.1-18-4, AS ADDED BY P.L.7-2011, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The ~~council~~ **department** shall adopt rules under IC 4-22-2 to provide for the implementation and administration of this chapter.

(b) The rules may include the following provisions:

(1) Qualifications of applicants.

(2) Acceptable tests.

(3) Acceptable test scores.

(4) Criteria for retesting.

SECTION 20. IC 22-4.1-18-5, AS ADDED BY P.L.7-2011, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. A high school equivalency certificate or a general educational development (GED) diploma issued under IC 20-20-6 (before its repeal) is equivalent to ~~a general educational development (GED)~~ **an Indiana high school equivalency** diploma issued under this chapter.

SECTION 21. IC 22-4.1-20-4, AS ADDED BY P.L.7-2011, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) Money appropriated by the general assembly for adult education may be used only to reimburse an eligible provider for adult education that is provided to individuals who:

(1) need the education to master a skill that leads to:

(A) the completion of grade 8; or

(B) ~~a general educational development (GED)~~ **an Indiana high school equivalency** diploma under IC 22-4.1-18;

(2) need the education to receive high school credit to obtain a high school diploma; or

(3) have graduated from high school (or received a high school equivalency certificate, ~~or~~ a general educational development (GED) diploma, **or an Indiana high school equivalency diploma),** but who demonstrate basic skill deficiencies in mathematics or English/language arts.

For purposes of reimbursement under this section, the eligible provider may not count an individual who is also enrolled in a school corporation's kindergarten through grade 12 educational program. An individual described in subdivision (3) may be counted for reimbursement by the eligible provider only for classes taken in mathematics and English/language arts.

(b) The council shall provide for reimbursement to an eligible provider under this section for instructor salaries and administrative and support costs. However, the council may not allocate more than fifteen percent (15%) of the total appropriation under subsection (a) for administrative and support costs.

SECTION 22. **An emergency is declared for this act.**

(Reference is to EHB 1083 as printed February 28, 2014.)

TORR	BOOTS
LEONARD	KRUSE
House Conferees	Senate Conferees

Roll Call 497: yeas 64, nays 35. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1318–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1318 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 3-5-2-16.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: **Sec. 16.3. (a) "De minimis change", with respect to a certified voting system's hardware, refers to a change to the hardware, the nature of which will not materially alter the system's reliability, functionality, capability, or operation.**

(b) For a hardware change to qualify as a de minimis change, the change must:

(1) maintain, unaltered, the reliability, functionality, capability, and operability of a system; and

(2) ensure that when hardware is replaced, the original hardware and the replacement hardware are electronically and mechanically interchangeable and have identical functionality and tolerances.

(c) The following are not de minimis changes:

(1) Software and firmware modifications.

(2) The change has reasonable and identifiable potential to affect the system's operation and compliance with applicable voting system standards.

SECTION 2. IC 3-5-2-31.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: **Sec. 31.7. "Modification", for a certified voting system, refers to a change:**

(1) in the software or firmware of the voting system; or

(2) to the hardware of the voting system that:

(A) materially alters the system's reliability, functionality, capacity, or operation; or

(B) has a reasonable and identifiable potential to affect the voting system's operation and compliance with the applicable voting system standards.

SECTION 3. IC 3-5-2-40.5, AS AMENDED BY P.L.118-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 40.5. (a) Except as provided in subsection (b), "proof of identification"

refers to a document that satisfies all the following:

(1) The document shows the name of the individual to whom the document was issued, and the name conforms to the name in the individual's voter registration record.

(2) The document shows a photograph of the individual to whom the document was issued.

(3) The document includes an expiration date, and the document:

(A) is not expired; or

(B) expired after the date of the most recent general election.

(4) The document was issued by the United States or the state of Indiana.

(b) Notwithstanding subsection (a)(3), a document issued by the United States Department of Defense, **the United States Department of Veterans Affairs (or its predecessor, the Veterans Administration),** a branch of the uniformed services, the Merchant Marine, or the Indiana National Guard that:

(1) otherwise complies with the requirements of subsection (a); and

(2) has no expiration date or states that the document has an indefinite expiration date;

is sufficient proof of identification for purposes of this title.

SECTION 4. IC 3-6-6-39, AS AMENDED BY P.L.194-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 39. (a) The county election board by unanimous vote of the entire membership of the board may permit an individual who is not a voter to serve as any precinct election officer (other than inspector), or to assist a precinct election officer, if the individual satisfies all the following:

(1) The individual is at least sixteen (16) years of age but not eighteen (18) years of age or older.

(2) The individual is a citizen of the United States.

(3) The individual is a resident of the county.

(4) The individual has a cumulative grade point average equivalent to not less than 3.0 on a 4.0 scale.

(5) The individual has the written approval of the principal of the school the individual attends at the time of the appointment or, if the student is educated in the home, the approval of the individual responsible for the education of the student.

(6) The individual has the approval of the individual's parent or legal guardian.

(7) The individual has satisfactorily completed any training required by the county election board.

(8) The individual otherwise is eligible to serve as a precinct election officer under this chapter but is not required to be a registered voter of the county.

(b) An individual appointed to a precinct election office or assistant under this section,

~~(1) must serve in a nonpartisan manner in accordance with the standards developed by the Help America Vote Foundation under 36 U.S.C. 152602; and~~

~~(2)~~ while serving as a precinct election officer or assistant:

~~(A)~~ **(1)** is not required to obtain an employment certificate under IC 20-33-3; and

~~(B)~~ **(2)** is not subject to the limitations on time and duration of employment under IC 20-33-3.

SECTION 5. IC 3-7-16-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 29. A designated individual may use any of the following methods to transmit voter registration applications or declinations under section 27 or 28 of this chapter:

(1) Hand delivery to the circuit court clerk or board of registration.

(2) ~~Certified~~ **Delivery by the United States Postal Service, using first class** mail. ~~return receipt requested.~~

(3) Electronic transfer, after approval by the commission.

SECTION 6. IC 3-7-18-21, AS AMENDED BY P.L.42-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 21. A designated individual may use any of the following methods to transmit voter registration applications or declinations under section 19 of this chapter:

(1) Hand delivery to the ~~circuit court clerk or board of~~ **county voter** registration **office.**

(2) ~~Certified~~ **Delivery by the United States Postal Service, using first class** mail. ~~return receipt requested.~~

(3) Electronic transfer, after approval by the commission.

SECTION 7. IC 3-7-36-10, AS AMENDED BY P.L.225-2011, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 10. (a) The county voter registration office shall process an absentee registration affidavit or form received from a voter described in section 1 of this chapter during the registration period or during the period beginning on the twenty-ninth day before the election and ending on the ~~tenth~~ **eighth** day before the election.

(b) A properly completed voter registration application described in this section is subject to the same requirements that are applicable to a properly completed voter registration application from a voter described in section 1 of this chapter during the period ending on the twenty-ninth day before the election.

SECTION 8. IC 3-7-36-14, AS AMENDED BY P.L.219-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 14. (a) This section applies to a person described in subsection (b) who applies to register to vote during the period:

(1) beginning on the ~~ninth~~ **seventh** day before election day; and

(2) ending at noon election day.

(b) An absent uniformed services voter who is absent from Indiana during the registration period applicable to the voter under this chapter and who otherwise would be entitled to register to vote under Indiana law may, upon returning to Indiana during the period described in subsection (a) following discharge from service or reassignment, register to vote by doing the following:

(1) Showing either of the following to the county voter registration office:

(A) A discharge from service, dated not earlier than the beginning of the registration period that ended on the ~~tenth~~ **eighth** day before election day, of:

(i) the voter;

(ii) the voter's spouse; or

(iii) the individual of whom the voter is a dependent.

(B) A copy of the government movement orders, with a reporting date not earlier than the beginning of the registration period that ended on the ~~tenth~~ **eighth** day before election day, of:

(i) the voter;

(ii) the voter's spouse; or

(iii) the individual of whom the voter is a dependent.

(2) Completing a registration affidavit.

(c) A voter who registers under this section may vote at the upcoming election only by absentee ballot at the office of the circuit court clerk at the time the voter registers under this section or at any time after the voter registers under this section and before noon on election day. A voter who wants to vote under this subsection must do both of the following:

(1) Complete an application for an absentee ballot.

(2) Sign an affidavit that the voter has not voted at any other precinct in the election.

The voter may vote at subsequent elections as otherwise provided in this title.

(d) If the voter votes by absentee ballot under this section, the circuit court clerk shall do the following:

(1) Certify in writing that the voter registered under this

section.

(2) Attach the certification to the voter's absentee ballot envelope.

(e) If the county has a board of registration, the board of registration shall promptly deliver the voter's registration affidavit to the circuit court clerk to permit the voter to vote under subsection (c).

(f) If the voter chooses not to vote under subsection (c), the county voter registration office shall register the voter on the first day of the next registration period.

SECTION 9. IC 3-7-40-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: **Sec. 8. When notified by a local public official or plan commission under section 3 of this chapter, the county voter registration office shall, as soon as practicable, amend the entry for the voter in the computerized list under IC 3-7-26.3 to be consistent with the information submitted under section 3 of this chapter.**

SECTION 10. IC 3-7-48-2, AS AMENDED BY P.L.271-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 2. A certificate of error issued under section 1 of this chapter:

(1) may be issued at any time after:

(A) the production of the certified list under IC 3-7-29; or

(B) the downloading of the information into an electronic poll ~~list~~ **book** under IC 3-7-29-6(c);

(2) shall be executed by the circuit court clerk, or in a county with a board of registration, by both members of the board; and

(3) shall be numbered serially in the method prescribed for entry in the computerized list maintained under IC 3-7-26.3.

SECTION 11. IC 3-7-48-4 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 4. In a county with a board of registration, the circuit court clerk or board of registration shall promptly transmit all certificates of error to the board of registration.~~

SECTION 12. IC 3-8-1-23, AS AMENDED BY P.L.146-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 23. (a) A candidate for the office of county assessor must:

(1) have resided in the county for at least one (1) year before the election, as provided in Article 6, Section 4 of the Constitution of the State of Indiana;

(2) own real property located in the county upon taking office; and

(3) fulfill the requirements of subsections (b) through (d), as applicable.

(b) A candidate for the office of county assessor who runs in an election after June 30, 2008, must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5 **before taking office.**

(c) A candidate for the office of county assessor who:

(1) did not hold the office of county assessor on January 1, 2012; and

(2) runs in an election after January 1, 2012;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 **before taking office.**

(d) A candidate for the office of county assessor who:

(1) held the office of county assessor on January 1, 2012; and

(2) runs in an election after January 1, 2016;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 **before taking office.**

SECTION 13. IC 3-8-1-23.6, AS ADDED BY P.L.146-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 23.6. (a) A ~~person who runs in an election after June 30, 2008,~~ **candidate** for the office of township assessor under IC 36-6-5-1 **who runs in an election after June 30, 2008,** must have attained the certification of a level two assessor-appraiser under IC 6-1.1-35.5 before taking office.

(b) A ~~person who runs in an election after January 1, 2012,~~ **candidate** for the office of township assessor under IC 36-6-5-1 **who:**

(1) did not hold the office of township assessor on January 1, 2012; and

(2) runs in an election after January 1, 2012;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.

(c) A candidate for the office of township assessor under IC 36-6-5-1 who:

(1) held the office of township assessor on January 1, 2012; and

(2) runs in an election after January 1, 2016;

must have attained the certification of a level three assessor-appraiser under IC 6-1.1-35.5 before taking office.

SECTION 14. IC 3-8-2-2.5, AS AMENDED BY P.L.217-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2.5. (a) A person who desires to be a write-in candidate for a federal, state, legislative, or local office or school board office in a general, municipal, or school board election must file a declaration of intent to be a write-in candidate with the officer with whom declaration of candidacy must be filed under sections 5 and 6 of this chapter.

(b) The declaration of intent to be a write-in candidate required under subsection (a) must be signed before a person authorized to administer oaths and must certify the following information:

(1) The candidate's name must be printed or typewritten as:

(A) the candidate wants the candidate's name to be certified; and

(B) the candidate's name is permitted to appear under IC 3-5-7.

(2) A statement that the candidate is a registered voter and the location of the candidate's precinct and township (or ward and city or town), county, and state.

(3) The candidate's complete residence address, and if the candidate's mailing address is different from the residence address, the mailing address.

(4) The candidate's party affiliation or a statement that the candidate is an independent candidate (not affiliated with any party). The candidate may not claim affiliation with any political party described by IC 3-8-4-1.

(5) A statement of the candidate's intention to be a write-in candidate, the name of the office, including the district, and the date and type of election.

(6) If the candidate is a candidate for the office of President or Vice President of the United States, a statement declaring the names of the individuals who have consented and are eligible to be the candidate's candidates for presidential electors.

(7) **The following statements:**

(A) A statement that the candidate **has attached either of the following to the declaration:**

(i) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(ii) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

This requirement does not apply to a candidate for a federal office.

(B) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office. This requirement does not apply to a candidate for a federal office or legislative office.

(C) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office. This requirement does not apply to a candidate for a federal office, state office, or legislative office.

~~(A)~~ **(D) A statement that the candidate:**

(i) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

~~(B)~~ **(ii)** agrees to comply with the provisions of IC 3-9.

This requirement does not apply to a candidate for a federal office.

The candidate must separately ~~sign~~ **initial each of** the ~~statement~~ **statements** required by this subdivision.

(8) A statement as to whether the candidate has:

(A) been a candidate for state or local office in a previous primary or general election; and

(B) filed all reports required by IC 3-9-5-10 for all previous candidacies.

(9) If the candidate is subject to IC 3-9-1-5, a statement that the candidate has filed a campaign finance statement of organization for the candidate's principal committee or is aware that the candidate may be required to file a campaign finance statement of organization not later than noon seven (7) days after the final date to file the declaration of intent to be a write-in candidate under section 4 of this chapter.

(10) If the candidate is subject to IC 3-9-1-5.5, a statement that the candidate is required to file a campaign finance statement of organization under IC 3-9 after the first of either of the following occurs:

(A) The candidate receives more than five hundred dollars ($500) in contributions.

(B) The candidate makes more than five hundred dollars ($500) in expenditures.

(11) A statement that the candidate complies with all requirements under the laws of Indiana to be a candidate for the above named office, including any applicable residency requirements, and that the candidate is not ineligible to be a candidate due to a criminal conviction that would prohibit the candidate from serving in the office.

(12) The candidate's signature and telephone number.

(c) At the time of filing the declaration of intent to be a write-in candidate, the write-in candidate is considered a candidate for all purposes.

(d) A write-in candidate must comply with the requirements under IC 3-8-1 that apply to the office to which the write-in candidate seeks election.

(e) A person may not be a write-in candidate in a contest for nomination or for election to a political party office.

(f) A write-in candidate for the office of President or Vice President of the United States must list at least one (1) candidate for presidential elector and may not list more than the total number of presidential electors to be chosen in Indiana.

(g) The commission shall provide that the form of a declaration of intent to be a write-in candidate includes the following information: ~~near the separate signature required by subsection (b)(7):~~

(1) The dates for filing campaign finance reports under IC 3-9.

(2) The penalties for late filing of campaign finance reports under IC 3-9.

(h) A declaration of intent to be a write-in candidate must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the declaration of intent to be a write-in candidate. If there is a difference between the name on the candidate's declaration of intent to be a write-in candidate and the name on the candidate's voter registration record, the officer with whom the declaration of intent to be a write-in candidate is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's declaration of intent to be a write-in candidate.

SECTION 15. IC 3-8-2-7, AS AMENDED BY P.L.194-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The declaration of each candidate required by this chapter must be signed before a person authorized to administer oaths and contain the following information:

(1) The candidate's name, printed or typewritten as:

(A) the candidate wants the candidate's name to appear on the ballot; and

(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

(2) A statement that the candidate is a registered voter and the location of the candidate's precinct and township (or ward and city or town), county, and state.

(3) The candidate's complete residence address, and if the candidate's mailing address is different from the residence address, the mailing address.

(4) A statement of the candidate's party affiliation. For purposes of this subdivision, a candidate is considered to be affiliated with a political party only if any of the following applies:

(A) The most recent primary election in Indiana in which the candidate voted was a primary election held by the party with which the candidate claims affiliation.

(B) The county chairman of:

(i) the political party with which the candidate claims affiliation; and

(ii) the county in which the candidate resides;

certifies that the candidate is a member of the political party.

The declaration of candidacy must inform candidates how party affiliation is determined under this subdivision and permit the candidate to indicate on the declaration of candidacy which of clauses (A) or (B) applies to the candidate. If a candidate claims party affiliation under clause (B), the candidate must attach to the candidate's declaration of candidacy the written certification of the county chairman required by clause (B).

(5) A statement that the candidate complies with all requirements under the laws of Indiana to be a candidate for the above named office, including any applicable residency requirements, and that the candidate is not ineligible to be a candidate due to a criminal conviction that would prohibit the candidate from serving in the office.

(6) A request that the candidate's name be placed on the official primary ballot of that party to be voted on, the office for which the candidate is declaring, and the date of the primary election.

(7) ~~This subdivision does not apply to a candidate for federal office.~~ **The following statements:**

(A) A statement that the candidate **has attached either of the following to the declaration:**

(i) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(ii) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

This requirement does not apply to a candidate for

a federal office.

(B) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office. This requirement does not apply to a candidate for a federal office or legislative office.

(C) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office. This requirement does not apply to a candidate for a federal office, state office, or legislative office.

~~(A)~~ **(D) A statement that the candidate:**

(i) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

~~(B)~~ **(ii)** agrees to comply with the provisions of IC 3-9.

This requirement does not apply to a candidate for a federal office.

The candidate must separately ~~sign~~ **initial each of** the ~~statement~~ **statements** required by this subdivision.

(8) A statement as to whether the candidate has been a candidate for state, legislative, or local office in a previous primary, municipal, special, or general election and whether the candidate has filed all reports required by IC 3-9-5-10 for all previous candidacies.

(9) If the candidate is subject to IC 3-9-1-5, a statement that the candidate has filed a campaign finance statement of organization for the candidate's principal committee or is aware that the candidate may be required to file a campaign finance statement of organization not later than noon seven (7) days after the final date to file the declaration of candidacy under section 11 of this chapter.

(10) The candidate's signature.

(b) The commission shall provide that the form of a declaration of candidacy includes the following information: ~~near the separate signature required by subsection (a)(7):~~

(1) The dates for filing campaign finance reports under IC 3-9.

(2) The penalties for late filing of campaign finance reports under IC 3-9.

(c) A declaration of candidacy must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the declaration of candidacy. If there is a difference between the name on the candidate's declaration of candidacy and the name on the candidate's voter registration record, the officer with whom the declaration of candidacy is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's declaration of candidacy.

SECTION 16. IC 3-8-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. **(a)** Not ~~more~~ **later** than **the close of** one (1) **business** day after a person files a declaration of candidacy in the office of the election division or circuit court clerk, the election division or circuit court clerk shall **send a statement to the candidate by:**

(1) hand ~~deliver~~ **delivery;**

(2) first class United States mail; or

(3) electronic mail.

~~to the candidate (or mail to the candidate at the address listed in the declaration) a statement showing~~

(b) The election division or circuit court clerk shall send the statement (or a scanned copy of the statement, if the statement is sent by electronic mail) to the mailing address or electronic mail address set forth in the declaration of candidacy.

(c) The statement must show the following:

(1) That the candidate has filed a declaration.

(2) The name of the candidate.

(3) The office for which the ~~declarant~~ **individual** is a candidate.

(4) The date on which the declaration was filed.

SECTION 17. IC 3-8-2.5-2, AS AMENDED BY SEA 24-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 2. (a) A candidate for a school board office must file a petition of nomination in accordance with ~~IC 3-8-6~~ **this chapter** and as required under IC 20-23 or IC 20-25. The petition of nomination, once filed, serves as the candidate's declaration of candidacy for a school board office.

(b) A candidate may be nominated for a school board office by petition of voters who are:

(1) registered to vote at the residence address set forth on the petition on the date ~~the county voter registration office certifies~~ the petition **is certified** under ~~section 5 of~~ this chapter; and

(2) qualified to vote for the candidate.

(c) The petition of nomination must be signed by the number of voters required for the school board office under IC 20-23 or IC 20-25.

(d) Except as provided in this subsection, the signature, printed name, and residence address of the petitioner must be made in writing by the petitioner. If a petitioner with a disability is unable to write this information on the petition, the petitioner may authorize an individual to do so on the petitioner's behalf. The individual acting under this subsection shall execute an affidavit of assistance for each such petitioner, in a form prescribed by the commission. The form must set forth the name and address of the individual providing assistance, and the date the individual provided the assistance. The form must be submitted with the petition.

SECTION 18. IC 3-8-2.5-2.5, AS ADDED BY P.L.194-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 2.5. (a) A petition of nomination for a school board office must state all of the following:

(1) The name of each candidate as:

(A) the candidate wants the candidate's name to appear on the ballot; and

(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

(2) The address of each candidate, including the mailing address, if different from the residence address of the candidate.

(3) The school board office that each candidate seeks.

(4) That each petitioner is a qualified registered voter and desires to be able to vote for the candidates listed on the petition.

(b) The petition of nomination must be accompanied by the following:

(1) The candidate's written consent to become a candidate.

(2) A statement that the candidate:

(A) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

(B) agrees to comply with the provisions of IC 3-9 referred to in clause (A).

The candidate must separately sign the statement required by this subdivision.

(3) A statement by the candidate that the candidate is aware of the requirement to file a campaign finance statement of organization under IC 3-9 after the first of either of the following occurs:

(A) The candidate receives more than five hundred

dollars ($500) in contributions.

(B) The candidate makes more than five hundred dollars ($500) in expenditures.

(4) A statement indicating whether or not each candidate:

(A) has been a candidate for state, legislative, local, or school board office in a previous primary, **municipal, special,** or general election; and

(B) has filed all reports required by IC 3-9-5-10 for all previous candidacies.

(5) A statement that each candidate is legally qualified to hold the office that the candidate seeks, including any applicable residency requirements and restrictions on service due to a criminal conviction.

(6) Any statement of economic interests required under IC 3-8-9.

SECTION 19. IC 3-8-5-10.5, AS AMENDED BY P.L.225-2011, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10.5. (a) A person who desires to be nominated for a town office by a major political party must file a declaration of candidacy with the circuit court clerk of the county containing the greatest percentage of population of the town.

(b) A declaration of candidacy must be filed:

(1) not earlier than the first date that a declaration of candidacy for a primary election may be filed under IC 3-8-2-4; and

(2) not later than:

(A) noon August 1 before a municipal election if the town nominates its candidates by convention; and

(B) the date that a declaration of candidacy must be filed under IC 3-8-2-4 if the town nominates its candidates by a primary election.

(c) The declaration must be subscribed and sworn to (or affirmed) before a notary public or other person authorized to administer oaths.

(d) The declaration of each candidate required by this section must certify the following information:

(1) The candidate's name, printed or typewritten as:

(A) the candidate wants the candidate's name to appear on the ballot; and

(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

(2) That the candidate is a registered voter and the location of the candidate's precinct and township (or the ward and town), county, and state.

(3) The candidate's complete residence address and the candidate's mailing address if the mailing address is different from the residence address.

(4) The candidate's party affiliation and the office to which the candidate seeks nomination, including the district designation if the candidate is seeking a town legislative body seat.

(5) That the candidate complies with all requirements under the laws of Indiana to be a candidate for the above named office, including any applicable residency requirements, and is not ineligible to be a candidate due to a criminal conviction that would prohibit the candidate from serving in the office.

(6) That the candidate has attached either of the following to the declaration:

(A) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(B) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

(7) That the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office.

(8) That the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office.

(9) That the candidate:

(A) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

(B) agrees to comply with the provisions of IC 3-9.

~~(6)~~ **(10)** The candidate's signature.

(e) This subsection does not apply to a town whose municipal election is to be conducted by a county. Immediately after the deadline for filing, the circuit court clerk shall do all of the following:

(1) Certify to the town clerk-treasurer and release to the public a list of the candidates of each political party for each office. The list shall indicate any candidates of a political party nominated for an office under this chapter because of the failure of any other candidates of that political party to file a declaration of candidacy for that office.

(2) Post a copy of the list in a prominent place in the circuit court clerk's office.

(3) File a copy of each declaration of candidacy with the town clerk-treasurer.

(f) A person who files a declaration of candidacy for an elected office for which a per diem or salary is provided for by law is disqualified from filing a declaration of candidacy for another office for which a per diem or salary is provided for by law until the original declaration is withdrawn.

(g) A person who files a declaration of candidacy for an elected office may not file a declaration of candidacy for that office in the same year as a member of a different political party until the original declaration is withdrawn.

(h) A person who files a declaration of candidacy under this section may file a written notice withdrawing the person's declaration of candidacy in the same manner as the original declaration was filed, if the notice of withdrawal is filed not later than:

(1) noon August 1 before the municipal election if the town nominates its candidates by convention; and

(2) the date that a declaration of candidacy may be withdrawn under IC 3-8-2-20 if the town nominates its candidates in a primary election.

(i) A declaration of candidacy must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the declaration of candidacy. If there is a difference between the name on the candidate's declaration of candidacy and the name on the candidate's voter registration record, the officer with whom the declaration of candidacy is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's declaration of candidacy.

SECTION 20. IC 3-8-6-12, AS AMENDED BY P.L.225-2011, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) A petition of nomination for an office filed under section 10 of this chapter must be filed with and, except as provided in subsection (d), certified by the person with whom a declaration of candidacy must be filed under IC 3-8-2.

(b) The petition of nomination must be accompanied by the following:

(1) The candidate's written consent to become a candidate.

(2) **The following statements:**

(A) A statement that the candidate **has attached either of the following to the petition:**

(i) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(ii) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

This requirement does not apply to a candidate for a federal office.

(B) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office. This requirement does not apply to a candidate for a federal office or legislative office.

(C) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office. This requirement does not apply to a candidate for a federal office, state office, or legislative office.

~~(A)~~ **(D) A statement that the candidate:**

(i) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

~~(B)~~ **(ii)** agrees to comply with the provisions of IC 3-9.

This requirement does not apply to a candidate for a federal office.

The candidate must separately ~~sign~~ **initial each of** the ~~statement~~ **statements** required by this subdivision.

(3) If the candidate is subject to IC 3-9-1-5, a statement by the candidate that the candidate has filed a campaign finance statement of organization under IC 3-9-1-5 or is aware that the candidate may be required to file a campaign finance statement of organization not later than noon seven (7) days after the final date for filing a petition for nomination under section 10 of this chapter.

(4) If the candidate is subject to IC 3-9-1-5.5, a statement by the candidate that the candidate is aware of the requirement to file a campaign finance statement of organization under IC 3-9 after the first of either of the following occurs:

(A) The candidate receives more than five hundred dollars ($500) in contributions.

(B) The candidate makes more than five hundred dollars ($500) in expenditures.

(5) A statement indicating whether or not each candidate:

(A) has been a candidate for state or local office in a previous primary or general election; and

(B) has filed all reports required by IC 3-9-5-10 for all previous candidacies.

(6) A statement that each candidate is legally qualified to hold the office that the candidate seeks, including any applicable residency requirements and restrictions on service due to a criminal conviction.

(7) If the petition is filed with the secretary of state for an office not elected by the electorate of the whole state, a statement signed by the circuit court clerk of each county in the election district of the office sought by the individual.

(8) Any statement of economic interests required under IC 3-8-1-33.

(c) The statement required under subsection (b)(7) must:

(1) be certified by each circuit court clerk; and

(2) indicate the number of votes cast for secretary of state:

(A) at the last election for secretary of state; and

(B) in the part of the county included in the election district of the office sought by the individual filing the petition.

(d) The person with whom the petition of nomination must be filed under subsection (a) shall:

(1) determine whether a sufficient number of signatures as required by section 3 of this chapter have been obtained; and

(2) do one (1) of the following:

(A) If the petition includes a sufficient number of signatures, certify the petition.

(B) If the petition has an insufficient number of signatures, deny the certification.

(e) The secretary of state shall, by noon on the date specified under IC 3-8-7-16 for the certification of candidates and public questions by the election division:

(1) certify; or

(2) deny certification under subsection (d) to;

each petition of nomination filed in the secretary of state's office to the appropriate county.

(f) The commission shall provide that the form of a petition of nomination includes the following information: ~~near the separate signature required by subsection (b)(2).~~

(1) The dates for filing campaign finance reports under IC 3-9.

(2) The penalties for late filing of campaign finance reports under IC 3-9.

(g) A candidate's consent to become a candidate must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the consent to become a candidate. If there is a difference between the name on the candidate's consent to become a candidate and the name on the candidate's voter registration record, the officer with whom the consent to become a candidate is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's consent to become a candidate.

(h) If the person with whom the petition was filed denies certification under subsection (d), the person shall notify the candidate immediately by certified mail.

(i) A candidate may contest the denial of certification under subsection (d) based on:

(1) the circuit court clerk's or board of registration's failure to certify, under section 8 of this chapter, qualified petitioners; or

(2) the determination described in subsection (d)(1);

using the procedure in IC 3-8-1-2 and section 14 of this chapter that applies to questions concerning the validity of a petition of nomination.

SECTION 21. IC 3-8-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) ~~Either the chairman and secretary of a state convention or~~ **This section applies to a state convention conducted by a political party described by IC 3-8-4-1.**

(b) The state chairman and state secretary of the political party holding the state convention shall certify each candidate nominated at the convention to the secretary of state not later than noon July 15 before the general election.

~~(b)~~ **(c)** The certificate must **be in writing and** state the following:

(1) The name of each candidate nominated as:

(A) the candidate wants the candidate's name to appear on the ballot; and

(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

(2) Each candidate's residence address.

~~(1)~~ **(3)** Whether each candidate nominated by the convention has complied with IC 3-9-1-5 by filing a campaign finance statement of organization.

~~(2)~~ **(4)** That the candidate:

(A) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

(B) agrees to comply with the provisions of IC 3-9.

The candidate must separately sign the statement required by this subdivision.

~~(c)~~ **(d)** The commission shall prescribe the form of the certificate of nomination for the offices. The commission shall provide that the form of the certificate of nomination include the following information near the separate signature required by subsection ~~(b)(2).~~ **(c)(4):**

(1) The dates for filing campaign finance reports under IC 3-9.

(2) The penalties for late filing of campaign finance reports under IC 3-9.

~~(d)~~ **(e)** A certificate of nomination must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the certificate of nomination. If there is a difference between the name on the candidate's certificate of nomination and the name on the candidate's voter registration record, the officer with whom the certificate of nomination is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's certificate of nomination.

(f) The certificate of nomination must be signed by the state chairman and state secretary of the political party holding the convention, and set forth the name and residence of the chairman and secretary. The chairman and secretary shall acknowledge the certificate before an individual authorized to administer oaths under IC 33-42-4-1. The signed acknowledgment must be included in the certificate of nomination executed under this section.

SECTION 22. IC 3-8-7-8, AS AMENDED BY HEA 1318-2014, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) This section applies to a state convention conducted by a political party described by IC 3-8-4-1.

(b) The state chairman and state secretary of the political party holding the state convention shall certify each candidate nominated at the convention to the secretary of state not later than noon July 15 before the general election.

(c) The certificate must be in writing and state the following:

(1) The name of each candidate nominated as:

(A) the candidate wants the candidate's name to appear on the ballot; and

(B) the candidate's name is permitted to appear on the ballot under IC 3-5-7.

(2) Each candidate's residence address.

(3) Whether each candidate nominated by the convention has complied with IC 3-9-1-5 by filing a campaign finance statement of organization.

(4) **The following statements:**

(A) A statement that the candidate **has attached either of the following to the certificate:**

(i) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(ii) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

This requirement does not apply to a candidate for a federal office.

(B) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office. This requirement does not apply to a candidate for a federal office or legislative office.

(C) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office. This requirement does not apply to a candidate for a federal office, state office, or legislative office.

~~(A)~~ **(D) A statement that the candidate:**

(i) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

~~(B)~~ **(ii)** agrees to comply with the provisions of IC 3-9.

This requirement does not apply to a candidate for a federal office.

The candidate must separately ~~sign~~ **initial each of** the ~~statement~~ **statements** required by this subdivision.

(d) The commission shall prescribe the form of the certificate of nomination for the offices. The commission shall provide that the form of the certificate of nomination include the following information: ~~near the separate signature required by subsection (c)(4):~~

(1) The dates for filing campaign finance reports under IC 3-9.

(2) The penalties for late filing of campaign finance reports under IC 3-9.

(e) A certificate of nomination must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the certificate of nomination. If there is a difference between the name on the candidate's certificate of nomination and the name on the candidate's voter registration record, the officer with whom the certificate of nomination is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's certificate of nomination.

(f) The certificate of nomination must be signed by the state chairman and state secretary of the political party holding the convention, and set forth the name and residence of the chairman and secretary. The chairman and secretary shall acknowledge the certificate before an individual authorized to administer oaths under IC 33-42-4-1. The signed acknowledgment must be included in the certificate of nomination executed under this section.

SECTION 23. IC 3-8-7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 10. **(a) This section applies to a county, city, or town convention conducted by a political party described by IC 3-8-4-1.**

(b) A certificate of nomination by convention or primary election must satisfy all of the following:

(1) Be in writing.

(2) Contain all of the following information for each person nominated:

(A) The name of each person nominated as:

(i) the person wants the person's name to appear on the ballot; and

(ii) the person's name is permitted to appear on the ballot under IC 3-5-7.

(B) Each person's residence address.

(C) The office for which each person is nominated.

~~(3) Designate a title for the political party or principle that the convention or primary election represents, together with a simple figure or device by which its lists of candidates may be designated on the ballot.~~

~~(4)~~ **(3)** Be signed by ~~the chairman and secretary of the convention, or by~~ the chairman and secretary of the ~~state,~~ county, city, or town committee, who shall also give their

respective places of residence and acknowledge the certificate before ~~an officer authorized to take acknowledgments of deeds. The certificate of acknowledgment must be appended to the certificate of nomination.~~ **an individual authorized to administer oaths under IC 33-42-4-1. The signed acknowledgment must be included in the certificate of nomination executed under this section.**

SECTION 24. IC 3-8-9-4, AS ADDED BY P.L.90-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 4. **(a) This section does not apply to a candidate for either of the following:**

(1) Judge of a circuit, superior, probate, or small claims court.

(2) Prosecuting attorney of a judicial circuit.

(b) A candidate for a local office or school board office shall file a written statement of economic interests as provided in this chapter.

SECTION 25. IC 3-8-9-5, AS AMENDED BY P.L.194-2013, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 5. An individual required to file a statement under section 4 of this chapter shall file the statement as follows:

(1) With the individual's:

(A) declaration of candidacy under IC 3-8-2 or IC 3-8-5;

(B) petition of nomination under IC 3-8-2.5 or IC 3-8-6;

(C) certificate of nomination under IC 3-10-2-15 or IC 3-10-6-12;

(D) statement consenting to be a replacement candidate under IC 3-8-6-17;

(E) declaration of intent to be a write-in candidate under IC 3-8-2-2.5; or

(F) certificate of candidate selection under IC 3-13-1 or IC 3-13-2.

(2) When the individual assumes a vacant elected office under IC 3-13-7, IC 3-13-8, IC 3-13-9, IC 3-13-10, ~~or~~ IC 3-13-11, **or IC 20-23-4-30.** A statement filed under this subdivision must be filed not later than noon sixty (60) days after the individual assumes the elected office.

SECTION 26. IC 3-10-1-7.1, AS AMENDED BY P.L.258-2013, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 7.1. (a) This subsection does not apply to a county in which electronic poll ~~lists~~ **books** are used under IC 3-7-29-6 or IC 3-11-18.1. Each county election board shall furnish the inspector of each precinct for use on primary election day a certified copy under IC 3-7-29 of the list of all voters registered to vote in the precinct.

(b) This subsection does not apply to a county in which electronic poll ~~lists~~ **books** are used under IC 3-7-29-6 or IC 3-11-18.1. The county voter registration office may also provide the inspector of each precinct in the county a certified photocopy of the signature on the affidavit or form of registration of each voter of the precinct for the comparison of signatures under section 24.6 of this chapter.

(c) If the name of a person offering to vote at the primary is in the registration record or listed in the certified copy prepared for the precinct or the electronic poll list, it is sufficient evidence of the person's right to vote unless the person is challenged.

SECTION 27. IC 3-10-1-14.1, AS AMENDED BY P.L.194-2013, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 14.1. (a) All the candidates for each office who have qualified in the manner prescribed by IC 3-8 for placement on the primary election ballot shall be grouped together under the name of the office and printed in type with uniform capital letters, with uniform space between each name. At the head of each group, a statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be nominated) candidates for this office.".

~~(b) This subsection does not apply to a candidate for a political party office. A candidate's given name and surname as set forth in the candidate's voter registration record shall be printed in full.~~

~~(c)~~ **(b)** In addition to the candidate's given name and surname, the candidate may use:

(1) initials; or

(2) a nickname by which the candidate is commonly known;

if the candidate's choice of initials or nickname does not exceed twenty (20) characters. Any nickname used must appear in parentheses between the candidate's given name and the candidate's surname.

~~(d)~~ **(c)** A candidate may not use a designation such as a title or degree or a nickname that implies a title or degree.

~~(e)~~ **(d)** A candidate's name must be printed on the ballot exactly as the name appears on the candidate's certificate of nomination, petition of nomination, or declaration of candidacy.

SECTION 28. IC 3-10-1-18, AS AMENDED BY P.L.221-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 18. (a) Except as provided by subsection (b), the names of all candidates for each office who have qualified under IC 3-8 shall be arranged in alphabetical order by surnames under the designation of the office.

(b) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). The names of all candidates for each office who have qualified under IC 3-8, except for a school board office, precinct committeeman, or state convention delegate, shall be arranged in random order by surnames under the designation of the office. The random order shall be determined using a lottery. The lottery held in accordance with this subsection shall be conducted in public by the county election board. The lottery shall be held not later than fifteen (15) days following the last day for a declaration of candidacy under IC 3-8-2-4. All candidates whose names are to be arranged by way of the lottery shall be notified at least five (5) days prior to the lottery of the time and place at which the lottery is to be held. Each candidate may have one (1) designated watcher, and each county political party may have one (1) designated watcher who shall be allowed to observe the lottery procedure.

(c) For paper ballots, the left margin of the ballot for each political party must show the name of the uppermost candidate printed to the right of the number 1, the next candidate number 2, the next candidate number 3, and so on, consecutively to the end of the ballot as prescribed in section 19 of this chapter. ~~The same order shall be followed for the printing of ballot labels and their placement on~~ **If ordered by a county election board or a board of elections and registration under IC 3-11-15-13.1(b), a ballot number or other candidate designation uniquely associated with the candidate must be displayed on** the electronic voting system and ~~for the printing of~~ **printed on the** ballot cards.

(d) This subsection applies to a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000). If there is insufficient room on a row to list each candidate of a political party, a second or subsequent row may be utilized. However, a second or subsequent row may not be utilized unless the first row, and all preceding rows, have been filled.

SECTION 29. IC 3-10-1-24, AS AMENDED BY SEA 185-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 24. (a) A voter who desires to vote must give the voter's name and political party

to the poll clerks of the precinct on primary election day. In a vote center county using an electronic poll ~~list,~~ **book,** two (2) election officers who are not members of the same political party must be present when a voter signs in on the electronic poll ~~list.~~ **book.** The poll clerks shall require the voter to write the following on the poll list or to provide the following information for entry into the electronic poll ~~list.~~ **book:**

(1) The voter's name.

(2) Except as provided in subsection (d), the voter's current residence address.

(3) The name of the voter's party.

(b) The poll clerks shall:

(1) ask the voter to provide or update the voter's voter identification number;

(2) tell the voter the number the voter may use as a voter identification number; and

(3) explain to the voter that the voter is not required to provide a voter identification number at the polls.

(c) If the voter is unable to sign the voter's name, the voter must sign the poll list by mark, which must be witnessed by one (1) of the poll clerks or assistant poll clerks acting under IC 3-6-6, who shall place the poll clerk's or assistant poll clerk's initials after or under the mark.

(d) The ~~electronic~~ poll list (or each line on a poll list sheet provided to take a voter's current residence address) must include a box under the heading "Address Unchanged" so that the voter may check the box instead of writing the voter's current address on the poll list, or if an electronic poll ~~list~~ **book** is used, the poll clerk may check the box after stating to the voter the address shown on the electronic poll ~~list~~ **book** and receiving an oral affirmation from the voter that the voter's residence address shown on the poll list is the voter's current residence address instead of writing the voter's current residence address on the poll list or reentering the address in the electronic poll ~~list.~~ **book.**

(e) If the voter makes:

(1) a written affirmation on the poll list **(or if an electronic poll book is used, a written affirmation in the manner described in IC 3-7-39-7)** that the voter resides at an address within the precinct but not at the address shown on the poll list for the precinct; or

(2) an oral affirmation of a change of address under IC 3-7-39-7;

the county election board shall direct the county voter registration office to transfer the individual's voter registration record to the address within the precinct indicated by the voter.

SECTION 30. IC 3-11-3-11, AS AMENDED BY SEA 24-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 11. (a) Except as provided in subsection (b), the county election board shall deliver the following to each inspector or the inspector's representative:

(1) The supplies provided for the inspector's precinct by the election division.

(2) The ~~local~~ sample ballots, the ballot labels, if any, and all poll lists, registration lists, and other supplies considered necessary to conduct the election in the inspector's precinct.

(3) The ~~local~~ ballots printed under the direction of the county election board as follows:

(A) In those precincts where ballot card voting systems are to be used, the number of ballots at least equal to one hundred percent (100%) of the number of voters in the inspector's precinct, according to the poll list.

(B) In those precincts where electronic voting systems are to be used, the number of ballots that will be required to be printed and furnished to the precincts for emergency purposes only.

(C) Provisional ballots in the number considered necessary by the county election board.

(4) Twenty (20) ink pens suitable for printing the names of write-in candidates on the ballot or ballot envelope.

(5) Copies of the voter's bill of rights for posting as required by 42 U.S.C. 15482.

(6) Copies of the instructions for a provisional voter required by 42 U.S.C. 15482. The county election board shall provide at least the number of copies of the instructions as the number of provisional ballots provided under subdivision (3).

(7) Copies of the notice for posting as required by IC 3-7-29-1(f).

(8) The blank voter registration applications required to be provided under IC 3-7-48-7(b).

(b) This subsection applies to a county that:

(1) has adopted an order under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1.

The county election board shall deliver and install the hardware, firmware, and software necessary to use an electronic poll ~~list~~ **book** in each precinct or vote center.

SECTION 31. IC 3-11-3-29.4, AS ADDED BY P.L.194-2013, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 29.4. (a) This section applies to a candidate who has filed with a circuit court clerk or board of elections and registration as a candidate for:

(1) nomination in a primary election or municipal primary election; **or**

(2) election to a political party office in a primary election.

(b) If the county election board determines by unanimous vote of the entire membership that there is good cause to believe that a candidate has died, the board shall not print the name of the candidate on the primary ballot.

(c) However, if the county election board has already printed ballots containing the name of the deceased candidate, the county may provide those ballots to voters and shall not reprint the ballot to remove the name of the deceased candidate.

(d) A voter who has cast a ballot containing the name of a deceased candidate is entitled to request a replacement absentee ballot under IC 3-11-10-1.5.

(e) Any vote cast for a deceased candidate in the primary election is void.

SECTION 32. IC 3-11-7-15, AS AMENDED BY P.L.221-2005, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 15. (a) A vendor may apply for approval of a proposed improvement or change to a ballot card voting system that is currently certified by the commission. A proposed improvement or change may not be marketed, sold, leased, installed, or implemented in Indiana before the application for the improvement or change is approved by the commission.

(b) An application for approval of an improvement or change must be in the form prescribed by the commission.

(c) The vendor applying for approval of an improvement or a change must have the improvement or change to the voting system tested by an independent laboratory accredited under 42 U.S.C. 15371. The vendor shall pay any testing expenses incurred under this subsection.

(d) The election division (or the person designated under IC 3-11-16) shall review the proposed improvement or change to the voting system and **the results of the testing by the independent laboratory under subsection (c) and** report the results of the review to the commission. The review must indicate **whether the proposed improvement or change:**

(1) ~~whether the proposed improvement or change~~ has been approved by an independent laboratory accredited under 42 U.S.C. 15371; ~~and~~

(2) ~~whether the proposed improvement or~~ **is a de minimis** change **or a modification;**

(3) if the proposed improvement or change is a modification, whether the modification may be installed

and implemented without any significant likelihood that the voting system would be configured or perform its functions in violation of HAVA or this title; and

(4) would comply with HAVA and the standards set forth in this chapter and IC 3-11-15.

(e) After the commission has approved the application for an improvement or change **(including a de minimis change)** to a ballot card voting system, the improvement or change may be marketed, sold, leased, installed, or implemented in Indiana.

(f) An approval of an application under this section expires on the date specified under section 19(a) of this chapter.

SECTION 33. IC 3-11-7.5-5, AS AMENDED BY P.L.221-2005, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 5. (a) A vendor may apply for approval of a proposed improvement or change to an electronic voting system that is currently certified by the commission. A proposed improvement or change may not be marketed, sold, leased, installed, or implemented in Indiana before the application for the improvement or change is approved by the commission.

(b) An application for approval of an improvement or a change must be in the form prescribed by the commission.

(c) The vendor applying for approval of an improvement or a change must have the improvement or change to the voting system tested by an independent laboratory accredited under 42 U.S.C. 15371. The vendor shall pay any testing expenses incurred under this subsection.

(d) The election division (or the person designated under IC 3-11-16) shall review the improvement or change to the voting system and **the results of the testing by the independent laboratory under subsection (c) and** report the results of the review to the commission. The review must indicate **whether the proposed improvement or change:**

(1) ~~whether the proposed improvement or change~~ has been approved by an independent laboratory accredited under 42 U.S.C. 15371; ~~and~~

(2) ~~whether the proposed improvement or~~ **is a de minimis** change **or a modification;**

(3) if the proposed improvement or change is a modification, whether the modification may be installed and implemented without any significant likelihood that the voting system would be configured or perform its functions in violation of HAVA or this title; and

(4) would comply with HAVA and the standards set forth in this chapter and IC 3-11-15.

(e) After the commission has examined and approved the application for an improvement or change to an electronic voting system **(including a de minimis change),** the improvement or change may be marketed, sold, leased, installed, or implemented in Indiana.

(f) An approval of an application under this section expires on the date specified by section 28(a) of this chapter.

SECTION 34. IC 3-11-7.5-7, AS AMENDED BY P.L.221-2005, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 7. The commission may not approve the marketing, sale, lease, installation, or implementation of an electronic voting system unless the system meets the specifications in sections 8 through ~~19~~ **18** of this chapter and in IC 3-11-15.

SECTION 35. IC 3-11-7.5-19 IS REPEALED [EFFECTIVE APRIL 1, 2014]. ~~Sec. 19. An electronic voting system must have the frame in which the ballot label is placed constructed with a transparent protective sheet in order that the names cannot be mutilated or altered.~~

SECTION 36. IC 3-11-8-10.3, AS AMENDED BY SEA 385-2014, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 10.3. (a) A reference to an electronic poll list in a vote center plan adopted under IC 3-11-18.1 before July 1, 2014, is considered to be a reference to an electronic poll book (as defined by IC 3-5-2-20.5), unless otherwise expressly provided in the vote center plan.

(b) An electronic poll book must satisfy all of the following:

(1) An electronic poll book must be programmed so that the coordinated action of two (2) election officers who are not members of the same political party is necessary to access the electronic poll book.

(2) An electronic poll book may not be connected to a voting system. However, the electronic poll book may be used in conjunction with a voting system if both the following apply:

(A) The electronic poll book contains a device that must be physically removed from the electronic poll book by a person and the device is inserted into the voting system, with no hardware or software connection existing between the electronic poll book and the voting system.

(B) All ballot related data on the device is erased when the device is removed from the voting system and before the device is reinserted into an electronic poll book.

(3) An electronic poll book may not permit access to voter information other than:

(A) information provided on the certified list of voters prepared under IC 3-7-29-1; or

(B) information concerning any of the following received or issued after the electronic poll ~~book~~ **list** has been downloaded by the county election board under IC 3-7-29-6:

(i) The county's receipt of an absentee ballot from the voter.

(ii) The county's receipt of additional documentation provided by the voter to the county voter registration office.

(iii) The county's issuance of a certificate of error.

(4) The information contained on an electronic poll book must be ~~encrypted~~ **secure** and placed on a dedicated, private server to secure connectivity between a precinct polling place or satellite absentee office and the county election board. The electronic poll book must have the capability of:

(A) storing (in external or internal memory) a local version of the electronic poll ~~book;~~ **list;** and

(B) producing a list of audit records that reflect all of the idiosyncrasies of the system, including in-process audit records that set forth all transactions.

(5) The electronic poll book must permit a poll clerk to enter information regarding an individual who has appeared to vote to verify whether the individual is eligible to vote, and if so, whether the voter has:

(A) already cast a ballot at the election;

(B) returned an absentee ballot; or

(C) submitted any additional documentation required under IC 3-7-33-4.5.

(6) After the voter has been provided with a ballot, the electronic poll book must permit a poll clerk to enter information indicating that the voter has voted at the election.

(7) The electronic poll book must transmit the information in subdivision (6) to the county election board so that the board may transmit the information immediately to every other polling place or satellite absentee office in the county.

(8) The electronic poll book must permit reports to be:

(A) generated by a county election board for a watcher appointed under IC 3-6-8 at any time during election day; and

(B) electronically transmitted by the county election board to a political party or independent candidate who has appointed a watcher under IC 3-6-8.

(9) On each day after absentee ballots are cast before an absentee voter board in the circuit court clerk's office, a satellite office, or a vote center, and after election day, the electronic poll book must permit voter history to be quickly and accurately uploaded into the computerized list.

(10) The electronic poll book must be able to display an electronic image of the signature of a voter taken from the voter's registration application, if available.

(11) The electronic poll book must be used with a signature pad, tablet, or other signature capturing device that permits the voter to make an electronic signature for comparison with the signature displayed under subdivision (10). An image of the electronic signature made by the voter on the signature pad, tablet, or other signature capturing device must be retained and identified as the signature of the voter for the period required for retention under IC 3-10-1-31.1.

(12) The electronic poll book must include a bar code reader or tablet that:

(A) permits a voter who presents an Indiana driver's license or a state identification card issued under IC 9-24-16 to scan the license or card through the bar code reader or tablet; and

(B) has the capability to display the voter's registration record upon processing the information contained within the bar code on the license or card.

(13) A printer separate from the electronic poll book used in a vote center county may be programmed to print on the back of a ballot card, immediately before the ballot card is delivered to the voter, the printed initials of the poll clerks captured through the electronic signature pad or tablet at the time the poll clerks log into the electronic poll book system.

(14) The electronic poll book must be compatible with:

(A) any hardware attached to the electronic poll book, such as signature pads, bar code scanners, and network cards;

(B) the statewide voter registration system; and

(C) any software system used to prepare voter information to be included on the electronic poll book.

(15) The electronic poll book must have the ability to be used in conformity with this title for:

(A) any type of election conducted in Indiana; or

(B) any combination of elections held concurrently with a general election, municipal election, primary election, or special election.

(16) The procedures for setting up, using, and shutting down an electronic poll book must:

(A) be reasonably easy for a precinct election officer to learn, understand, and perform; and

(B) not require a significant amount of training in addition to the training required by IC 3-6-6-40.

(17) The electronic poll book must enable a precinct election officer to verify that the electronic poll book:

(A) has been set up correctly;

(B) is working correctly so as to verify the eligibility of the voter;

(C) is correctly recording that a voter has voted; and

(D) has been shut down correctly.

(18) The electronic poll book must include the following documentation:

(A) Plainly worded, complete, and detailed instructions sufficient for a precinct election officer to set up, use, and shut down the electronic poll book.

(B) Training materials that:

(i) may be in written or video form; and

(ii) must be in a format suitable for use at a polling place, such as simple "how to" guides.

(C) Failsafe data recovery procedures for information included in the electronic poll book.

(D) Usability tests:

(i) that are conducted by the manufacturer of the electronic poll list book using individuals who are representative of the general public;

(ii) that include the setting up, using, and shutting down of the electronic poll book; and

(iii) that report their results using the ANSI/INCITS -354 Common Industry Format (CIF) for Usability Test Reports approved by the American National Standards Institute (ANSI) on December 12, 2001.

(E) A clear model of the electronic poll book system architecture and the following documentation:

(i) End user documentation.

(ii) System-level documentation.

(iii) Developer documentation.

(F) Detailed information concerning:

(i) electronic poll book consumables; and

(ii) the vendor's supply chain for those consumables.

(G) Vendor internal quality assurance procedures and any internal or external test data and reports available to the vendor concerning the electronic poll book.

(H) Repair and maintenance policies for the electronic poll book.

(I) As of the date of the vendor's application for approval of the electronic poll book by the secretary of state as required by IC 3-11-18.1-12, the following:

(i) A list of customers who are using or have previously used the vendor's electronic poll book.

(ii) A description of any known anomalies involving the functioning of the electronic poll book, including how those anomalies were resolved.

(19) The electronic poll book and any hardware attached to the electronic poll book must be designed to prevent injury or damage to any individual or the hardware, including fire and electrical hazards.

(20) The electronic poll book must demonstrate that it correctly processes all activity regarding each voter registration record, ~~included on the electronic poll book,~~ including the use, alteration, storage, and transmittal of information that is part of the record. Compliance with this subdivision requires the mapping of the data life cycle of the voter registration record as processed by the electronic poll book.

(21) The electronic poll book must successfully perform in accordance with all representations concerning functionality, usability, security, accessibility, and sustainability made in the vendor's application for approval of the electronic poll book by the secretary of state as required by IC 3-11-18.1-12.

(22) The electronic poll book must have the capacity to transmit all information generated by the voter or poll clerk as part of the process of casting a ballot, including the time and date stamp indicating when the voter signed the electronic poll book, and the electronic signature of the voter, for retention on the dedicated private server maintained by the county election board for the period required by Indiana and federal law.

(23) The electronic poll book must:

(A) permit a voter to sign the electronic poll book even when there is a temporary interruption in connectivity to the Internet; and

(B) provide for the uploading of each signature and its assignment to the voter's registration record.

SECTION 37. IC 3-11-8-25.1, AS AMENDED BY SEA 385-2014, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 25.1. (a) Except as provided in subsection (e), a voter who desires to vote an official ballot at an election shall provide proof of identification.

(b) Except as provided in subsection (e), before the voter proceeds to vote in the election, a precinct election officer shall ask the voter to provide proof of identification. One (1) of each of the precinct election officers nominated by each county chairman of a major political party of the county under IC 3-6-6-8 or IC 3-6-6-9 is entitled to ask the voter to provide proof of identification. The voter shall produce the proof of identification to each precinct officer requesting the proof of identification before being permitted to sign the poll list.

(c) If:

(1) the voter is unable or declines to present the proof of identification; or

(2) a member of the precinct election board determines that the proof of identification provided by the voter does not qualify as proof of identification under IC 3-5-2-40.5;

a member of the precinct election board shall challenge the voter as prescribed by this chapter.

(d) If the voter executes a challenged voter's affidavit under section 22.1 of this chapter, the voter may:

(1) sign the poll list; and

(2) receive a provisional ballot.

(e) A voter who votes in person at a precinct polling place that is located at a state licensed care facility where the voter resides is not required to provide proof of identification before voting in an election.

(f) After a voter has passed the challengers or has been sworn in, the voter shall be instructed by a member of the precinct election board to proceed to the location where the poll clerks are stationed. In a vote center county using an electronic poll list, two (2) election officers who are not members of the same political party must be present when a voter signs in on the electronic poll list. The voter shall announce the voter's name to the poll clerks or assistant poll clerks. A poll clerk, an assistant poll clerk, or a member of the precinct election board shall require the voter to write the following on the poll list or to provide the following information for entry into the electronic poll list:

(1) The voter's name.

(2) Except as provided in subsection (k), the voter's current residence address.

(g) The poll clerk, an assistant poll clerk, or a member of the precinct election board shall:

(1) ask the voter to provide or update the voter's voter identification number;

(2) tell the voter the number the voter may use as a voter identification number; and

(3) explain to the voter that the voter is not required to provide or update a voter identification number at the polls.

(h) The poll clerk, an assistant poll clerk, or a member of the precinct election board shall ask the voter to provide proof of identification.

(i) In case of doubt concerning a voter's identity, the precinct election board shall compare the voter's signature with the signature on the affidavit of registration or any certified copy of the signature provided under IC 3-7-29 or enter the information into the electronic poll ~~list.~~ **book.** If the board determines that the voter's signature is authentic, the voter may then vote. If either poll clerk doubts the voter's identity following comparison of the signatures, the poll clerk shall challenge the voter in the manner prescribed by section 21 of this chapter.

(j) If, in a precinct governed by subsection (g):

(1) the poll clerk does not execute a challenger's affidavit; or

(2) the voter executes a challenged voter's affidavit under section 22.1 of this chapter or executed the affidavit before signing the poll list;

the voter may then vote.

(k) The electronic poll book (or each line on a poll list sheet provided to take a voter's current address) must include a box under the heading "Address Unchanged" so that the voter may check the box instead of writing the voter's current address on the poll list, or if an electronic poll book is used, the poll clerk may check the box after stating to the voter the address shown on the electronic poll book and receiving an oral affirmation from the voter that the voter's residence address shown on the poll list is the voter's current residence address instead of writing the voter's current residence address on the poll list or reentering the address in the electronic poll book.

(l) If the voter indicates that the voter's current residence is located within another county in Indiana, the voter is considered to have directed the county voter registration office of the county where the precinct is located to cancel the voter registration record within the county. The precinct election board shall provide the voter with a voter registration application for the voter to complete and file with the county voter registration office of the county where the voter's current residence address is located.

(m) If the voter indicates that the voter's current residence is located outside Indiana, the voter is considered to have directed the county voter registration office of the county where the precinct is located to cancel the voter registration record within the county.

SECTION 38. IC 3-11-8-26.1, AS AMENDED BY P.L.271-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 26.1. (a) If a voter:

(1) cannot sign; or

(2) is a voter with a disability that makes it difficult for the voter to sign;

the voter's name and address, the poll clerks shall, by proper interrogation, satisfy themselves that the voter is the person the voter represents the voter to be.

(b) If satisfied as to the voter's identity under subsection (a), one (1) of the poll clerks shall then place the following on the poll list or enter the information into the electronic poll ~~list.~~ **book:**

(1) The voter's name.

(2) Except as provided in subsection (e), the voter's current residence address.

(c) The poll clerks shall:

(1) ask the voter to provide or update the voter's voter identification number;

(2) tell the voter the number the voter may use as a voter identification number; and

(3) explain to the voter that the voter is not required to provide or update a voter identification number at the polls.

(d) The poll clerk shall then add the clerk's initials in parentheses, after or under the signature. The voter then may vote.

(e) The ~~electronic~~ poll list (or each line on a poll list sheet provided to take a voter's current residence address) must include a box under the heading "Address Unchanged" so that the voter may check the box instead of writing the voter's current address on the poll list, or if an electronic poll ~~list~~ **book** is used, the poll clerk may check the box after stating to the voter the address shown on the electronic poll list and receiving an oral affirmation from the voter that the voter's residence address shown on the poll list is the voter's current residence address instead of writing the voter's current residence address on the poll list or reentering the address in the electronic poll ~~list.~~ **book.**

SECTION 39. IC 3-11-13-28, AS AMENDED BY HEA 1096-2014, SECTION 5, AND AS AMENDED BY SEA 185-2014, SECTION 7, IS REPEALED [EFFECTIVE APRIL 1, 2014]. ~~Sec. 28. (a) This section does not apply to a ballot card voted by absentee ballot.~~

~~(b) Except as provided in subsection (c), the two (2) poll clerks of each precinct shall place their initials in ink on the back of each ballot card.~~

~~(1) at the time the card is issued to a voter; or~~

~~(2) in the case of a ballot marked by a marking device for an optical scan ballot, before the ballot is placed into the tabulating device.~~

~~The initials must be in the poll clerks' ordinary handwriting or printing and without a distinguishing mark of any kind.~~

~~(c) In a vote center county using an electronic poll list and a printer separate from the electronic poll list, the printed initials of the poll clerks captured through the electronic signature pad or tablet at the time the poll clerks log into the electronic poll book system may be printed by a printer separate from the electronic poll list on the back of each ballot card immediately before the ballot card is delivered to the voter.~~

~~(d) Except as provided in IC 3-12-1-12, a ballot card is not valid unless, immediately before the ballot card is delivered to the voter:~~

~~(1) the ballot card is initialed by both poll clerks; or~~

~~(2) the initials of both poll clerks are printed on the back of the ballot card in accordance with subsection (c).~~

SECTION 40. IC 3-11-13-28.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: **Sec. 28.1. (a) This section does not apply:**

(1) to a ballot card voted by absentee ballot; or

(2) in a vote center county using an electronic poll book and a printer separate from the electronic poll book.

(b) Except as provided in subsection (c), the two (2) poll clerks of each precinct shall place their initials in ink on the back of each ballot card:

(1) at the time the card is issued to a voter; or

(2) in the case of a ballot marked by a marking device for an optical scan ballot, before the ballot is placed into the tabulating device.

The initials must be in the poll clerks' ordinary handwriting or printing and without a distinguishing mark of any kind.

(c) In a vote center county using an electronic poll list and a printer separate from the electronic poll list, the printed initials of the poll clerks captured through the electronic signature pad or tablet at the time the poll clerks log into the electronic poll book system may be printed by a printer separate from the electronic poll list on the back of each ballot card immediately before the ballot card is delivered to the voter.

(d) Except as provided in IC 3-12-1-12, a ballot card is not valid unless, immediately before the ballot card is delivered to the voter:

(1) the ballot card is initialed by both poll clerks; or

(2) the initials of both poll clerks are printed on the back of the ballot card in accordance with subsection (c).

SECTION 41. IC 3-11-13-28.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: **Sec. 28.2. (a) This section:**

(1) does not apply to a ballot card voted by absentee ballot; and

(2) applies in a vote center county using an electronic poll book and a printer separate from the electronic poll book.

(b) The printed initials of the poll clerks captured through the electronic signature pad or tablet at the time the poll clerks log onto the electronic poll book system may be printed by a printer separate from the electronic poll book on the back of each ballot card immediately before the ballot card is delivered to the voter.

(c) Except as provided in IC 3-12-1-12, a ballot card is not valid unless immediately before the ballot card is delivered to the voter:

(1) the ballot card is initialed by both poll clerks; and

(2) the initials of both poll clerks are printed on the back of the ballot in accordance with subsection (b).

SECTION 42. IC 3-11-13-31.7, AS AMENDED BY P.L.221-2005, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 31.7. (a) This section is enacted to comply with 42 U.S.C. 15481 by establishing uniform and nondiscriminatory standards to define what constitutes a vote on an optical scan voting system.

(b) After receiving ballot cards, a voter shall, without leaving the room, go alone into one (1) of the booths or compartments that is unoccupied and indicate:

(1) the candidates for whom the voter desires to vote by marking the connectable arrows, circles, ovals, or squares immediately beside:

(A) the candidates' names; or

(B) the numbers referring to the candidates; and

(2) the voter's preference on each public question by marking the connectable arrow, oval, or square beside:

(A) the word "yes" or "no" under the question; or

(B) the number referring to the word "yes" or "no" on the ballot.

(c) If an election is a general or municipal election and a voter desires to vote for all the candidates of one (1) political party or independent ticket (described in IC 3-11-2-6), the voter may mark:

(1) the circle enclosing the device; or

(2) the connectable arrow, circle, oval, or square described in section 11 of this chapter;

that designates the candidates of that political party or independent ticket (described in IC 3-11-2-6). The voter's vote shall then be counted for all the candidates of that political party or included in the independent ticket (described in IC 3-11-2-6). However, if the voter marks the circle, arrow, oval, or square of an independent ticket (described in IC 3-11-2-6), the vote shall not be counted for any other independent candidate on the ballot.

(d) This subsection applies to a voter casting a ballot on a voting system that includes features of both an optical scan ballot card voting system and a direct record electronic voting system. After entering into a booth used with the voting system, the voter shall indicate the candidates for whom the voter desires to vote and the voter's preference on each public question by:

(1) inserting a paper ballot or an optical scan ballot into the voting system; or

(2) using headphones to listen to a recorded list of political parties, candidates, and public questions.

(e) A voter using a voting system described in subsection (d) may indicate the voter's selections by:

(1) touching a device on or in the squares immediately adjacent to the name of a political party, candidate, or response to a public question; or

(2) indicating the voter's choices by using a sip puff device that enables the voter to indicate a choice by inhaling or exhaling.

SECTION 43. IC 3-11-14-3.5, AS AMENDED BY P.L.194-2013, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. (a) Each county election board shall have the names of all candidates for all elected offices, political party offices, and public questions printed on ballot labels for use in an electronic voting system as provided in this chapter.

(b) The county may:

(1) print all offices and public questions on a single ballot label; and

(2) include a ballot variation code to ensure that the proper version of a ballot label is used within a precinct.

(c) Each type of ballot label ~~or paster~~ must be of uniform size and of the same quality and color of paper (except as permitted under IC 3-10-1-17).

(d) The nominees of a political party or an independent

candidate or independent ticket (described in IC 3-11-2-6) nominated by petitioners must be listed on the ballot label with the name and device set forth on the certification or petition. The circle containing the device may be of any size that permits a voter to readily identify the device. IC 3-11-2-5 applies if the certification or petition does not include a name or device, or if the same device is selected by two (2) or more parties or petitioners.

(e) The ballot labels must list the offices and public questions on the general election ballot in the order listed in IC 3-11-2-12, IC 3-11-2-12.2, IC 3-11-2-12.5, IC 3-11-2-12.7(b), IC 3-11-2-12.9(a), IC 3-11-2-13(a) through IC 3-11-2-13(c), IC 3-11-2-14(a), and IC 3-11-2-14(d). Each office and public question may have a separate screen, or the offices and public questions may be listed in a continuous column either vertically or horizontally.

(f) The name of each office must be printed in a uniform size in bold type. A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate:

(1) "Vote for one (1) only.", if only one (1) candidate is to be elected to the office.

(2) "Vote for not more than (insert the number of candidates to be elected) candidate(s) for this office.", if more than one (1) candidate is to be elected to the office.

(g) Below the name of the office and the statement required by subsection (f), the names of the candidates for each office must be grouped together in the following order:

(1) The major political party whose candidate received the highest number of votes in the county for secretary of state at the last election is listed first.

(2) The major political party whose candidate received the second highest number of votes in the county for secretary of state is listed second.

(3) All other political parties listed in the order that the parties' candidates for secretary of state finished in the last election are listed after the party listed in subdivision (2).

(4) If a political party did not have a candidate for secretary of state in the last election or a nominee is an independent candidate or independent ticket (described in IC 3-11-2-6), the party or candidate is listed after the parties described in subdivisions (1), (2), and (3).

(5) If more than one (1) political party or independent candidate or ticket described in subdivision (4) qualifies to be on the ballot, the parties, candidates, or tickets are listed in the order in which the party filed its petition of nomination under IC 3-8-6-12.

(6) A space for write-in voting is placed after the candidates listed in subdivisions (1) through (5), if required by law. A space for write-in voting for an office is not required if there are no declared write-in candidates for that office. However, procedures must be implemented to permit write-in voting for candidates for federal offices.

(7) The name of a write-in candidate may not be listed on the ballot.

(h) The names of the candidates grouped in the order established by subsection (g) must be printed in type with uniform capital letters and have a uniform space between each name. The name of the candidate's political party, or the word "Independent", if the:

(1) candidate; or

(2) ticket of candidates for:

(A) President and Vice President of the United States; or

(B) governor and lieutenant governor;

is independent, must be placed immediately below or beside the name of the candidate and must be printed in uniform size and type.

(i) All the candidates of the same political party for election to at-large seats on the fiscal or legislative body of a political subdivision must be grouped together:

(1) under the name of the office that the candidates are seeking;

(2) in the party order established by subsection (g); and

(3) within the political party, in alphabetical order according to surname.

A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) of ANY party for this office.".

(j) Candidates for election to at-large seats on the governing body of a school corporation must be grouped:

(1) under the name of the office that the candidates are seeking; and

(2) in alphabetical order according to surname.

A statement reading substantially as follows must be placed immediately below the name of the office and above the name of the first candidate: "Vote for not more than (insert the number of candidates to be elected) candidate(s) for this office.".

(k) The cautionary statement described in IC 3-11-2-7 must be placed at the top or beginning of the ballot label before the first public question is listed.

(l) The instructions described in IC 3-11-2-8, IC 3-11-2-10(d), and IC 3-11-2-10(e) may be:

(1) placed on the ballot label; or

(2) posted in a location within the voting booth that permits the voter to easily read the instructions.

(m) The ballot label must include a touch sensitive point or button for voting a straight political party or independent ticket (described in IC 3-11-2-6) by one (1) touch, and the touch sensitive point or button must be identified by:

(1) the name of the political party or independent ticket; and

(2) immediately below or beside the political party's or independent ticket's name, the device of that party or ticket (described in IC 3-11-2-5).

The name and device of each party or ticket must be of uniform size and type, and arranged in the order established by subsection (g) for listing candidates under each office. The instructions described in IC 3-11-2-10(c) for voting a straight party ticket and the statement concerning presidential electors required under IC 3-10-4-3 may be placed on the ballot label or in a location within the voting booth that permits the voter to easily read the instructions.

(n) A public question must be in the form described in IC 3-11-2-15(a) and IC 3-11-2-15(b), except that a touch sensitive point or button must be used instead of a square. Except as expressly authorized or required by statute, a county election board may not print a ballot label that contains language concerning the public question other than the language authorized by a statute.

(o) The requirements in this section:

(1) do not replace; and

(2) are in addition to;

any other requirements in this title that apply to ballots for electronic voting systems.

(p) The procedure described in IC 3-11-2-16 must be used when a ballot label does not comply with the requirements imposed by this title or contains another error or omission that might result in confusion or mistakes by voters.

SECTION 44. IC 3-11-18.1-4, AS AMENDED BY SEA 385-2014, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 4. The plan required by section 3 of this chapter must include at least the following:

(1) The total number of vote centers to be established.

(2) The location of each vote center.

(3) The effective date of the order.

(4) The following information according to the

computerized list (as defined in IC 3-7-26.3-2) as of the date of the order:

(A) The total number of voters within the county.

(B) The number of active voters within the county.

(C) The number of inactive voters within the county.

(5) For each vote center designated under subdivision (2), a list of the precincts whose polls will be located at the vote center consistent with section 13 of this chapter for an election that is not being held in each precinct of the county.

(6) For each vote center designated under subdivision (2), the number of precinct election boards that will be appointed to administer an election at the vote center.

(7) For each precinct election board designated under subdivision (6), the number and name of each precinct the precinct election board will administer consistent with section 13 of this chapter for an election that is not being held in each precinct of the county.

(8) For each vote center designated under subdivision (2), the number and title of the precinct election officers who will be appointed to serve at the vote center.

(9) For each vote center designated under subdivision (2):

(A) the number and type of ballot variations that will be provided at the vote center; and

(B) whether these ballots will be:

(i) delivered to the vote center before the opening of the polls; or

(ii) printed on demand for a voter's use.

(10) A detailed description of any hardware, firmware, or software used:

(A) to create an electronic poll list for each precinct whose polls are to be located at a vote center; or

(B) to ~~establish~~ **manage data in an electronic poll book through** a secure electronic connection between the county election board and the precinct election officials administering a vote center.

(11) A description of the equipment and procedures to be used to ensure that information concerning a voter entered into any electronic poll book used by precinct election officers at a vote center is immediately accessible to:

(A) the county election board; and

(B) the electronic poll books used by precinct election officers at all other vote centers in the county.

(12) For each precinct designated under subdivision (5), the number of electronic poll books to be provided for the precinct.

(13) This subdivision applies to a county in which ballot cards are used at a vote center. For each vote center designated under subdivision (2), whether each ballot card printed will have the printed initials of the poll clerks captured through the electronic signature pad or tablet at the time the poll clerks log into the electronic poll book system printed on the back of the ballot card immediately before the ballot card is delivered to a voter.

(14) The security and contingency plans to be implemented by the county to do all of the following:

(A) Prevent a disruption of the vote center process.

(B) Ensure that the election is properly conducted if a disruption occurs.

(C) Prevent access to an electronic poll ~~list~~ **book** without the coordinated action of two (2) precinct election officers who are not members of the same political party.

(15) A certification that the vote center complies with the accessibility requirements applicable to polling places under IC 3-11-8.

(16) A sketch depicting the planned layout of the vote center, indicating the location of:

(A) equipment; and

(B) precinct election officers;

within the vote center.

(17) The total number and locations of satellite offices to be established under IC 3-11-10-26.3 at vote center locations designated under subdivision (2) to allow voters to cast absentee ballots in accordance with IC 3-11. However, a plan must provide for at least one (1) vote center to be established as a satellite office under IC 3-11-10-26.3 on the two (2) Saturdays immediately preceding an election day.

(18) The method and timing of providing voter data to persons who are entitled to receive the data under this title. Data shall be provided to all persons entitled to the data without unreasonable delay.

(19) That the county election board shall adopt a resolution under IC 3-11.5-5-1 or IC 3-11.5-6-1 to make the central counting of absentee ballots applicable to the county (if the board has not already done so).

(20) For a plan adopted after July 1, 2014, in a county in which a majority of votes are cast on optical scan ballot cards, any additional procedures to provide for efficient and secure voting at each vote center, including ballot on demand printing.

SECTION 45. IC 3-11.5-4-1, AS AMENDED BY P.L.271-2013, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 1. Each circuit court clerk shall do the following:

(1) Keep a separate absentee ballot record for each precinct in the county.

(2) This subdivision applies to a county in which the county voter registration office prepares a certified list of all voters registered to vote in each precinct in the county under IC 3-7-29-1. Certify to each inspector or the inspector's representative, at the time that the ballots and supplies are delivered under IC 3-11-3, the names of the voters:

(A) to whom absentee ballots were sent or who marked ballots in person; and

(B) whose ballots have been received by the county election board under IC 3-11-10.

(3) This subdivision applies to a county that has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6 or is a voter center county under IC 3-11-18.1. Certify at the time the county voter registration office downloads information to an electronic poll ~~list~~ **book** under IC 3-7-29-6(c), the names of the voters:

(A) to whom absentee ballots were sent or who marked ballots in person; and

(B) whose ballots have been received by the county election board under IC 3-11-10.

SECTION 46. IC 3-11.5-4-8, AS AMENDED BY P.L.271-2013, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 8. (a) This section does not apply to a county that:

(1) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1;

if the electronic poll ~~list~~ **book** used at a polling place or vote center is immediately updated to indicate the county received, not later than noon on election day, an absentee ballot from a voter.

(b) Each county election board shall certify the names of voters:

(1) to whom absentee ballots were sent or who marked ballots in person; and

(2) whose ballots have been received by the board under this chapter;

after the certification under section 1 of this chapter and not later than noon on election day.

(c) The county election board shall have:

(1) the certificates described in subsection (b); and

(2) the circuit court clerk's certificates for voters who have registered and voted under IC 3-7-36-14;

delivered to the precinct election boards at their respective polls on election day by couriers appointed under section 22 of this chapter.

(d) The certificates shall be delivered not later than 3 p.m. on election day.

SECTION 47. IC 3-11.5-4-9, AS AMENDED BY P.L.271-2013, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 9. (a) This section does not apply to a county that:

(1) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1;

if the electronic poll ~~list~~ **book** used at a polling place or vote center is immediately updated to indicate that the county received, not later than noon on election day, an absentee ballot from a voter.

(b) Upon delivery of the certificates under section 8 of this chapter to a precinct election board, the inspector shall do the following in the presence of the poll clerks:

(1) Mark the poll list.

(2) Attach the certificates of voters who have registered and voted under IC 3-7-36-14 to the poll list.

The poll clerks shall sign the statement printed on the certificate indicating that the inspector marked the poll list and attached the certificates under this section in the presence of both poll clerks to indicate that the absentee ballot of the voter has been received by the county election board.

(c) The inspector shall then deposit:

(1) the certificate prepared under section 1 of this chapter;

(2) the certificate prepared under section 8 of this chapter; and

(3) any challenge affidavit executed by a qualified person under section ~~16~~ **15** of this chapter;

in an envelope in the presence of both poll clerks.

(d) The inspector shall seal the envelope. The inspector and each poll clerk shall then sign a statement printed on the envelope indicating that the inspector or poll clerk has complied with the requirements of this chapter governing the marking of the poll list and certificates.

(e) The couriers shall immediately return the envelope described in subsection (c) to the county election board. Upon delivering the envelope to the county election board, each courier shall sign a statement printed on the envelope indicating that the courier has not opened or tampered with the envelope since the envelope was delivered to the courier.

SECTION 48. IC 3-11.5-4-11, AS AMENDED BY P.L.258-2013, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 11. (a) Except as provided in subsection (b), at any time after the couriers return the certificate under section 9 of this chapter, absentee ballot counters appointed under section 22 of this chapter, in the presence of the county election board, shall, except for a ballot rejected under section 13 of this chapter:

(1) open the outer or carrier envelope containing an absentee ballot envelope and application;

(2) announce the absentee voter's name; and

(3) compare the signature upon the application with the signature upon the affidavit on the ballot envelope or transmitted affidavit.

(b) This subsection applies to a county that:

(1) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1.

Immediately after the electronic poll ~~lists~~ **books** used at each polling place or vote center have been updated to indicate that the county received, not later than noon on election day, an absentee ballot from a voter, the absentee ballot counters shall, in a central counting location designated by the county election board, count the absentee ballot votes cast for each candidate for each office and on each public question in the precinct.

SECTION 49. IC 3-11.5-4-16, AS AMENDED BY P.L.271-2013, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 16. (a) If an absentee ballot is challenged under section 15 of this chapter, the absentee voter's application for an absentee ballot shall be considered as the affidavit required to be made by a voter when challenged at the polls while voting in person.

(b) Except as provided in subsection (c), the challenge procedure under this section is the same as though the ballot was cast by the voter in person.

(c) An absentee voter is not required to provide proof of identification.

~~(d) This subsection does not apply to a county that:~~

~~(1) has adopted an order to use an electronic poll list under IC 3-7-29-6; or~~

~~(2) is a vote center county under IC 3-11-18.1.~~

~~If a proper affidavit by a qualified person in the form required by IC 3-11-8-22.1 is made that would entitle the absentee voter to vote if the absentee voter had personally appeared, the couriers shall return the affidavit to the county election board in the same envelope as the certificate returned under section 9 of this chapter.~~

~~(e)~~ **(d)** The absentee ballot cast by the challenged voter shall be counted if the county election board makes the findings required under ~~IC 3-11.7.~~ **IC 3-11.7-5.**

SECTION 50. IC 3-11.5-4-22, AS AMENDED BY P.L.271-2013, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 22. (a) Except as provided in subsection (b), each county election board shall appoint:

(1) absentee voter boards;

(2) teams of absentee ballot counters; and

(3) teams of couriers;

consisting of two (2) voters of the county, one (1) from each of the two (2) political parties that have appointed members on the county election board.

(b) Notwithstanding subsection (a), a county election board:

(1) may appoint, by a unanimous vote of the board's members, only one (1) absentee ballot courier if the person appointed is a voter of the county; and

(2) shall not appoint teams of couriers, if the county:

(A) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(B) is a vote center county under IC 3-11-18.1.

(c) An otherwise qualified person is eligible to serve on an absentee voter board or as an absentee ballot counter or a courier unless the person:

(1) is unable to read, write, and speak the English language;

(2) has any property bet or wagered on the result of the election;

(3) is a candidate to be voted for at the election except as an unopposed candidate for precinct committeeman or state convention delegate; or

(4) is the spouse, parent, father-in-law, mother-in-law, child, son-in-law, daughter-in-law, grandparent, grandchild, brother, sister, brother-in-law, sister-in-law, uncle, aunt, nephew, or niece of a candidate or declared write-in candidate to be voted for at the election except as an unopposed candidate. This subdivision disqualifies a person whose relationship to the candidate is the result of birth, marriage, or adoption.

(d) A person who is a candidate to be voted for at the election or who is related to a candidate in a manner that would result in disqualification under subsection (c) may, notwithstanding subsection (c), serve as a member of an absentee voter board if:

(1) the candidate is seeking nomination or election to an office in an election district that does not consist of the

entire county; and

(2) the county election board restricts the duties of the person as an absentee voter board member to performing functions that could have no influence on the casting or counting of absentee ballots within the election district.

SECTION 51. IC 3-11.5-4-24, AS AMENDED BY P.L.271-2013, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 24. (a) This section does not apply to a county that:

(1) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1.

(b) In addition to the preparations described in IC 3-11-11-2, IC 3-11-13-27, or IC 3-11-14-16, the inspector shall:

(1) mark the poll list; and

(2) attach the certificates of voters who have registered and voted under IC 3-7-36-14 to the poll list;

in the presence of the poll clerks to indicate the voters of the precinct whose absentee ballots have been received by the county election board according to the certificate supplied under section 1 of this chapter.

(c) The poll clerks shall sign the statement printed on the certificate supplied under section 1 of this chapter indicating that the inspector:

(1) marked the poll list; and

(2) attached the certificates described in subsection (b)(2); under this section in the presence of both poll clerks.

(d) The inspector shall retain custody of the certificate supplied under section 1 of this chapter until the certificate is returned under section 9 of this chapter.

SECTION 52. IC 3-11.5-5-3, AS AMENDED BY P.L.271-2013, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 3. (a) Except as provided in subsection (b), immediately after:

(1) the couriers have returned the certificate from a precinct under IC 3-11.5-4-9; and

(2) the absentee ballot counters or the county election board have made the findings required under IC 3-11-10 and IC 3-11.5-4 for the absentee ballots cast by voters of the precinct and deposited the accepted absentee ballots in the envelope required under IC 3-11.5-4-12;

the absentee ballot counters shall, in a central counting location designated by the county election board, count the absentee ballot votes for each candidate for each office and on each public question in the precinct.

(b) This section applies to a county that:

(1) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1.

Immediately after the electronic poll ~~lists~~ **books** used at each polling place or vote center have been updated to indicate that the county received, not later than noon on election day, an absentee ballot from a voter, the absentee ballot counters shall, in a central counting location designated by the county election board, count the absentee ballot votes cast for each candidate for each office and on each public question in the precinct.

SECTION 53. IC 3-11.5-6-3, AS AMENDED BY P.L.271-2013, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 3. (a) Except as provided in subsection (b), immediately after:

(1) the couriers have returned the certificate from a precinct under IC 3-11.5-4-9; and

(2) the absentee ballot counters or the county election board has made the findings required under IC 3-11-10 and IC 3-11.5-4 for the absentee ballots cast by voters of the precinct and deposited the accepted absentee ballots in the envelope required under IC 3-11.5-4-12;

the absentee ballot counters shall, in a central counting location designated by the county election board, count the absentee ballot votes for each candidate for each office and on each public question in the precinct with the assistance of any persons required for the operation of the automatic tabulating machine.

(b) This subsection applies to a county that:

(1) has adopted an order to use an electronic poll ~~list~~ **book** under IC 3-7-29-6; or

(2) is a vote center county under IC 3-11-18.1.

Immediately after the electronic poll ~~lists~~ **books** used at each polling place or vote center have been updated to indicate that the county received, not later than noon on election day, an absentee ballot from a voter, the absentee ballot counters shall, in a central counting location designated by the county election board, count the absentee ballot votes cast for each candidate for each office and on each public question in the precinct.

SECTION 54. IC 3-12-1-17, AS AMENDED BY SEA 385-2014, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) This section applies only to an absentee ballot sent by mail.

(b) Notwithstanding IC 3-11-10-14 and ~~IC 3-11.5-4-10,~~ **IC 3-11.5-4-7,** an absentee ballot received from an overseas voter is not considered as arriving too late if both of the following apply:

(1) The absentee ballot envelope is postmarked not later than the date of the election.

(2) The absentee ballot is received not later than noon ten (10) days following the election.

(c) If the postmark on the absentee ballot envelope is unclear, the county election board, by unanimous vote of the entire membership of the board, determines the postmark date. If the board is unable to determine the postmark date, the absentee ballot may not be counted.

SECTION 55. IC 3-12-3.5-8, AS ADDED BY SEA 385-2014, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 8. (a) After each electronic voting system has been secured and the paper vote total printouts obtained, the inspector shall announce the total number of votes cast on all electronic voting systems located within the polling place, including any absentee ballots cast, to determine if the total number of votes cast on the electronic voting systems ~~is greater than~~ **differs from** the number of voters shown to have received a ballot at the polls or returned an absentee ballot, according to the poll lists.

(b) If the number of ballots received at the polls and returned as absentee ballots ~~is greater than~~ **differs from** the total number of voters shown on the poll lists, the inspector and judge of the opposite party shall report this fact in writing to the county election board together with the reasons for the discrepancy, if known, at the time that the inspector and judge return the precinct poll list to the board.

(c) If:

(1) the total number of votes cast, as determined under subsection (a); ~~is greater than~~ **and**

(2) the number of voters who received a ballot at the polls or returned an absentee ballot according to the poll lists; ~~by~~ **differs by** five (5) ~~votes~~ or more, then the county election board shall order an audit of the votes cast in that precinct under this section.

(d) The county election board shall confirm that the votes cast in an election:

(1) for each candidate and each public question; and

(2) on a direct record electronic voting system in the precinct;

were correctly counted.

(e) The county election board shall conduct an audit by means of tests and procedures that are approved by the commission and independent of the provider of the direct record electronic voting system being audited.

(f) The county election board shall certify the results of the audit not later than noon twelve (12) days after the election. The certification must be on the form prescribed by the commission. One (1) copy shall be filed with the election returns, and one (1)

copy must be delivered to the election division.

(g) Public notice of the time and place of an audit shall be given at least forty-eight (48) hours before the audit. The notice shall be published once in accordance with IC 5-3-1-4. However, if publication in accordance with IC 5-3-1-4 will not allow the county election board to certify the results of the audit within twelve (12) days after the election, notice shall be given by posting at or near the office of the county election board.

SECTION 56. IC 3-12-4-12, AS AMENDED BY P.L.221-2005, SECTION 103, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2014]: Sec. 12. ~~Not later than noon on the second Monday~~ After the county election board certifies the election results under section 9 of this chapter, the circuit court clerk shall furnish, **upon request,** to the county chairman of each political party a copy of the statement.

SECTION 57. IC 3-12-12-1.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 1.7. As used in this chapter, "petitioner" refers to the individual voter whose name is listed first on the petition filed under section 2 of this chapter.**

SECTION 58. IC 3-12-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. The petition filed under section 2 of this chapter must also be signed by a number of voters within the election district ~~that voted on the public question~~ equal to at least ten percent (10%) of the voters who cast ballots on the public question in the election.

SECTION 59. IC 3-12-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) This section does not apply to a petitioner if it is determined that the result of the public question is other than what was shown on the face of the election returns.

(b) If a cash deposit was not made as required by section 5 of this chapter, the ~~petitioners~~ **petitioner** shall pay to the circuit court clerk within ten (10) days after the recount is completed all costs of the recount.

SECTION 60. IC 3-12-12-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. On the day when the order of a recount is made and entered by the court, the circuit court clerk shall send a certified copy of the order by certified mail to the ~~first name on each petition filed under section 2 of this chapter~~ **petitioner** at the address stated in the petition. The clerk shall charge the cost of mailing the order to each petitioner.

SECTION 61. IC 3-12-12-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) After a recount is ordered under section 9 of this chapter, the recount commission shall convene at a place fixed by order of the court and expeditiously complete the recount of all votes ordered recounted.

(b) The ~~petitioners~~ **petitioner** may designate a watcher to be present at the recount and may also be present in person. Representatives of the media may also attend the recount.

SECTION 62. IC 3-13-1-10.5, AS AMENDED BY P.L.225-2011, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10.5. (a) A person who wishes to be a candidate for appointment to fill a candidate vacancy under this chapter must file a declaration of candidacy on a form prescribed by the commission with:

(1) the chairman of the caucus or committee conducting a meeting under this chapter; and

(2) the official who is required to receive a certificate of candidate selection following the caucus under section 15 of this chapter;

at least seventy-two (72) hours before the time fixed for the caucus or committee meeting.

(b) A candidate's declaration of candidacy must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the declaration of candidacy. If there is a difference between the name on the candidate's declaration of candidacy and the name on the candidate's voter registration record, the officer with whom the declaration of candidacy is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's declaration of candidacy.

(c) A candidate's declaration of candidacy must contain the following statements:

(1) A statement that the candidate has attached either of the following to the declaration:

(A) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(B) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

This requirement does not apply to a candidate for a federal office.

(2) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office. This requirement does not apply to a candidate for a federal office or legislative office.

(3) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office. This requirement does not apply to a candidate for a federal office, state office, or legislative office.

(4) A statement that the candidate:

(A) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

(B) agrees to comply with the provisions of IC 3-9.

This requirement does not apply to a candidate for a federal office.

The candidate must separately initial each of the statements required by this subsection.

SECTION 63. IC 3-13-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The selection of a person as a candidate under this chapter is not effective unless:

(1) the person's written consent is obtained and filed:

(A) in the office in which certificates and petitions of nomination must be filed; and

(B) when the certificate is filed; and

(2) the candidate has complied with any requirement under IC 3-8-1-33 to file a statement of economic interests.

(b) A candidate's consent must include a statement that the candidate requests the name on the candidate's voter registration record be the same as the name the candidate uses on the consent. If there is a difference between the name on the candidate's consent and the name on the candidate's voter registration record, the officer with whom the consent is filed shall forward the information to the voter registration officer of the appropriate county as required by IC 3-5-7-6(e). The voter registration officer of the appropriate county shall change the name on the candidate's voter registration record to be the same as the name on the candidate's consent.

(c) A candidate's consent must contain the following statements:

(1) A statement that the candidate has attached either of the following to the consent:

(A) A copy of a statement of economic interests, file stamped by the office required to receive the statement of economic interests.

(B) A receipt or photocopy of a receipt showing that a statement of economic interests has been filed.

This requirement does not apply to a candidate for a federal office.

(2) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to obtain and file an individual surety bond before serving in the office. This requirement does not apply to a candidate for a federal office or legislative office.

(3) A statement that the candidate understands that if the candidate is elected to the office, the candidate may be required to successfully complete training or have attained certification related to service in an elected office. This requirement does not apply to a candidate for a federal office, state office, or legislative office.

(4) A statement that the candidate:

(A) is aware of the provisions of IC 3-9 regarding campaign finance and the reporting of campaign contributions and expenditures; and

(B) agrees to comply with the provisions of IC 3-9.

This requirement does not apply to a candidate for a federal office.

The candidate must separately initial each of the statements required by this subsection.

SECTION 64. IC 33-42-4-1, AS AMENDED BY HEA 1041-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The following may subscribe and administer oaths and take acknowledgments of all documents pertaining to all matters where an oath is required:

(1) Notaries public.

(2) An official court reporter acting under IC 33-41-1-6.

~~(2)~~ **(3)** Justices and judges of courts, in their respective jurisdictions.

~~(3)~~ **(4)** The secretary of state.

~~(4)~~ **(5)** The clerk of the supreme court.

~~(5)~~ **(6)** Mayors, clerks, clerk-treasurers of towns and cities, and township trustees, in their respective towns, cities, and townships.

~~(6)~~ **(7)** Clerks of circuit courts and master commissioners, in their respective counties.

~~(7)~~ **(8)** Judges of United States district courts of Indiana, in their respective jurisdictions.

~~(8)~~ **(9)** United States commissioners appointed for any United States district court of Indiana, in their respective jurisdictions.

~~(9)~~ **(10)** A precinct election officer (as defined in IC 3-5-2-40.1) and an absentee voter board member appointed under IC 3-11-10, for any purpose authorized under IC 3.

~~(10)~~ **(11)** A member of the Indiana election commission, a co-director of the election division, or an employee of the election division under IC 3-6-4.2.

~~(11)~~ **(12)** County auditors, in their respective counties.

~~(12)~~ **(13)** Any member of the general assembly anywhere in Indiana.

~~(13)~~ **(14)** The adjutant general of the Indiana National Guard, specific active duty members, reserve duty members, or civilian employees of the Indiana National Guard designated by the adjutant general of the Indiana National Guard, for any purpose related to the service of an active or reserve duty member of the Indiana National Guard.

SECTION 65. IC 36-2-15-5, AS AMENDED BY P.L.146-2008, SECTION 693, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 5. (a) The county assessor shall perform the functions assigned by statute to the county assessor, including the following:

(1) Countywide equalization.

(2) Selection and maintenance of a countywide computer system.

(3) Certification of gross assessments to the county auditor.

(4) Discovery of omitted property.

(5) In:

(A) a township in which the transfer of duties of the elected township assessor is required by subsection (c); or

(B) a township in which the duties relating to the assessment of tangible property are not required to be performed by a township assessor elected under IC 36-6-5;

performance of the assessment duties prescribed by IC 6-1.1.

(b) A transfer of duties between assessors does not affect:

(1) any assessment, assessment appeal, or other official action made by an assessor before the transfer; or

(2) any pending action against, or the rights of any party that may possess a legal claim against, an assessor that is not described in subdivision (1).

Any assessment, assessment appeal, or other official action of an assessor made by the assessor within the scope of the assessor's official duties before the transfer is considered as having been made by the assessor to whom the duties are transferred.

(c) If:

(1) for a particular general election after June 30, 2008, the person elected to the office of township assessor has not attained the certification of a level two assessor-appraiser; or

(2) for a particular general election after January 1, ~~2012,~~ **2016,** the person elected to the office of township assessor has not attained the certification of a level three assessor-appraiser;

as provided in IC 3-8-1-23.6 before the date the term of office begins, the assessment duties prescribed by IC 6-1.1 that would otherwise be performed in the township by the township assessor are transferred to the county assessor on that date. If assessment duties in a township are transferred to the county assessor under this subsection, those assessment duties are transferred back to the township assessor if at a later election a person who has attained the required level of certification referred to in subdivision (1) or (2) is elected to the office of township assessor.

(d) If assessment duties in a township are transferred to the county assessor under subsection (c), the office of elected township assessor remains vacant for the period during which the assessment duties prescribed by IC 6-1.1 are transferred to the county assessor.

(e) A referendum shall be held under sections 7.4 through 11 of this chapter in each township in which the number of parcels of real property on January 1, 2008, is at least fifteen thousand (15,000) to determine whether to transfer to the county assessor the assessment duties prescribed by IC 6-1.1 that would otherwise be performed by the elected township assessor of the township.

SECTION 66. IC 36-4-1.5-2, AS AMENDED BY SEA 24-2014, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. A town may be changed into a city through the following:

(1) The town legislative body must adopt a resolution submitting to the town's voters the question of whether the town should be changed into a city. The town legislative body shall adopt a resolution described in this subdivision if at least the number of registered voters of the town equal to ten percent (10%) of the total votes cast in the town at the last election for secretary of state sign a petition requesting the town legislative body to adopt such a

resolution. In determining the number of signatures required under this subdivision, any fraction that exceeds a whole number shall be disregarded.

(2) The town legislative body must adopt the resolution under subdivision (1) not later than thirty (30) days after the date on which a petition having a sufficient number of signatures is filed. A resolution adopted under subdivision (1) must fix the date for an election on the question of whether the town should be changed into a city as follows:

(A) If the election is to be on the same date as a general election or municipal election:

(i) the resolution must state that fact and be certified in accordance with IC 3-10-9-3; and

(ii) the election must be held on the date of the next general election or municipal election, whichever is earlier, at which the question can be placed on the ballot under ~~IC 3-10-9-3.~~ **IC 3-10-9.**

(B) If the election is to be a special election, the date must be:

(i) not less than ~~thirty (30)~~ **seventy-four (74)** and not more than ~~sixty (60)~~ **one hundred four (104)** days after the notice of the election; and

(ii) not later than the next general election or municipal election, whichever is earlier, at which the question can be placed on the ballot under ~~IC 3-10-9-3.~~ **IC 3-10-9.**

(3) The town legislative body shall file a copy of the resolution adopted under subdivision (1) with the circuit court clerk of each county in which the town is located. The circuit court clerk shall immediately certify the resolution to the county election board.

(4) The county election board shall give notice of the election in the manner prescribed by IC 3-8-2-19. IC 3-10-6 applies to the election.

(5) The question described in subdivision (1) shall be placed on the ballot in the form prescribed by IC 3-10-9-4. The text of the question shall be: "Shall the town of _____ change into a city?".

(6) If a majority of the voters voting on the question described in subdivision (1) vote "yes", the town is changed into a city as provided in this chapter. If a majority of the voters voting on the question vote "no", the town remains a town.

SECTION 67. IC 36-5-1-8, AS AMENDED BY P.L.147-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) The county executive may approve a petition for incorporation only if it finds all of the following:

(1) That the proposed town is used or will, in the reasonably foreseeable future, be used generally for commercial, industrial, residential, or similar purposes.

(2) That the proposed town is reasonably compact and contiguous.

(3) That the proposed town includes enough territory to allow for reasonable growth in the foreseeable future.

(4) That a substantial majority of the property owners in the proposed town have agreed that at least six (6) of the following municipal services should be provided on an adequate basis:

(A) Police protection.

(B) Fire protection.

(C) Street construction, maintenance, and lighting.

(D) Sanitary sewers.

(E) Storm sewers.

(F) Health protection.

(G) Parks and recreation.

(H) Schools and education.

(I) Planning, zoning, and subdivision control.

(J) One (1) or more utility services.

(K) Stream pollution control or water conservation.

(5) That the proposed town could finance the proposed municipal services with a reasonable tax rate, using the current assessed valuation of properties as a basis for calculation.

(6) That incorporation is in the best interest of the territory involved. This finding must include a consideration of:

(A) the expected growth and governmental needs of the area surrounding the proposed town;

(B) the extent to which another unit can more adequately and economically provide essential services and functions; and

(C) the extent to which the incorporators are willing to enter into agreements under IC 36-1-7 with the largest neighboring municipality, if that municipality has proposed such agreements.

(b) If the county executive determines that the petition satisfies the requirements set forth in subsection (a), the county executive may do any of the following:

(1) Adopt an ordinance under section 10.1 of this chapter incorporating the town.

(2) Deny the petition.

(3) Adopt a resolution to place a public question concerning the incorporation on the ballot at an election. The county executive shall request a date for the election as follows:

(A) If the county executive requests the public question be on the same date as a general election or primary election:

(i) the resolution must state that the election is to be on the same date as a general or primary election, and must be certified in accordance with IC 3-10-9-3; and

(ii) the election must be held on the date of the next general election or primary election, whichever is earlier, at which the question can be placed on the ballot under IC 3-10-9-3.

(B) If a petition contains a request for a special election, the county executive may request that the public question concerning the incorporation will be on the ballot of a special election. An election may be considered a special election only if it is conducted on a date other than the date of a general election or primary election. The date of the special election must be:

(i) at least ~~thirty (30)~~ **seventy-four (74)** and not more than ~~sixty (60)~~ **one hundred four (104)** days after the notice of the election is filed under IC 3-10-8-4; and

(ii) not later than the next general election or primary election, whichever is earlier, at which the question can be placed on the ballot under IC 3-10-9-3.

If the public question is on the ballot of a special election, the petitioners shall pay the costs of holding the special election.

If the county executive adopts a resolution under this subdivision, the county executive shall file the resolution and the petition with the circuit court clerk of each county that contains any part of the territory sought to be incorporated.

(c) After a resolution is filed with a circuit court clerk under subsection (b)(3), the circuit court clerk shall certify the resolution to the county election board. The county election board shall place the following public question on the ballot:

"Shall (insert a description of the territorial boundaries) be incorporated as a town?".

Only the registered voters residing within the territory of the proposed town may vote on the public question.

(d) Not earlier than sixty (60) days and not later than thirty (30) days before the election, the petitioners shall publish a notice in accordance with IC 5-3-1 in each county where the

proposed town is located. The notice must include the following:

(1) A description of the boundaries of the proposed town and the quantity of land contained in the territory of the proposed town.

(2) The information provided under section 3(3) through 3(6) of this chapter.

(3) The name, telephone number, and electronic mail address (if available) of the contact person for the petitioners.

(4) A statement that the petition is available for inspection and copying in the office of the circuit court clerk of each county where the proposed town is located.

The petitioners shall submit proof of publication of the notice to the circuit court clerk of each county in which the proposed town is located. A defect in the form of the notice does not invalidate the petition.

(e) If a majority of the voters residing within the territory of the proposed town:

(1) vote "no" on the public question, the territory is not incorporated as a town, and a new petition for incorporation may not be filed within the period set forth in section 9 of this chapter; or

(2) vote "yes" on the public question, the county executive of each county in which the proposed town is located shall adopt an ordinance under section 10.1 of this chapter.

(f) The circuit court clerk shall certify the results of a public question under this section to the following:

(1) The county executive of each county in which the proposed incorporated territory is located.

(2) The county auditor of each county in which the proposed incorporated territory is located.

(3) The department of local government finance.

(4) The department of state revenue.

(5) The state board of accounts.

(6) The office of the secretary of state.

(7) The office of census data established by IC 2-5-1.1-12.2.

SECTION 68. **An emergency is declared for this act.**

(Reference is to EHB 1318 as reprinted March 4, 2014.)

RICHARDSON	PETE MILLER
GIAQUINTA	ARNOLD
House Conferees	Senate Conferees

Roll Call 498: yeas 98, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1347–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1347 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Page 8, delete lines 7 though 14.

Page 10, delete lines 28 through 42.

Page 11, delete lines 1 through 22.

Page 12, line 8, delete "2" and insert "**3**".

Page 12, line 13, delete "3" and insert "**2**".

Renumber all SECTIONS consecutively.

(Reference is to EHB 1347 as printed February 28, 2014.)

MAYFIELD	STEELE
PRYOR	HUME
House Conferees	Senate Conferees

Roll Call 499: yeas 99, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1358–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1358 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 16-18-2-84, AS AMENDED BY P.L.197-2011, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 84. "Council", ~~refers to the following:~~

~~(1) For purposes of IC 16-21, IC 16-25, IC 16-27, IC 16-28, and IC 16-29, the health care facility advisory council.~~

~~(2)~~ for purposes of IC 16-46-6, **refers to** the interagency state council on black and minority health.

SECTION 2. IC 16-19-14-7, AS ADDED BY P.L.38-2010, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. This chapter expires July 1, ~~2014.~~ **2017.**

SECTION 3. IC 16-19-15 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Health Care Facility Advisory Council).

SECTION 4. IC 16-21-1-7, AS AMENDED BY P.L.96-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. ~~(a) Except as provided in subsection (b), the council shall propose and~~ The executive board may adopt rules under IC 4-22-2 necessary to protect the health, safety, rights, and welfare of patients, including the following:

(1) Rules pertaining to the operation and management of hospitals, ambulatory outpatient surgical centers, abortion clinics, and birthing centers.

(2) Rules establishing standards for equipment, facilities, and staffing required for efficient and quality care of patients.

~~(b) The state department may request the council to propose a new rule or an amendment to an existing rule necessary to protect the health, safety, rights, and welfare of patients. If the council does not propose a rule within ninety (90) days of the department's request, the department may propose its own rule.~~

~~(c) The state department shall consider the rules proposed by the council and may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.~~

SECTION 5. IC 16-21-1-10, AS AMENDED BY P.L.1-2006, SECTION 295, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) Licensure inspections of an institution or agency shall be made regularly in accordance with rules adopted under this chapter. The state department shall make all health and sanitation inspections, including inspections in response to an alleged breach of this chapter or rules adopted under this chapter. The division of fire and building safety shall make all fire safety inspections. ~~The council may provide for other inspections necessary to implement this chapter.~~

(b) An employee of the state department who knowingly or intentionally informs an institution or agency of the exact date of an unannounced inspection shall be suspended without pay for five (5) days for a first offense and shall be dismissed for a subsequent offense.

(c) Reports of all inspections must be in writing and sent to the institution or agency.

(d) The report of an inspection and records relating to the inspection may not be released to the public until the conditions set forth in IC 16-19-3-25 are satisfied.

SECTION 6. IC 16-21-2-4 IS REPEALED [EFFECTIVE

JULY 1, 2014]. ~~Sec. 4. The state department shall administer this chapter with the advice of the council.~~

SECTION 7. IC 16-25-3-2.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2.5. The state department shall administer this chapter with the advice of the health care facility advisory council established by IC 16-19-15-1.~~

SECTION 8. IC 16-27-0.5-9, AS AMENDED BY P.L.6-2012, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. ~~(a)~~ The state department may ~~request the health care facility advisory council to propose a new rule or an amendment to a rule~~ **adopt rules under IC 4-22-2** necessary to protect the health, safety, rights, and welfare of the home health care patients and hospice patients. ~~If the council does not propose a rule within ninety (90) days after the state department's request, the state department may propose the rule.~~

~~(b) The executive board shall consider rules proposed by the council under this section. The executive board may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.~~

~~(c) To become effective, all rules proposed by the council under this chapter must be adopted by the executive board in accordance with IC 4-22-2.~~

SECTION 9. IC 16-28-1-7, AS AMENDED BY P.L.156-2011, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. The ~~council~~ **state department** shall do the following:

(1) ~~Propose the adoption of~~ **Adopt** rules ~~by the department~~ under IC 4-22-2 governing the following:

(A) Health and sanitation standards necessary to protect the health, safety, security, rights, and welfare of patients.

(B) Qualifications of applicants for licenses issued under this article to assure the proper care of patients.

(C) Operation, maintenance, management, equipment, and construction of facilities required to be licensed under this article if jurisdiction is not vested in any other state agency.

(D) Manner, form, and content of the license, including rules governing disclosure of ownership interests.

(E) Levels of medical staffing and medical services in cooperation with the office of Medicaid policy and planning, division of family resources, and other agencies authorized to pay for the services.

(2) Recommend to the fire prevention and building safety commission fire safety rules necessary to protect the health, safety, security, rights, and welfare of patients.

(3) Classify health facilities in health care categories.

~~(4) Act as an advisory body for the division, commissioner, and state department.~~

SECTION 10. IC 16-28-1-9 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 9. The council may not waive a rule adopted under this chapter.~~

SECTION 11. IC 16-28-1-12 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 12. (a) The department may request the council to propose a new rule or an amendment to a rule necessary to protect the health, safety, rights, and welfare of patients. If the council does not propose a rule not more than ninety (90) days after the department's request, the department may propose its own rule.~~

~~(b) The executive board may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.~~

~~(c) To become effective, all rules adopted under this chapter must be adopted by the executive board in accordance with IC 4-22-2. The rules adopted under this chapter are the only rules governing the licensing and operation of health facilities.~~

SECTION 12. IC 16-28-1-13, AS AMENDED BY P.L.1-2006, SECTION 299, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Licensure inspections of health facilities shall be made regularly in accordance with rules adopted under this chapter. The division shall make all health and sanitation inspections. The division of fire and building safety shall make all fire safety inspections. ~~The council or the director may provide for other inspections necessary to carry out this chapter.~~

(b) The exact date of an inspection of a health facility under this chapter may not be announced or communicated directly or indirectly to the owner, administrator, or an employee of the facility before the inspection. An employee of the state department who knowingly or intentionally informs a health facility of the exact date of an inspection shall be suspended without pay for five (5) days for a first offense and shall be dismissed for a subsequent offense.

(c) Reports of all inspections must be:

(1) in writing; and

(2) sent to the health facility.

(d) The report of an inspection and records relating to the inspection may not be released to the public until the conditions set forth in IC 16-19-3-25 are satisfied.

SECTION 13. IC 16-28-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Hearings under this article shall be conducted in accordance with IC 4-21.5. Except for hearings held on the adoption of rules, an administrative law judge must meet the following conditions:

(1) Be admitted to the practice of law in Indiana.

(2) Not be ~~a member of the council or~~ an employee of the state.

(b) A health facility shall pay the costs of appointing an administrative law judge if the administrative law judge finds in favor of the state. However, if the administrative law judge finds in favor of the health facility, the state shall pay the costs of appointing the administrative law judge.

SECTION 14. IC 16-29-4-3, AS AMENDED BY P.L.6-2012, SECTION 118, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~The health care facility advisory council may recommend,~~ Before the conversion of existing health facility beds to ICF/MR beds or the construction of a new ICF/MR facility, ~~that~~ the state department **may** issue a preliminary approval of the proposed project, but only if the ~~council~~ **state department** determines that there is an insufficient number of available beds to care for all the persons who are determined under IC 12-11-2.1 to be appropriate for placement in an ICF/MR facility.

SECTION 15. IC 16-29-4-4, AS AMENDED BY P.L.6-2012, SECTION 119, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. A proposed project that receives preliminary approval under this chapter may not add more beds than the number determined by the ~~health care facility advisory council~~ **state department** to be necessary to provide an available bed for each person determined under IC 12-11-2.1 to be appropriate for placement in an ICF/MR facility. Upon completion of the proposed project and compliance with the other requirements for licensure under IC 16-28, the state department shall issue a license to the facility.

SECTION 16. IC 16-36-6-7, AS ADDED BY P.L.164-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) The following individuals may complete a POST form:

(1) A qualified person who is:

(A) either:

(i) at least eighteen (18) years of age; or

(ii) less than eighteen (18) years of age but authorized to consent under IC 16-36-1-3(a)(2); and

(B) of sound mind.

(2) A qualified person's representative, if the qualified person:

(A) is less than eighteen (18) years of age and is not authorized to consent under IC 16-36-1-3(a)(2); or

(B) has been determined to be incapable of making decisions about the qualified person's health care by a

treating physician acting in good faith and the representative has been:

(i) appointed by the individual under IC 16-36-1-7 to serve as the individual's health care representative;

(ii) authorized to act under IC 30-5-5-16 and IC 30-5-5-17 as the individual's attorney in fact with authority to consent to or refuse health care for the individual; ~~or~~

(iii) appointed by a court as the individual's ~~guardian~~ **health care representative** under IC 16-36-1-8; **or**

(iv) appointed by a court as the guardian of the person with the authority to make health care decisions under IC 29-3.

(b) In order to complete a POST form, a person described in subsection (a) and the qualified person's treating physician or the physician's designee must do the following:

(1) Discuss the qualified person's goals and treatment options available to the qualified person based on the qualified person's health.

(2) Complete the POST form, to the extent possible, based on the qualified person's preferences determined during the discussion in subdivision (1).

(c) When completing a POST form on behalf of a qualified person, a representative shall act:

(1) in good faith; and

(2) in:

(A) accordance with the qualified person's express or implied intentions, if known; or

(B) the best interest of the qualified person, if the qualified person's express or implied intentions are not known.

(d) A copy of the executed POST form shall be maintained in the qualified person's medical file.

SECTION 17. IC 16-37-2-4, AS AMENDED BY P.L.232-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. A local health officer may accept a certificate of birth presented for filing not more than ~~four (4) years~~ **twelve (12) months** after the birth occurred if the attending physician, certified nurse midwife, certified direct entry midwife, or other person desiring to file the certificate states the reason for the delay in writing. This statement shall be made a part of the certificate of birth.

SECTION 18. IC 16-37-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. A certificate of birth presented for filing more than ~~four (4) years~~ **twelve (12) months** after the birth occurred is a delayed certificate of birth and the record shall be filed only with the state department.

SECTION 19. IC 16-38-4-1, AS AMENDED BY P.L.232-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. As used in this chapter, "birth problems" means one (1) or more of the following conditions:

(1) A structural deformation.

(2) A developmental malformation.

(3) A genetic, inherited, or biochemical disease.

(4) A condition of a chronic nature, including central nervous system hemorrhage or infection of the central nervous system, that may result in a need for long term health care.

(5) An autism spectrum disorder that is recognized in ~~a child before the child becomes five (5)~~ **an individual at any** ~~years of~~ age.

(6) A fetal alcohol spectrum disorder that is recognized before a child becomes five (5) years of age.

(7) Any other severe disability that is:

(A) designated in a rule adopted by the state department; and

(B) recognized in a child after birth and before the child becomes three (3) years of age.

(8) Complications resulting from a home delivery. As used in this subdivision, "home" includes the delivery of a viable fetus at a home or other non-health care facility.

SECTION 20. IC 16-38-4-8, AS AMENDED BY P.L.188-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) The state department shall establish a birth problems registry for the purpose of recording all cases of birth problems that occur in Indiana residents and compiling necessary and appropriate information concerning those cases, as determined by the state department, in order to:

(1) conduct epidemiologic and environmental studies and to apply appropriate preventive and control measures;

(2) **except for an autism spectrum disorder,** inform the parents of children with birth problems:

(A) at the time of discharge from the hospital; or

(B) if a birth problem is diagnosed during a physician or hospital visit that occurs before the child is:

(i) except as provided in item (ii), three (3) years of age at the time of diagnosis; or

(ii) five (5) years of age at the time of diagnosis if the disorder is ~~an autism spectrum disorder or~~ a fetal alcohol spectrum disorder;

about physicians care facilities, and appropriate community resources, including local step ahead agencies and the infants and toddlers with disabilities program (IC 12-12.7-2); ~~or~~

(3) except as provided in subsection (d), inform:

(A) the individual with problems at any age; or

(B) the individual's parent;

at the time of diagnosis, if the individual's disorder is an autism spectrum disorder, **about physicians and appropriate state and community resources, including local step ahead agencies and the infants and toddlers with disabilities program (IC 12-12.7-2); or**

~~(3)~~ **(4)** inform citizens regarding programs designed to prevent or reduce birth problems.

(b) The state department shall record in the birth problems registry:

(1) all data concerning birth problems of children that are provided from the certificate of live birth; ~~and~~

(2) any additional information that may be provided by an individual or entity described in section 7(a)(2) of this chapter concerning a birth problem that is:

(A) designated in a rule adopted by the state department; and

(B) recognized:

(i) after the child is discharged from the hospital as a newborn;

(ii) before the child is five (5) years of age if the child is diagnosed with ~~an autism spectrum disorder or~~ a fetal alcohol spectrum disorder; ~~and~~

(iii) before the child is three (3) years of age for any diagnosis not specified in ~~item~~ **items** (ii) **and (iv); and**

(iv) at any age if the individual is diagnosed with an autism spectrum disorder; and

(3) information reported to the state department by the office of the secretary under IC 12-12-9-3 concerning a child who is

less than five (5) years of age and diagnosed with a visual impairment or blindness.

(c) The state department shall:

(1) provide a physician and a local health department with necessary forms for reporting under this chapter; and

(2) report in an electronic format under IC 5-14-6 to the legislative council any birth problem trends that are identified through the data collected under this chapter.

(d) Concerning an individual who is at least eight (8) years of age and diagnosed with an autism spectrum disorder, the state department is not required to do any of the following:

(1) Report information to the federal Centers for Disease Control and Prevention.

(2) Confirm the individual's diagnosis.

(3) Verbally inform an individual of the information set forth in subsection (a)(3).

SECTION 21. IC 16-38-4-9, AS AMENDED BY P.L.232-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) Certified nurse midwives, certified direct entry midwives, and individuals and entities described in section 7(a)(2) of this chapter shall report each confirmed case of a birth problem that is recognized at the time of birth to the registry not later than sixty (60) days after the birth. An individual or entity described in section 7(a)(2) of this chapter who recognizes a birth problem in:

(1) a child after birth but before the child is five (5) years of age, **if the child is diagnosed with a fetal alcohol spectrum disorder;**

(2) an individual at any age, if the individual is diagnosed with an autism spectrum disorder; and

(3) a child before the child is three (3) years of age for any birth problem diagnosis not specified in subdivisions (1) and (2);

shall report the birth problem to the registry not later than sixty (60) days after recognizing the birth problem. Information may be provided to amend or clarify an earlier reported case.

(b) A person required to report information to the registry under this section may use, when completing reports required by this chapter, information submitted to any other public or private registry or required to be filed with federal, state, or local agencies. However, the state department may require additional, definitive information.

(c) Exchange of information between state department registries is authorized. The state department may use information from another registry administered by the state department. Information used from other registries remains subject to the confidentiality restrictions on the other registries.

SECTION 20. IC 16-41-42.2-4, AS ADDED BY P.L.3-2008, SECTION 113, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. The fund is to be used for the following purposes:

(1) Establishing and maintaining a state medical surveillance registry for traumatic spinal cord and brain injuries.

(2) Fulfilling the duties of the board established by section 5 of this chapter.

(3) Funding research related to the treatment and cure of spinal cord and brain injuries, including acute management, medical complications, rehabilitative techniques, and neuronal recovery. Research must be conducted in compliance with all state and federal laws.

(4) Develop a statewide trauma system.

However, not more than fifty percent (50%) of money in the fund may be used for purposes of developing a statewide trauma system.

SECTION 22. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "department" refers to the state department of health.**

(b) Before January 1, 2015, the department shall adopt rules that establish a license and provide regulations for a facility that provides specialized treatment and services for traumatic brain injuries.

(c) Before September 1, 2014, the department shall make to the legislative council and health finance commission recommendations concerning changes to the food handling laws. Recommendations made to the legislative council must be in an electronic format under IC 5-14-6.

(d) This SECTION expires January 2, 2015.

SECTION 23. **An emergency is declared for this act.**

(Reference is to EHB 1358 as printed February 14, 2014.)

CLERE	PAT MILLER
C. BROWN	BREAUX
House Conferees	Senate Conferees

Roll Call 500: yeas 100, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1388–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1388 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-28-3-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. Information containing teacher evaluation results that may be identified by teacher name, identification number, or other identifying criteria is confidential and exempt from disclosure requirements under IC 5-14-3-4.**

SECTION 2. IC 20-28-3-1, AS AMENDED BY P.L.254-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a) As used in this section, "teacher candidate" means an individual recommended for an initial teaching license from a teacher preparation program located in Indiana.**

~~(a)~~ **(b)** As used in this section, "teacher preparation program" includes, but is not limited to, the following:

(1) A teacher education school or department.

(2) A transition to teaching program under IC 20-28-4.

(3) Any other entity approved by the department to offer a course of study leading to an initial teaching license.

~~(b)~~ **(c)** The department shall:

(1) arrange a statewide system of professional instruction for teacher education;

(2) accredit and ~~inspect~~ **review** teacher preparation programs that comply with the rules of the department;

(3) approve content area licensure programs for particular kinds of teachers in accredited teacher preparation programs; and

(4) specify the types of licenses for individuals who complete programs of approved courses.

~~(c)~~ **(d)** The department shall work with teacher preparation programs to develop a system of teacher education that ensures individuals who ~~graduate from the~~ **complete** teacher preparation programs are able to meet the highest professional standards.

~~(d)~~ **(e) Before July 1, 2015,** the department shall establish standards for the continuous improvement of program processes and the performance of individuals who complete teacher preparation programs. The state board shall adopt rules containing the standards not later than two hundred seventy (270) days after the department finishes the standards.

~~(e)~~ **(f)** The standards established under subsection ~~(d)~~ **(e)** must include benchmarks for performance, including ~~at least the following:~~

~~(1)~~ test score data for each teacher preparation entity on content area licensure tests and test score data for each teacher preparation entity on pedagogy licensure tests.

~~(2) The maximum number of times each individual who~~

~~completes a teacher preparation program takes each licensing test before receiving a passing score.~~

~~(f)~~ **(g)** Each teacher ~~education~~ preparation program shall annually report the program's performance on the standards and benchmarks established under this section to the department. The department shall make the information reported under this subsection available to the public on the department's Internet ~~website.~~ **web site.** In addition to reporting performance, each teacher education school and department must report ~~the following information~~ **attrition, retention, and completion rates of teacher candidates for the previous three (3) calendar years.**

~~(1) the attrition, retention, and completion rates of candidates.~~

(h) In making information available to the public on the department's Internet web site, the department shall include in the report under subsection (g), in addition to the matrix ratings described in subsection (i), the following information:

~~(2)~~ **(1)** Average ~~raw~~ **scaled or standard** scores of ~~individuals~~ **teacher candidates** who complete teacher preparation programs on basic skills, content area, and pedagogy licensure examinations.

~~(3)~~ **(2)** The ~~maximum~~ **average** number of times ~~each individual~~ **teacher candidates** who ~~completes~~ **complete** a teacher preparation program ~~takes~~ **take** each licensing test before receiving a passing score **and the percentage of teacher candidates who receive a passing score on each licensing test on the teacher candidates' first attempts.**

~~(4) The percentage of individuals who complete teacher preparation programs who obtain:~~

~~(A) full-time; and~~

~~(B) part-time;~~

~~teaching positions.~~

~~(5) The name of the employer of each individual who completes a teacher preparation program and who obtains a full-time or part-time teaching position.~~

~~(g)~~ **(i)** Not later than July 30, 2016, the department **and the commission for higher education,** in conjunction with the state board, **the Independent Colleges of Indiana, Inc., and teacher preparation programs,** shall establish a **matrix** rating system for teacher preparation programs based on the performance of the programs as demonstrated by the data collected under ~~subsection (f)~~ **subsections (g) and (h) and information reported to the department under IC 20-28-11.5-9. The matrix rating system may not rank or compare teacher preparation programs. The matrix rating system must be based on data collected for teachers who initially receive their teaching license during the previous three (3) years.** ~~for the three (3) most recent years.~~ The department shall make the **matrix** ratings available to the public on the department's Internet web site.

(j) Each teacher preparation program shall report to the department, in a manner prescribed by the department, the teacher preparation program's admission practices, in accordance with:

(1) the Council for the Accreditation of Educator Preparation standards, for teacher preparation programs accredited by the Council for the Accreditation of Educator Preparation; or

(2) rigorous academic entry requirements for admission into a teacher preparatory program that are equivalent to the minimum academic requirements determined by the Council for the Accreditation of Educator Preparation, for teacher preparation programs that are not accredited by the Council for the Accreditation of Educator Preparation.

The department shall include information reported to the department on the department's Internet web site.

(k) Not later than July 30, 2016, the department and the commission for higher education, in conjunction with the state board, the Independent Colleges of Indiana, Inc., and teacher preparation programs, shall establish a minimum rating under the matrix rating system established under subsection (i) that teacher preparation programs must achieve to avoid referral under subsection (l).

(l) Beginning July 1, 2017, and not later than each July 1 thereafter, the department shall submit a list of teacher preparation programs that do not meet the minimum rating established under subsection (k) to the commission for higher education and the Independent Colleges of Indiana, Inc. for one (1) of the following actions:

(1) In the case of a state educational institution, the commission for higher education shall place the teacher preparation program on an improvement plan with clear performance goals and a designated period in which the performance goals must be achieved.

(2) In the case of a proprietary postsecondary educational institution, the commission for higher education shall recommend to the teacher preparation program an improvement plan with clear performance goals and a designated period in which the performance goals should be achieved.

(3) In the case of a nonprofit college or university, the Independent Colleges of Indiana, Inc., shall coordinate a peer review process to make recommendations to the peer institution in achieving the department's performance metrics.

SECTION 3. IC 20-28-4-4, AS AMENDED BY P.L.6-2012, SECTION 134, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. An entity approved by the department may establish a course of study that meets the requirements of this section. A program approved under this section must comply with the following requirements:

(1) Include the following study requirements:

(A) For a program participant who seeks to obtain a license to teach in grades 5 through 12, up to eighteen (18) credit hours of study or the equivalent that:

(i) prepares a program participant to meet Indiana standards for teaching in the subject areas corresponding to the area in which the program participant has met the education requirements under section 5 of this chapter, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching; and

(ii) provides the program participants with instruction in scientifically based reading instruction.

(B) For a program participant who seeks to obtain a license to teach in kindergarten through grade 6, twenty-four (24) credit hours of study or the equivalent, which must include at least six (6) credit hours in teaching scientifically based reading instruction, that prepares a program participant to meet Indiana standards for teaching, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.

(C) For a program participant who seeks a license to teach in prekindergarten through grade 3, twenty-four (24) credit hours of study (or the equivalent) that must include at least six (6) credit hours in teaching scientifically based reading instruction and that prepares a program participant to meet Indiana standards for teaching, unless the program participant demonstrates that the program participant requires fewer credit hours of study to meet Indiana standards for teaching.

(2) Focus on student mastery of standards established by

the state.

(3) Include suitable field or classroom experiences if the program participant does not have teaching experience.

SECTION 4. IC 20-28-4-5, AS AMENDED BY P.L.205-2013, SECTION 249, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. An individual who wishes to participate in the program must have one (1) of the following qualifications:

(1) For a program participant who seeks to obtain a license to teach in grades 5 through 12, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited postsecondary educational institution in the subject area that the individual intends to teach.

(B) A graduate degree from an accredited postsecondary educational institution in the subject area or a related field that the individual intends to teach.

(C) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and

(ii) five (5) years professional experience;

in the subject or a related area that the individual intends to teach.

(D) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution; and

(ii) proof that the individual has passed the state approved content area examination in the subject area that the individual intends to teach.

(2) For a program participant who seeks to obtain a license to teach in kindergarten through grade 6, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education.

(B) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and

(ii) five (5) years professional experience in an education related field, as determined by the department.

(C) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution; and

(ii) proof that the individual has passed the state approved content area examination in the subject area that the individual intends to teach.

(3) For a program participant who seeks to obtain a license to teach in prekindergarten through grade 3, one (1) of the following:

(A) A bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education.

(B) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution with a grade point average of at least two and five-tenths (2.5) on a four (4.0) point scale; and

(ii) five (5) years professional experience in an education related field, as determined by the department.

(C) Both:

(i) a bachelor's degree from an accredited postsecondary educational institution; and

(ii) proof that the individual has passed the state approved content area examination in the subject area that the individual intends to teach.

SECTION 5. IC 20-28-11.5-9, AS AMENDED BY P.L.254-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) Before ~~August 1~~ **November 15** of each year, each **charter school (including a virtual charter school) and** school corporation shall provide the disaggregated results of staff performance evaluations by teacher identification numbers to the department.

(b) Before August 1 of each year, each charter school and school corporation shall provide to the department:

(1) the name of the teacher preparation program that recommended the initial license for each teacher employed by the school; and

(2) the annual retention rate for teachers employed by the school.

(c) Not before the beginning of the second semester (or the equivalent) of the school year and not later than August 1 of each year, the principal at each school described in subsection (a) shall complete a survey that provides information regarding the principal's assessment of the quality of instruction by each particular teacher preparation program located in Indiana for teachers employed at the school who initially received their teaching license in Indiana in the previous two (2) years. The survey shall be adopted by the state board and prescribed on a form developed not later than July 30, 2016, by the department that is aligned with the matrix system established under IC 20-28-3-1(i). The school shall provide the surveys to the department along with the information provided in subsection (b). The department shall compile the information contained in the surveys, broken down by each teacher preparation program located in Indiana. The department shall include information relevant to a particular teacher preparation program located in Indiana in the department's report under subsection (f).

(d) During the second semester (or the equivalent) of the school year and not later than August 1 of each year, each teacher employed by a school described in subsection (a) in Indiana who initially received a teacher's license in Indiana in the previous three (3) years shall complete a form after the teacher completes the teacher's initial year teaching at a particular school. The information reported on the form must:

(1) provide the year in which the teacher was hired by the school;

(2) include the name of the teacher preparation program that recommended the teacher for an initial license;

(3) describe subjects taught by the teacher;

(4) provide the location of different teaching positions held by the teacher since the teacher initially obtained an Indiana teaching license;

(5) provide a description of any mentoring the teacher has received while teaching in the teacher's current teaching position;

(6) describe the teacher's current licensure status; and

(7) include an assessment by the teacher of the quality of instruction of the teacher preparation program in which the teacher participated.

The form shall be prescribed by the department. The forms shall be submitted to the department with the information provided in subsection (b). Upon receipt of the information provided in this subsection, the department shall compile the information contained in the forms and include an aggregated summary of the report on the department's Internet web site.

~~(b)~~ **(e)** Before ~~September 1~~ **December 15** of each year, the

department shall report the results of staff performance evaluations in the aggregate to the state board, and to the public via the department's Internet web site for:

(1) the aggregate of certificated employees of each school and school corporation; ~~and~~

(2) the aggregate of graduates of each teacher preparation program in Indiana;

(3) for each school described in subsection (a), the annual rate of retention for certificated employees for each school within the charter school or school corporation; and

(4) the aggregate results of staff performance evaluations for each category described in section 4(c)(4) of this chapter. In addition to the aggregate results, the results must be broken down:

(A) by the content area of the initial teacher license received by teachers upon completion of a particular teacher preparation program; or

(B) as otherwise requested by a teacher preparation program, as approved by the state board.

(f) Beginning November 1, 2016, and before September 1 of each year thereafter, the department shall report to each teacher preparation program in Indiana for teachers with three (3) or fewer years of teaching experience:

(1) information from the surveys relevant to that particular teacher education program provided to the department under subsection (c);

(2) information from the forms relevant to that particular teacher preparation program compiled by the department under subsection (d); and

(3) the results from the most recent school year for which data are available of staff performance evaluations for each category described in section 4(c)(4) of this chapter with three (3) or fewer years of teaching experience for that particular teacher preparation program. The report to the teacher preparation program under this subdivision shall be in the aggregate form and shall be broken down by the teacher preparation program that recommended an initial teaching license for the teacher.

SECTION 6. **An emergency is declared for this act.**

(Reference is to EHB 1388 as reprinted March 4, 2014.)

BEHNING	YODER
HUSTON	BRODEN
House Conferees	Senate Conferees

Roll Call 501: yeas 74, nays 24. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 52–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 52 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 9-31-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. **(a)** The owner shall paint on or attach to each side of the bow of the motorboat the registration number assigned under section 10 of this chapter. **Subject to subsection (b),** the number ~~shall~~ **must** be **displayed,** painted on, or attached ~~in the manner prescribed by rules adopted by the bureau~~ so that the number is **legible and** clearly visible. The registration number shall be maintained in legible condition.

(b) If a motorboat is required to be registered under 33 CFR 173, the registration number must be displayed in the manner prescribed by 33 CFR 173.27.

SECTION 2. IC 14-15-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) This section does not apply to a motorboat competing in and during a motorboat race for which a permit has been issued by the department.

(b) A person may not operate a motorboat on Indiana water unless the boat motor is equipped with:

(1) a muffler;

(2) an underwater exhaust; or

(3) other device;

that muffles or suppresses the sound of the exhaust. ~~to prevent excessive and unusual noise at all speeds.~~

SECTION 3. IC 14-15-2-15, AS AMENDED BY P.L.137-2007, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) ~~Except as provided in subsection (b),~~ A person who violates **section 1, 2, 3, 4, 5, 6, 7(b), 9, 10, 12, 13, or 14 of** this chapter commits a Class C infraction.

(b) A person who violates section 7(c) or 8 of this chapter commits a Class A infraction. Notwithstanding IC 34-28-5-4(a), a judgment of at least one thousand dollars ($1,000) shall be imposed for each Class A infraction committed in violation of section 7(c) or 8 of this chapter.

SECTION 4. IC 14-15-3-21 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 21. (a) A person operating or occupying a boat may not sound a whistle or horn when:~~

~~(1) the passage of the boat is clear and without danger; or~~

~~(2) a warning signal is not necessary to prevent injury to person or property.~~

~~(b) Unnecessary sounding of a whistle or horn is:~~

~~(1) a public nuisance; and~~

~~(2) prohibited.~~

SECTION 5. IC 14-15-3-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 31. (a) ~~Except as provided in subsection (b),~~ A person who violates **section 2, 3, 5, 7, 8, 9, 10, 14, 15, 16, 17, 20, 22, 23, 24, 25, 26, 27, 28, 29, or 30 of** this chapter commits a Class C infraction.

(b) A person who **knowingly or intentionally** violates section 6 of this chapter commits a Class C misdemeanor.

SECTION 6. IC 14-15-4-4, AS AMENDED BY P.L.158-2013, SECTION 199, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. A person who **knowingly or intentionally** violates **section 1, 2, or 3 of** this chapter commits a Class C misdemeanor. However, the offense is:

(1) a Class A misdemeanor if the accident or collision results in an injury to a person;

(2) a Level 6 felony if:

(A) the accident or collision results in serious bodily injury to a person; or

(B) within the five (5) years preceding the commission of the offense, the person had a previous conviction of any of the offenses listed in IC 9-30-10-4(a), IC 35-46-9-6, or IC 14-15-8-8 (before its repeal); or

(3) a Level 5 felony if the accident or collision results in the death of a person.

SECTION 7. IC 14-15-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. A person who violates **section 1 of** this chapter commits a Class C infraction.

SECTION 8. IC 14-15-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. A person who violates **section 1, 5, 7, 8, or 9 of** this chapter commits a Class C infraction.

SECTION 9. IC 14-15-7-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 6. A person who violates this chapter commits a Class C infraction.~~

SECTION 10. IC 14-15-9-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. A person who

violates section 4, 5, 6, or 7(a) of this chapter commits a Class C ~~misdemeanor.~~ **infraction.**

SECTION 11. IC 14-15-13-4, AS ADDED BY P.L.165-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. An individual who violates **section 3 of** this chapter commits a Class C infraction.

SECTION 12. IC 14-16-1-29, AS AMENDED BY P.L.1-2006, SECTION 210, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 29. (a) ~~Except as provided in subsections (b) and (c),~~ A person who violates **section 8, 9, 11.5, 13, 14, 20, 21, 23(a)(3) through 23(a)(14), or 27 of** this chapter commits a Class C infraction.

(b) A person who **knowingly or intentionally** violates section 17, 18(a), 18(b), 18(c), 23(a)(1), 23(a)(2), or 24 of this chapter commits a Class B misdemeanor.

(c) A person who violates section 18(d) or 18(e) of this chapter commits a Class A infraction.

SECTION 13. IC 14-21-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. **(a)** Except as provided in section 18 and sections 25 through 27 of this chapter, a person who, ~~knowingly,~~ without a permit, conducts a field investigation or alters historic property within the boundaries of property owned or leased by the state commits a Class A ~~misdemeanor.~~ **infraction.**

(b) Notwithstanding IC 34-28-5-4, a judgment for a Class A infraction imposed under this section may not exceed five thousand dollars ($5,000).

SECTION 14. IC 14-21-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. A person who knowingly violates ~~a provision~~ **section 3 or 4** of this chapter commits a Class C misdemeanor.

SECTION 15. IC 14-21-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~Beginning January 1, 2003,~~ A person who violates section 1 of this chapter commits a Class C infraction.

SECTION 16. IC 14-22-38-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a) Except as otherwise provided in this article and subject to subsection (b), a person who violates this article commits a Class C infraction.**

(b) Except as otherwise provided in this article, a person who **knowingly or intentionally** violates this article commits a Class C misdemeanor.

(c) A person may not be charged with both:

(1) a Class C misdemeanor; and

(2) a Class C infraction;

under this section for the same act or omission.

SECTION 17. IC 14-22-38-4, AS AMENDED BY P.L.289-2013, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) **If** a person ~~who:~~ **commits an offense that involves:**

(1) unlawfully ~~takes~~ **taking** or ~~possesses~~ **possessing** a deer or wild turkey;

(2) ~~takes~~ **taking** or ~~possesses~~ **possessing** a deer or wild turkey by illegal methods or with illegal devices; or

(3) except as provided in subsections (c) and (d), ~~sells, offers~~ **selling, offering** to sell, ~~purchases,~~ **purchasing,** or ~~offers~~ **offering** to purchase a deer or wild turkey or a part of a deer or wild turkey;

~~shall~~ **the court may order the person to** reimburse the state five hundred dollars ($500) for the first violation and one thousand dollars ($1,000) for each subsequent violation.

(b) The money shall be deposited in the conservation officers fish and wildlife fund. This penalty is in addition to any other penalty under the law.

(c) Notwithstanding section 6 of this chapter, if a properly tagged deer is brought to a meat processing facility and the owner of the deer:

(1) fails to pick up the processed deer within a reasonable time; or

(2) notifies the meat processing facility that the owner does not want the processed deer;

the deer meat may be given away by the meat processing facility to another person. The meat processing facility may charge the person receiving the deer meat a reasonable and customary processing fee.

(d) Notwithstanding section 6 of this chapter, deer meat and products from farm raised deer that meet the requirements under IC 15-17 may be sold to the public.

(e) In addition to being liable for the reimbursement required under subsection (a), a person who recklessly, knowingly, or intentionally violates subsection (a)(1) or (a)(2) while using or possessing:

(1) a sound suppressor designed for use with or on a firearm, commonly called a silencer; or

(2) a device used as a silencer;

commits unlawful hunting while using or possessing a silencer, a Class C misdemeanor.

SECTION 18. IC 14-24-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. **(a)** A person may not remove a label described under section 6 of this chapter from nursery stock until the nursery stock has been sold for the ultimate use or purpose of the nursery stock in Indiana.

(b) A person who violates this section commits a Class C infraction.

SECTION 19. IC 14-24-7-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 6. A person who violates section 1 of this chapter commits a Class C infraction.**

SECTION 20. IC 14-24-9-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 4. A person who violates section 2 of this chapter commits a Class C infraction.**

SECTION 21. IC 14-24-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. ~~(a) Except as provided in subsections (b) and (c), a person that knowingly violates this article commits a Class C infraction.~~

~~(b)~~ **(a)** A person, other than the state or a political subdivision of the state, that recklessly disturbs or molests an apiary, a honeybee hive, a honeybee colony, or other honeybee habitat, natural or manmade, without the permission of the owner commits a Class B misdemeanor.

~~(c)~~ **(b)** A person who ~~recklessly or knowingly~~ introduces a pest or pathogen into Indiana without a permit issued under:

(1) IC 14-7-9-2 (before its repeal); or

(2) IC 14-24-9-2;

commits a Class A infraction.

~~(d)~~ **(c)** Each day a violation occurs under this section is a separate offense.

SECTION 22. IC 14-24-12-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 10. A person who violates section 5 or 7 of this chapter commits a Class C infraction.**

SECTION 23. IC 14-25-3-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. A person who violates:

(1) section 6, 11, or 12 of this chapter; **or**

(2) a rule or order concerning a restricted use area;

commits a Class C infraction. Each day of violation constitutes a separate infraction.

SECTION 24. IC 14-25-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A person who violates **a rule or order adopted under** this chapter **concerning a ground water emergency** commits a Class A infraction.

(b) The commission may, without proof of irreparable injury, maintain an action to enjoin a violation of this chapter.

SECTION 25. IC 14-25-5-15 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) A person who violates **an order concerning a freshwater lake emergency declared under section 7 of** this chapter commits a Class A infraction.

(b) The commission may, without proof of irreparable injury, maintain an action to enjoin a violation of this chapter.

SECTION 26. IC 14-25-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. A person who violates **section 1 or 2 of** this chapter, **including the violation of an order issued under section 1 of this chapter,** commits a Class C infraction. Each day of violation constitutes a separate infraction.

SECTION 27. IC 14-25.5-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The fund consists of the following:

(1) Accrued interest and other investment earnings of the fund.

(2) Civil penalties collected ~~under IC 14-25.5-4.~~ **for the violation of a statute in an article described in IC 14-25.5-1-1.**

(3) Gifts, grants, donations, or appropriations from any source.

SECTION 28. IC 14-25.5-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) ~~The department may assess a civil penalty of not more than ten thousand dollars ($10,000) for a violation of an article to which this article applies or a violation of a rule adopted under an article to which this article applies.~~ **If the department has authority to assess a civil penalty for the violation of a statute in an article described in IC 14-25.5-1-1, the department also has authority to assess a civil penalty for the violation of a rule adopted in connection with that statute.**

(b) Each day during which a violation continues may be considered a separate violation for purposes of assessing a civil penalty.

(c) The department may bring a civil action under section 5 of this chapter to recover a **civil** penalty ~~under~~ **described in** this section and to enjoin a person from continuing a violation.

SECTION 29. IC 14-25.5-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. **(a)** A civil penalty assessed ~~under~~ **for a violation described in** section 3 of this chapter is subject to IC 4-21.5-3-6 and becomes effective without a proceeding under IC 4-21.5-3 unless a person requests an administrative review within thirty (30) days after receipt of the notice of assessment.

(b) A civil penalty that is assessed for a violation described in section 3 of this chapter shall be deposited in the fund.

SECTION 30. IC 14-25.5-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. The division director may request the attorney general to institute an action in an appropriate court for the following:

(1) The recovery of civil penalties owed ~~under this chapter.~~ **for a violation described in section 3 of this chapter.**

(2) To restrain a person from commencing to violate or continuing to violate any of the following:

(A) An article to which this article applies or a rule adopted under an article to which this article applies.

(B) An order of the department.

SECTION 31. IC 14-25.5-4-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 6. Except as provided in IC 14-26-7-8, IC 14-27-6-52, IC 14-29-1-3, IC 14-29-7-25, and IC 14-29-8-5, a person who knowingly violates an article enforced under this article commits a Class B infraction. Each day a violation occurs is a separate infraction.~~

SECTION 32. IC 14-26-2-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21. A person who ~~knowingly~~ violates **section 7 or 23 of** this chapter commits a Class B infraction.

SECTION 33. IC 14-26-2-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. In addition to other penalties prescribed by this chapter or IC 13-2-11.1 (before its repeal), the director may impose a civil penalty **of not more than ten thousand dollars ($10,000)** under IC 14-25.5-4 **for a violation of section 7 or 23 of this chapter.**

SECTION 34. IC 14-26-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. A person who ~~recklessly~~ violates this chapter commits a Class A ~~misdemeanor.~~ **infraction. Notwithstanding IC 34-28-5-4, a judgment for a Class A infraction imposed under this section may not exceed five thousand dollars ($5,000).**

SECTION 35. IC 14-27-6-52 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 52. A person who recklessly violates this chapter commits a Class B misdemeanor.~~

SECTION 36. IC 14-29-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) A person who ~~knowingly~~ violates **section 3 of** this chapter commits a Class B infraction.

(b) Each day of continuing violation after conviction of the offense **or violation** constitutes a separate offense **or violation.**

SECTION 37. IC 14-36-1-37 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 37. **(a)** A person who violates **or fails to comply with section 14, 15, 26, or 27 of** this chapter **(including a person who fails to comply with a rule of the commission or order of the director adopted or issued in connection with these sections)** commits a Class A infraction.

(b) Each day that a violation continues constitutes a separate violation.

(c) Notwithstanding IC 34-28-5-4, a judgment for a Class A infraction imposed under this section may not exceed five thousand dollars ($5,000).

SECTION 38. IC 14-37-4-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 15. (a) The department may assess a civil penalty of not more than ten thousand dollars ($10,000) against a person who violates section 1 or 2 of this chapter.**

(b) A person who knowingly or intentionally violates section 1 or 2 of this chapter commits a Level 6 felony if the violation relates to the operation of a Class II well.

(c) A civil penalty assessed under this section shall be deposited in the oil and gas environmental fund established by IC 14-37-10-2.

SECTION 39. IC 14-37-7-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) The department may assess a civil penalty of not more than ten thousand dollars ($10,000) against an owner or operator who:**

(1) violates section 4 or 7 of this chapter; or

(2) fails to comply with an order of the division under section 3.5 or 4 of this chapter.

(b) An owner or operator who knowingly or intentionally:

(1) violates section 4 or 7 of this chapter; or

(2) fails to comply with an order of the division under section 3.5 or 4 of this chapter;

commits a Level 6 felony if the violation or failure to comply relates to the operation of a Class II well.

(c) A civil penalty assessed under this section shall be deposited in the oil and gas environmental fund established by IC 14-37-10-2.

SECTION 40. IC 14-37-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) An owner or operator shall plug and abandon a well that:

(1) is completed as a nonproductive well;

(2) ceases to produce oil or natural gas; or

(3) is no longer operated for the purpose for which the well is permitted;

unless the owner or operator is authorized to delay the plugging and abandonment of the well under section 8 of this chapter.

(b) **The department may assess a civil penalty of not more than ten thousand dollars ($10,000) against** an owner or operator of a well who:

(1) ceases to operate the well; and

(2) knowingly fails to plug and abandon the well in violation of subsection (a).

~~is subject to the criminal penalty set forth in IC 14-37-13-6.~~

(c) An owner or operator who knowingly or intentionally violates this section commits a Level 6 felony if the violation or failure to comply relates to the operation of a Class II well.

(d) A civil penalty assessed under this section shall be deposited in the oil and gas environmental fund established by IC 14-37-10-2.

(e) Each day that the well remains not plugged and not abandoned constitutes a separate violation of subsection (a).

SECTION 41. IC 14-37-8-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 18. (a) The department may assess a civil penalty of not more than ten thousand dollars ($10,000) against an owner or operator who:**

(1) violates; or

(2) fails to comply with an order of the division in relation to;

section 3, 4, or 4.2 of this chapter.

(b) An owner or operator who knowingly or intentionally:

(1) violates; or

(2) fails to comply with an order of the division in relation to;

section 3, 4, or 4.2 of this chapter commits a Level 6 felony if the violation or failure to comply relates to the operation of a Class II well.

(c) A civil penalty assessed under this section shall be deposited in the oil and gas environmental fund established by IC 14-37-10-2.

SECTION 42. IC 14-37-10-3, AS AMENDED BY P.L.151-2012, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. The following shall be deposited in the fund:

(1) Annual fees for oil and gas wells received under IC 14-37-5.

(2) Accrued interest and other investment earnings of the fund.

(3) Civil penalties collected under ~~IC 14-37-13-3.~~ **IC 14-37.**

(4) Bonds forfeited under IC 14-37-13-2.

(5) Gifts, grants, donations, or appropriations from any source.

SECTION 43. IC 14-37-11-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 4. (a) An owner or operator who violates section 1 of this chapter commits a Class B infraction.**

(b) The department may assess a civil penalty of not more than ten thousand dollars ($10,000) against an owner or operator who violates section 1 of this chapter.

(c) An owner or operator who knowingly or intentionally violates section 1 of this chapter commits a Level 6 felony if the violation concerns the operation of a Class II well.

(d) A civil penalty assessed under this section shall be deposited in the oil and gas environmental fund established by IC 14-37-10-2.

SECTION 44. IC 14-37-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~The commission may assess against a person who violates:~~

~~(1) this article or IC 13-8 (before its repeal); or~~

~~(2) a rule adopted under this article (or IC 13-8 before its repeal);~~

~~a civil penalty of not more than ten thousand dollars ($10,000) for each day the violation occurs. The penalty may be recovered and~~ **In addition to any civil penalty imposed for a violation of this article,** the ~~violator may be enjoined~~ **department may bring an action to enjoin the violator** from continuing the violation. ~~in a civil action.~~

SECTION 45. IC 14-37-13-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 6. (a) Except as provided in subsection (b), a person who knowingly violates this article commits a Class B misdemeanor. Each day a violation occurs is a separate offense.~~

~~(b) A person who knowingly violates this article with respect to the operation of a Class H well commits a Level 6 felony.~~

SECTION 46. IC 14-38-2-21 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 21. (a) A person who knowingly violates this chapter commits a Class C infraction.~~

~~(b) Each day of violation constitutes a separate infraction.~~

SECTION 47. IC 14-38-2-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 22. (a) An owner or operator who fails to comply with section 6, 10, or 11 of this chapter commits a Class C infraction.**

(b) The department may assess a civil penalty of not more than ten thousand dollars ($10,000) against an owner or operator who knowingly fails to comply with section 6, 10, or 11 of this chapter.

(c) A civil penalty assessed under this section shall be deposited in the oil and gas environmental fund established by IC 14-37-10-2.

SECTION 48. IC 33-37-5-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. In addition to any other duties, a clerk shall do the following:

(1) Collect and transfer additional judgments to a county auditor under IC 9-18-2-41.

(2) Deposit funds collected as judgments in the state highway fund under IC 9-20-18-12.

(3) Deposit funds in the conservation officers fish and wildlife fund under ~~IC 14-22-38-4, IC 14-22-38-5, and IC 14-22-40-8.~~ **IC 14-22.**

(4) Deposit funds collected as judgments in the state general fund under IC 34-28-5-4.

SECTION 49. IC 35-51-14-1, AS AMENDED BY P.L.289-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The following statutes define crimes in IC 14:

IC 14-9-8-19 (Concerning the department of natural resources).

IC 14-15-3-31 (Concerning watercraft).

IC 14-15-4-4 (Concerning watercraft accidents).

~~IC 14-15-9-8 (Concerning divers).~~

IC 14-15-11-11 (Concerning motorboat operators).

IC 14-15-12-13 (Concerning personal watercraft).

IC 14-16-1-29 (Concerning off-road vehicles).

IC 14-17-4-8 (Concerning property acquisition).

~~IC 14-21-1-16 (Concerning historic preservation and archeology).~~

IC 14-21-1-26 (Concerning historic preservation and archeology).

IC 14-21-1-26.5 (Concerning historic preservation and archeology).

IC 14-21-1-27 (Concerning historic preservation and archeology).

IC 14-21-1-28 (Concerning historic preservation and archeology).

IC 14-21-1-36 (Concerning historic preservation and archeology).

IC 14-21-2-5 (Concerning historic preservation and archeology).

IC 14-22-13-10 (Concerning commercial fishing licenses).

IC 14-22-17-4 (Concerning fish and wildlife).
IC 14-22-32-3 (Concerning fish and wildlife).
IC 14-22-34-12 (Concerning fish and wildlife).
IC 14-22-37-2 (Concerning fish and wildlife).
IC 14-22-37-3 (Concerning fish and wildlife).
IC 14-22-38-1 (Concerning fish and wildlife).
IC 14-22-38-3 (Concerning fish and wildlife).
IC 14-22-38-4 (Concerning fish and wildlife).
IC 14-22-38-4.5 (Concerning fish and wildlife).
IC 14-22-38-6 (Concerning fish and wildlife).
IC 14-22-40-6 (Concerning fish and wildlife).
IC 14-23-7-5 (Concerning forestry).
IC 14-24-11-4 (Concerning entomology and plant pathology).
~~IC 14-26-7-8 (Concerning lakes and reservoirs).~~
~~IC 14-27-6-52 (Concerning levees, dams, and drainage).~~
IC 14-29-8-5 (Concerning rivers, streams, and waterways).
IC 14-31-3-15 (Concerning nature preserves).
IC 14-31-3-16 (Concerning nature preserves).
IC 14-31-3-17 (Concerning nature preserves).
IC 14-31-3-19 (Concerning nature preserves).
IC 14-31-3-20 (Concerning nature preserves).
IC 14-31-3-21 (Concerning nature preserves).
IC 14-34-2-6 (Concerning surface coal mining and reclamation).
IC 14-34-16-6 (Concerning surface coal mining and reclamation).
IC 14-34-16-7 (Concerning surface coal mining and reclamation).
IC 14-37-4-15 (Concerning oil and gas).
IC 14-37-7-9 (Concerning oil and gas).
IC 14-37-8-1 (Concerning oil and gas).
IC 14-37-8-18 (Concerning oil and gas).
IC 14-37-11-4 (Concerning oil and gas).
~~IC 14-37-13-6 (Concerning oil and gas)~~

(Reference is to ESB 52 as reprinted February 28, 2014.)

STEELE	MCMILLIN
RANDOLPH	PIERCE
Senate Conferees	House Conferees

Roll Call 502: yeas 86, nays 12. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 169–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 169 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 35-43-4-2, AS AMENDED BY P.L.158-2013, SECTION 463, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A person who knowingly or intentionally exerts unauthorized control over property of another person, with intent to deprive the other person of any part of its value or use, commits theft, a Class A misdemeanor. However, the offense is:

(1) a Level 6 felony if:

(A) the value of the property is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000);

(B) the property is a firearm; or

~~(B)~~ **(C)** the person has a prior unrelated conviction for:

(i) theft under this section; or

(ii) criminal conversion under section 3 of this chapter; and

(2) a Level 5 felony if:

(A) the value of the property is at least fifty thousand dollars ($50,000); or

(B) the property that is the subject of the theft is a valuable metal (as defined in IC 25-37.5-1-1) and:

(i) relates to transportation safety;

(ii) relates to public safety; or

(iii) is taken from a hospital or other health care facility, telecommunications provider, public utility (as defined in IC 32-24-1-5.9(a)), or key facility;

and the absence of the property creates a substantial risk of bodily injury to a person.

(b) In determining the value of property under this section, acts of theft committed in a single episode of criminal conduct (as defined in IC 35-50-1-2(b)) may be charged in a single count.

(c) For purposes of this section, "the value of property" means:

(1) the fair market value of the property at the time and place the offense was committed; or

(2) if the fair market value of the property cannot be satisfactorily determined, the cost to replace the property within a reasonable time after the offense was committed.

A price tag or price marking on property displayed or offered for sale constitutes prima facie evidence of the value of the property.

SECTION 2. IC 35-47-2-7, AS AMENDED BY P.L.158-2013, SECTION 577, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) Except an individual acting within a parent-minor child or guardian-minor protected person relationship or any other individual who is also acting in compliance with IC 35-47-10 **(governing children and firearms),** a person may not sell, give, or in any other manner transfer the ownership or possession of a handgun or assault weapon to any person under eighteen (18) years of age.

(b) ~~It is unlawful for a person to sell, give, or in any manner transfer~~ **A person who knowingly or intentionally sells, gives, or in any other manner transfers** the ownership or possession of a handgun to another person who the person **knows:** ~~has reasonable cause to believe:~~

~~(1) has been:~~

~~(A) convicted of a felony; or~~

~~(B) adjudicated a delinquent child for an act that would be a felony if committed by an adult, if the person seeking to obtain ownership or possession of the handgun is less than twenty-three (23) years of age;~~

~~(2) is a drug abuser;~~

~~(3) is an alcohol abuser; or~~

~~(4) is mentally incompetent;~~

(1) is ineligible for any reason other than the person's age to purchase or otherwise receive from a dealer a handgun; or

(2) intends to use the handgun to commit a crime;

commits criminal transfer of a handgun, a Level 5 felony. However, the offense is a Level 3 felony if the other person uses the handgun to commit murder (IC 35-42-1-1).

(c) ~~A person who knowingly or intentionally violates this section commits a Level 5 felony.~~ **A person who purchases a handgun with the intent to:**

(1) resell or otherwise provide the handgun to another person who the person knows is ineligible for any reason to purchase or otherwise receive from a dealer a handgun;

(2) resell or otherwise provide the handgun to another person who the person knows intends to use the handgun to commit a crime; or

(3) transport the handgun outside Indiana to be resold or otherwise provided to another person who the transferor knows:

(A) is ineligible to purchase or otherwise receive a

handgun; or

(B) intends to use the handgun to commit a crime;

commits the straw purchase of a handgun, a Level 5 felony. However, the offense is a Level 3 felony if the other person uses the handgun to commit murder (IC 35-42-1-1).

(d) As used in this subsection, "NICS" has the meaning set forth in IC 35-47-2.5-2.5. It is a defense to a prosecution under subsection (b)(1) that:

(1) the accused person contacted NICS (or had a dealer contact NICS on the person's behalf) to request a background check on the other person before the accused person sold, gave, or in any other manner transferred the ownership or possession of the handgun to the other person; and

(2) the accused person (or dealer acting on the person's behalf) received authorization from NICS to sell, give, or in any other manner transfer ownership or possession of the handgun to the other person.

SECTION 3. IC 35-47-2.5-1, AS AMENDED BY P.L.190-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) **Sections 2 through 5 of** this chapter ~~does~~ **do** not apply to the following:

(1) Transactions between persons who are licensed as firearms importers or collectors or firearms manufacturers or dealers under 18 U.S.C. 923.

(2) Purchases by or sales to a law enforcement officer or agent of the United States, the state, or a county or local government.

(3) Indiana residents licensed to carry handguns under IC 35-47-2-3.

(b) Notwithstanding any other provision of this chapter, the state shall participate in the NICS if federal funds are available to assist the state in participating in the NICS. If:

(1) the state participates in the NICS; and

(2) there is a conflict between:

(A) a provision of this chapter; and

(B) a procedure required under the NICS;

the procedure required under the NICS prevails over the conflicting provision of this chapter.

SECTION 4. IC 35-47-2.5-14 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 14. (a) This section does not apply to a person who provides a handgun to the following:~~

~~(1) A child who is attending a hunters safety course or a firearms safety course or an adult who is supervising the child during the course.~~

~~(2) A child engaging in practice in using a firearm for target shooting at an established range or in an area where the discharge of a firearm is not prohibited or is supervised by:~~

~~(A) a qualified firearms instructor; or~~

~~(B) an adult who is supervising the child while the child is at the range.~~

~~(3) A child engaging in an organized competition involving the use of a firearm or participating in or practicing for a performance by an organized group under Section 501(c)(3) of the Internal Revenue Code that uses firearms as a part of a performance or an adult who is involved in the competition or performance.~~

~~(4) A child who is hunting or trapping under a valid license issued to the child under IC 14-22.~~

~~(5) A child who is traveling with an unloaded firearm to or from an activity described in this section.~~

~~(6) A child who:~~

~~(A) is on real property that is under the control of the child's parent, an adult family member of the child, or the child's legal guardian; and~~

~~(B) has permission from the child's parent or legal guardian to possess a firearm.~~

~~(b) A person who purchases a handgun with the intent to:~~

~~(1) resell or otherwise provide the handgun to another person who the person knows or has reason to believe is ineligible for any reason to purchase or otherwise receive from a dealer a handgun; or~~

~~(2) transport the handgun out of the state to be resold or otherwise provided to another person who the transferor knows is ineligible to purchase or otherwise receive a firearm;~~

~~commits a Level 6 felony.~~

~~(c) If the violation of this section involves a transfer of more than one (1) handgun, the offense is a Level 5 felony.~~

SECTION 5. IC 35-47-2.5-15 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 15. (a) A person who is ineligible to purchase or otherwise receive or possess a handgun in Indiana who knowingly or intentionally solicits, employs, or assists any person in violating section 14 of this chapter commits a Level 6 felony.~~

~~(b) If the violation involves a transfer of more than one (1) handgun, the offense is a Level 5 felony.~~

SECTION 6. IC 35-47-2.5-16 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 16. (a) This section does not apply to a person who complies with IC 35-47-10 (governing children and firearms).**

(b) A person who provides a firearm to an individual who the person knows:

(1) is ineligible to purchase or otherwise receive or possess a firearm for any reason other than the person's age; or

(2) intends to use the firearm to commit a crime;

commits criminal transfer of a firearm, a Level 5 felony. However, the offense is a Level 3 felony if the individual uses the firearm to commit murder (IC 35-42-1-1).

(c) It is a defense to a prosecution under subsection (b)(1) that:

(1) the accused person (or dealer acting on the person's behalf) contacted NICS to request a background check on the individual before the accused person provided the firearm to the individual; and

(2) the accused person (or dealer acting on the person's behalf) received authorization from NICS to provide the firearm to the individual.

SECTION 7. IC 35-47-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a) This section does not apply to section 7 of this chapter.**

(b) Except as provided in subsection (c), this chapter does not apply to the following:

(1) A child who is attending a hunters safety course or a firearms safety course or an adult who is supervising the child during the course.

(2) A child engaging in practice in using a firearm for target shooting at an established range or in an area where the discharge of a firearm is not prohibited or supervised by:

(A) a qualified firearms instructor; or

(B) an adult who is supervising the child while the child is at the range.

(3) A child engaging in an organized competition involving the use of a firearm or participating in or practicing for a performance by an organized group under Section 501(c)(3) of the Internal Revenue Code that uses firearms as a part of a performance or an adult who is involved in the competition or performance.

(4) A child who is hunting or trapping under a valid license issued to the child under IC 14-22.

(5) A child who is traveling with an unloaded firearm to or from an activity described in this section.

(6) A child who:

(A) is on real property that is under the control of the child's parent, an adult family member of the child, or the child's legal guardian; and

(B) has permission from the child's parent or legal guardian to possess a firearm.

(7) A child who:

(A) is at the child's residence; and

(B) has the permission of the child's parent, an adult family member of the child, or the child's legal guardian to possess a firearm.

(c) This chapter applies to a child, and to a person who provides a firearm to a child, if the child:

(1) is ineligible to purchase or possess a firearm for any reason other than the child's age; or

(2) if the child intends to use a firearm to commit a crime.

SECTION 8. IC 35-47-10-5, AS AMENDED BY P.L.158-2013, SECTION 602, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. **(a)** A child who knowingly, intentionally, or recklessly

~~(1)~~ possesses a firearm for any purpose other than a purpose described in section 1 of this chapter ~~or~~

~~(2) provides a firearm to another child with or without remuneration for any purpose other than a purpose described in section 1 of this chapter;~~

commits dangerous possession of a firearm, a Class A misdemeanor. However, the offense is a Level 5 felony if the child has a prior conviction under this section or has been adjudicated a delinquent for an act that would be an offense under this section if committed by an adult.

(b) A child who knowingly or intentionally provides a firearm to another child whom the child knows:

(1) is ineligible for any reason to purchase or otherwise receive from a dealer a firearm; or

(2) intends to use the firearm to commit a crime;

commits a Level 5 felony. However, the offense is a Level 3 felony if the other child uses the firearm to commit murder (IC 35-42-1-1).

SECTION 9. IC 35-47-10-6, AS AMENDED BY P.L.158-2013, SECTION 603, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. An adult who knowingly **or** intentionally ~~or recklessly~~ provides a firearm to a child ~~for any purpose other than those described in section 1 of this chapter, with or without remuneration,~~ **whom the adult knows:**

(1) is ineligible for any reason to purchase or otherwise receive from a dealer a firearm; or

(2) intends to use the firearm to commit a crime;

commits dangerous control of a firearm, a Level 5 felony. However, the offense is a Level 4 felony if the adult has a prior conviction under this section, **and a Level 3 felony if the child uses the firearm to commit murder (IC 35-42-1-1).**

SECTION 10. IC 35-50-2-11, AS AMENDED BY P.L.158-2013, SECTION 665, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) As used in this section, "firearm" has the meaning set forth in IC 35-47-1-5.

(b) As used in this section, "offense" means:

(1) a felony under IC 35-42 that resulted in death or serious bodily injury;

(2) kidnapping; or

(3) criminal confinement as a Level 2 or Level 3 felony.

(c) The state may seek, on a page separate from the rest of a charging instrument, to have a person who allegedly committed an offense sentenced to an additional fixed term of imprisonment if the state can show beyond a reasonable doubt that the person knowingly or intentionally used a firearm in the commission of the offense.

(d) If the person was convicted of the offense in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(e) If the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person knowingly or intentionally used a firearm in the commission of the offense, the court may sentence the person to an additional fixed term of imprisonment of **between** five (5) **years and twenty (20)** years.

(Reference is to ESB 169 as reprinted February 27, 2014.)

R. MICHAEL YOUNG	MCMILLIN
ARNOLD	DELANEY
Senate Conferees	House Conferees

Roll Call 503: yeas 100, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

ESB 176–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 176 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-18.5-3, AS AMENDED BY P.L.234-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) A civil taxing unit may not impose an ad valorem property tax levy for an ensuing calendar year that exceeds the amount determined in the last STEP of the following STEPS:

STEP ONE: Determine the civil taxing unit's maximum permissible ad valorem property tax levy for the preceding calendar year.

STEP TWO: Multiply the amount determined in STEP ONE by the amount determined in the last STEP of section 2(b) of this chapter.

STEP THREE: Determine the lesser of one and fifteen hundredths (1.15) or the quotient (rounded to the nearest ten-thousandth (0.0001)), of the assessed value of all taxable property subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year, divided by the assessed value of all taxable property that is subject to the civil taxing unit's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the civil taxing unit's ad valorem property tax levy in the preceding calendar year.

STEP FOUR: Determine the greater of the amount determined in STEP THREE or one (1).

STEP FIVE: Multiply the amount determined in STEP TWO by the amount determined in STEP FOUR.

STEP SIX: Add the amount determined under STEP TWO to the amount of an excessive levy appeal granted under section 13 of this chapter for the ensuing calendar year.

STEP SEVEN: Determine the greater of STEP FIVE or STEP SIX.

(b) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a civil taxing unit that is located in a county for which:

(1) a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24; or

(2) a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30;

to provide property tax relief in the county. Notwithstanding any provision in this section, any other section of this chapter, or IC 12-20-21-3.2, and except as provided in subsection (c), the maximum permissible ad valorem property tax levy calculated

under this section for the ensuing calendar year for a civil taxing unit subject to this section is equal to the civil taxing unit's maximum permissible ad valorem property tax levy for the current calendar year.

(c) This subsection applies only to property taxes first due and payable after December 31, 2007. In the case of a civil taxing unit that:

(1) is partially located in a county for which a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24 or a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30 **to provide property tax relief in the county;** and

(2) is partially located in a county that is not described in subdivision (1);

the department of local government finance shall, notwithstanding subsection (b), adjust the portion of the civil taxing unit's maximum permissible ad valorem property tax levy that is attributable (as determined by the department of local government finance) to the county or counties described in subdivision (2). The department of local government finance shall adjust this portion of the civil taxing unit's maximum permissible ad valorem property tax levy so that, notwithstanding subsection (b), this portion is allowed to increase as otherwise provided in this section. If the department of local government finance increases the civil taxing unit's maximum permissible ad valorem property tax levy under this subsection, any additional property taxes imposed by the civil taxing unit under the adjustment shall be paid only by the taxpayers in the county or counties described in subdivision (2).

SECTION 2. IC 6-3.5-1.1-9, AS AMENDED BY P.L.261-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) Revenue derived from the imposition of the county adjusted gross income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount to be distributed to a county during an ensuing calendar year equals the amount of county adjusted gross income tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending before the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted for refunds of county adjusted gross income tax made in the state fiscal year.

(b) Before August 2 of each calendar year, the budget agency shall provide to the county auditor of each adopting county an estimate of the amount determined under subsection (a) that will be distributed to the county, based on known tax rates. Not later than thirty (30) days after receiving the estimate of the certified distribution, the county auditor shall notify each taxing unit of the estimated amount of property tax replacement credits, certified shares, and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. Before October 1 of each calendar year, the budget agency shall certify to the county auditor of each adopting county the amount determined under subsection (a) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county's "certified distribution" for the immediately succeeding calendar year. The amount certified shall be adjusted under subsections (c), (d), (e), (f), and (g). Not later than thirty (30) days after receiving the notice of the amount of the certified distribution, the county auditor shall notify each taxing unit of the amount of property tax replacement credits, certified shares, and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. The budget agency shall provide the county council with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must include:

(1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;

(2) adjustments for over distributions in prior years;

(3) adjustments for clerical or mathematical errors in prior years;

(4) adjustments for tax rate changes; and

(5) the amount of excess account balances to be distributed under IC 6-3.5-1.1-21.1.

The budget agency shall also certify information concerning the part of the certified distribution that is attributable to a tax rate under section 24, 25, or 26 of this chapter. This information must be certified to the county auditor, the department, and the department of local government finance before October 1 of each calendar year. The part of the certified distribution that is attributable to a tax rate under section 24, 25, or 26 of this chapter may be used only as specified in those provisions.

(c) The budget agency shall certify an amount less than the amount determined under subsection (b) if the budget agency determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The budget agency may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(d) The budget agency shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The budget agency may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) This subsection applies to a county that initially imposes, increases, decreases, or rescinds a tax or tax rate under this chapter before November 1 in the same calendar year in which the budget agency makes a certification under this section. The budget agency shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c). If the county imposes, increases, decreases, or rescinds a tax or tax rate under this chapter after the date for which a certification under subsection (b) is based, the budget agency shall adjust the certified distribution of the county after September 30 of the calendar year. The adjustment shall reflect any other adjustment required under subsections (c), (d), (f), and (g). The adjusted certification shall be treated as the county's "certified distribution" for the immediately succeeding calendar year. The budget agency shall certify the adjusted certified distribution to the county auditor for the county and provide the county council with an informative summary of the calculations that revises the informative summary provided in subsection (b) and reflects the changes made in the adjustment.

(f) The budget agency shall adjust the certified distribution of a county to provide the county with the distribution required under section 3.3 of this chapter beginning not later than the tenth month after the month in which additional revenue from the tax authorized under section 3.3 of this chapter is initially collected.

(g) This subsection applies in the year in which a county initially imposes a tax rate under section 24 of this chapter. Notwithstanding any other provision, the budget agency shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 24 of this chapter to

provide for a distribution in the immediately following calendar year equal to the result of:

(1) the sum of the amounts determined under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the year in which the county initially imposes a tax rate under section 24 of this chapter; multiplied by

(2) two (2).

(h) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(i) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following calendar year.

(j) The estimates under subsections (h) and (i) must specify the amount of the estimated certified distributions that are attributable to the additional rate authorized under section 24 of this chapter, the additional rate authorized under section 25 of this chapter, the additional rate authorized under section 26 of this chapter, and any other additional rates authorized under this chapter.

SECTION 3. IC 6-3.5-1.1-23, AS AMENDED BY P.L.224-2007, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 23. (a) A pledge of county adjusted gross income tax revenues **received** under this chapter (other than tax revenue attributable to a tax rate under section 24, 25, or 26 of this chapter **for property tax relief or public safety)** is enforceable in accordance with IC 5-1-14.

(b) With respect to obligations for which a pledge has been made under this chapter, the general assembly covenants with the county and the purchasers or owners of those obligations that this chapter will not be repealed or amended in any manner that will adversely affect the collection of the tax imposed under this chapter as long as the principal of or interest on those obligations is unpaid.

SECTION 4. IC 6-3.5-1.1-24, AS AMENDED BY P.L.261-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 24. (a) In a county in which the county adjusted gross income tax is in effect, the county council may adopt an ordinance to impose or increase (as applicable) a tax rate under this section.

(b) In a county in which neither the county adjusted gross income tax nor the county option income tax is in effect, the county council may adopt an ordinance to impose a tax rate under this section.

(c) If a county council adopts an ordinance to impose or increase a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(d) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(e) **Except as provided in subsection (t),** the following apply only in the year in which a county council first imposes a tax rate under this section:

(1) The county council shall, in the ordinance imposing the tax rate, specify the tax rate for each of the following two (2) years.

(2) The tax rate that must be imposed in the county in the first year is equal to the result of:

(A) the tax rate determined for the county under ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the year in which the tax rate is increased; multiplied by

(B) two (2).

(3) The tax rate that must be imposed in the county in the second year is the tax rate determined for the county under ~~IC 6-3.5-1.5-1(b).~~ **IC 6-3.5-1.5-1(c).** The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(4) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year and to property taxes first due and payable in the calendar year after the ensuing calendar year.

(f) **Except as provided in subsection (t),** the following apply only in a year in which a county council increases a tax rate under this section:

(1) The county council shall, in the ordinance increasing the tax rate, specify the tax rate for the following year.

(2) The tax rate that must be imposed in the county is equal to the result of:

(A) the tax rate determined for the county under ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in that year; plus

(B) the tax rate currently in effect in the county under this section.

The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(3) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year.

(g) **Except as provided in subsection (t),** the department of local government finance shall determine the following property tax replacement distribution amounts:

STEP ONE: Determine the sum of the amounts determined under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** for the county in the preceding year.

STEP TWO: For distribution to each civil taxing unit that in the year had a maximum permissible property tax levy limited under IC 6-1.1-18.5-3(b), determine the result of:

(1) the quotient of:

(A) the part of the amount determined under STEP ONE of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year that was attributable to the civil taxing unit; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP THREE: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county family and children's fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP TWO of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FOUR: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county children's psychiatric residential treatment services fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP THREE of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FIVE: For distribution to the county for community mental health center purposes, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

Except as provided in subsection (m), the county treasurer shall distribute the portion of the certified distribution that is attributable to a tax rate under this section as specified in this section. The county treasurer shall make the distributions under this subsection at the same time that distributions are made to civil taxing units under section 15 of this chapter.

(h) Notwithstanding sections 3.1 and 4 of this chapter, a county council may not decrease or rescind a tax rate imposed under this ~~chapter.~~ **section.**

(i) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 2 of this chapter or any other provision of this chapter; or

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3.

(j) The tax levy under this section shall not be considered for purposes of the credit under IC 6-1.1-20.6.

(k) **Except as provided in subsections (s) and (t),** a distribution under this section shall be treated as a part of the receiving civil taxing unit's property tax levy for that year for purposes of fixing the budget of the civil taxing unit and for determining the distribution of taxes that are distributed on the basis of property tax levies.

(l) If a county council imposes a tax rate under this section **(other than a tax rate imposed under subsection (s)),** the portion of county adjusted gross income tax revenue dedicated to property tax replacement credits under section 11 of this chapter may not be decreased.

(m) In the year following the year in a which a county first imposes a tax rate under this section, one-half (1/2) of the tax revenue that is attributable to the tax rate under this section **(other than a tax rate imposed under subsection (s))** must be deposited in the county stabilization fund established under subsection (o).

(n) **Except as provided in subsection (t) and IC 8-25,** a pledge of county adjusted gross income taxes does not apply to revenue attributable to a tax rate under this section.

(o) **Except as provided in subsection (t),** a county stabilization fund is established in each county that imposes a tax rate under this section. The county stabilization fund shall be administered by the county auditor. If for a year the certified distributions attributable to a tax rate under this section exceed the amount calculated under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section, the excess shall be deposited in the county stabilization fund. Money shall be distributed from the county stabilization fund in a year by the county auditor to political subdivisions entitled to a distribution of tax revenue attributable to the tax rate under this section if:

(1) the certified distributions attributable to a tax rate under this section are less than the amount calculated under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section for a year; or

(2) the certified distributions attributable to a tax rate under this section in a year are less than the certified distributions attributable to a tax rate under this section in the preceding year.

However, subdivision (2) does not apply to the year following the first year in which certified distributions of revenue attributable to the tax rate under this section are distributed to the county.

(p) Notwithstanding any other provision, a tax rate imposed under this section may not exceed one percent (1%).

(q) A county council must each year hold at least one (1) public meeting at which the county council discusses whether the tax rate under this section should be imposed or increased.

(r) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(s) This subsection applies only to Hancock County and Johnson County. If the voters of the county approve a local public question under IC 8-25-2, the fiscal body of the county may adopt an ordinance to provide for the use of county adjusted gross income tax revenues attributable to an additional tax rate imposed under this subsection to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:

(1) retained by the county auditor;

(2) deposited in the public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.

(t) The following do not apply to an additional tax rate imposed under subsection (s):

(1) Subsection (e).

(2) Subsection (f).

(3) Subsection (g).

(4) Subsection (k).

(5) Subsection (n).

(6) Subsection (o).

SECTION 5. IC 6-3.5-1.1-29 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 29. Notwithstanding any other law, if an additional tax rate imposed under section 24(s) of this chapter is required by IC 8-25-6-10, the additional tax rate applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under IC 8-25-6.**

SECTION 6. IC 6-3.5-1.5-1, AS AMENDED BY P.L.137-2012, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a) This section does not apply to a tax rate imposed under IC 6-3.5-1.1-24(s) or IC 6-3.5-6-30(t) for a public transportation project authorized under IC 8-25.**

~~(a)~~ **(b)** The department of local government finance and the budget agency shall, before September 1 of each year, jointly calculate the county adjusted income tax rate or county option income tax rate (as applicable) that must be imposed in a county to raise income tax revenue in the following year equal to the sum of the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result

of:

(1) the department of local government finance's estimate of the sum of the maximum permissible ad valorem property tax levies calculated under IC 6-1.1-18.5 for all civil taxing units in the county for the ensuing calendar year (before any adjustment under IC 6-1.1-18.5-3(g) or IC 6-1.1-18.5-3(h) for the ensuing calendar year); minus

(2) the sum of the maximum permissible ad valorem property tax levies calculated under IC 6-1.1-18.5 for all civil taxing units in the county for the current calendar year.

In the case of a civil taxing unit that is located in more than one (1) county, the department of local government finance shall, for purposes of making the determination under this subdivision, apportion the civil taxing unit's maximum permissible ad valorem property tax levy among the counties in which the civil taxing unit is located.

STEP TWO: This STEP applies only to property taxes first due and payable before January 1, 2009. Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the family and children property tax levy that will be imposed by the county under IC 12-19-7-4 (before its repeal) for the ensuing calendar year (before any adjustment under IC 12-19-7-4(b) (before its repeal) for the ensuing calendar year); minus

(2) the county's family and children property tax levy imposed by the county under IC 12-19-7-4 (before its repeal) for the current calendar year.

STEP THREE: This STEP applies only to property taxes first due and payable before January 1, 2009. Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the children's psychiatric residential treatment services property tax levy that will be imposed by the county under IC 12-19-7.5-6 ~~for~~ (before its repeal) **for** the ensuing calendar year (before any adjustment under IC 12-19-7.5-6(b) (before its repeal) for the ensuing calendar year); minus

(2) the children's psychiatric residential treatment services property tax imposed by the county under IC 12-19-7.5-6 (before its repeal) for the current calendar year.

STEP FOUR: Determine the greater of zero (0) or the result of:

(1) the department of local government finance's estimate of the county's maximum community mental health centers property tax levy under IC 12-29-2-2 for the ensuing calendar year (before any adjustment under IC 12-29-2-2(c) for the ensuing calendar year); minus

(2) the county's maximum community mental health centers property tax levy under IC 12-29-2-2 for the current calendar year.

~~(b)~~ **(c)** In the case of a county that wishes to impose a tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 (as applicable) for the first time, the department of local government finance and the budget agency shall jointly estimate the amount that will be calculated under subsection (a) in the second year after the tax rate is first imposed. The department of local government finance and the budget agency shall calculate the tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 (as applicable) that must be imposed in the county in the second year after the tax rate is first imposed to raise income tax revenue equal to the estimate under this subsection.

~~(c)~~ **(d)** The budget agency and the department of local government finance shall make the calculations under subsections ~~(a)~~ **(b)** and ~~(b)~~ **(c)** based on the best information available at the time the calculation is made.

~~(d)~~ **(e)** Notwithstanding IC 6-3.5-1.1-24(h) and IC 6-3.5-6-30(h), if a county has adopted an income tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 to replace property tax levy growth, the part of the tax rate under IC 6-3.5-1.1-24 or IC 6-3.5-6-30 that was used before January 1, 2009, to reduce levy growth in the county family and children's fund property tax levy and the children's psychiatric residential treatment services property tax levy shall instead be used for property tax relief in the same manner that a tax rate under IC 6-3.5-1.1-26 or IC 6-3.5-6-32 is used for property tax relief.

SECTION 7. IC 6-3.5-6-17, AS AMENDED BY P.L.261-2013, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) Revenue derived from the imposition of the county option income tax shall, in the manner prescribed by this section, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of county option income tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1 of the calendar year in which the determination is made;

as adjusted (as determined after review of the recommendation of the budget agency) for refunds of county option income tax made in the state fiscal year.

(b) Before August 2 of each calendar year, the budget agency shall provide to the county auditor of each adopting county an estimate of the amount determined under subsection (a) that will be distributed to the county, based on known tax rates. Not later than thirty (30) days after receiving the estimate of the certified distribution, the county auditor shall notify each taxing unit of the estimated amount of distributive shares and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. Before October 1 of each calendar year, the budget agency shall certify to the county auditor of each adopting county the amount determined under subsection (a) plus the amount of interest in the county's account that has accrued and has not been included in a certification made in a preceding year. The amount certified is the county's "certified distribution" for the immediately succeeding calendar year. The amount certified shall be adjusted, as necessary, under subsections (c), (d), (e), and (f). Not later than thirty (30) days after receiving the notice of the amount of the certified distribution, the county auditor shall notify each taxing unit of the amount of distributive shares and other revenue that will be distributed to the taxing unit under this chapter during the ensuing calendar year. The budget agency shall provide the county council with an informative summary of the calculations used to determine the certified distribution. The summary of calculations must include:

(1) the amount reported on individual income tax returns processed by the department during the previous fiscal year;

(2) adjustments for over distributions in prior years;

(3) adjustments for clerical or mathematical errors in prior years;

(4) adjustments for tax rate changes; and

(5) the amount of excess account balances to be distributed under IC 6-3.5-6-17.3.

The budget agency shall also certify information concerning the part of the certified distribution that is attributable to a tax rate under section 30, 31, or 32 of this chapter. This information must be certified to the county auditor and to the department of local government finance before October 1 of each calendar year. The part of the certified distribution that is attributable to a tax rate

under section 30, 31, or 32 of this chapter may be used only as specified in those provisions.

(c) The budget agency shall certify an amount less than the amount determined under subsection (b) if the budget agency determines that the reduced distribution is necessary to offset overpayments made in a calendar year before the calendar year of the distribution. The budget agency may reduce the amount of the certified distribution over several calendar years so that any overpayments are offset over several years rather than in one (1) lump sum.

(d) The budget agency shall adjust the certified distribution of a county to correct for any clerical or mathematical errors made in any previous certification under this section. The budget agency may reduce the amount of the certified distribution over several calendar years so that any adjustment under this subsection is offset over several years rather than in one (1) lump sum.

(e) This subsection applies to a county that imposes, increases, decreases, or rescinds a tax or tax rate under this chapter before November 1 in the same calendar year in which the budget agency makes a certification under this section. The budget agency shall adjust the certified distribution of a county to provide for a distribution in the immediately following calendar year and in each calendar year thereafter. The budget agency shall provide for a full transition to certification of distributions as provided in subsection (a)(1) through (a)(2) in the manner provided in subsection (c). If the county imposes, increases, decreases, or rescinds a tax or tax rate under this chapter after the date for which a certification under subsection (b) is based, the budget agency shall adjust the certified distribution of the county after September 30 of the calendar year. The adjustment shall reflect any other adjustment required under subsections (c), (d), and (f). The adjusted certification shall be treated as the county's "certified distribution" for the immediately succeeding calendar year. The budget agency shall certify the adjusted certified distribution to the county auditor for the county and provide the county council with an informative summary of the calculations that revises the informative summary provided in subsection (b) and reflects the changes made in the adjustment.

(f) This subsection applies in the year a county initially imposes a tax rate under section 30 of this chapter. Notwithstanding any other provision, the budget agency shall adjust the part of the county's certified distribution that is attributable to the tax rate under section 30 of this chapter to provide for a distribution in the immediately following calendar year equal to the result of:

(1) the sum of the amounts determined under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the year in which the county initially imposes a tax rate under section 30 of this chapter; multiplied by

(2) the following:

(A) In a county containing a consolidated city, one and five-tenths (1.5).

(B) In a county other than a county containing a consolidated city, two (2).

(g) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 16 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(h) Upon receipt, each monthly payment of a county's certified distribution shall be allocated among, distributed to, and used by the civil taxing units of the county as provided in sections 18 and 19 of this chapter.

(i) All distributions from an account established under section 16 of this chapter shall be made by warrants issued by the auditor of state to the treasurer of state ordering the appropriate payments.

(j) The budget agency shall before May 1 of every odd-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following two (2) calendar years.

(k) The budget agency shall before May 1 of every even-numbered year publish an estimate of the statewide total amount of certified distributions to be made under this chapter during the following calendar year.

(l) The estimates under subsections (j) and (k) must specify the amount of the estimated certified distributions that are attributable to the additional rate authorized under section 30 of this chapter, the additional rate authorized under section 31 of this chapter, the additional rate authorized under section 32 of this chapter, and any other additional rates authorized under this chapter.

SECTION 8. IC 6-3.5-6-18, AS AMENDED BY P.L.135-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) The revenue a county auditor receives under this chapter shall be used to:

(1) replace the amount, if any, of property tax revenue lost due to the allowance of an increased homestead credit within the county;

(2) fund the operation of a public communications system and computer facilities district as provided in an election, if any, made by the county fiscal body under IC 36-8-15-19(b);

(3) fund the operation of a public transportation corporation as provided in an election, if any, made by the county fiscal body under IC 36-9-4-42;

(4) fund the operation of a public library in a county containing a consolidated city as provided in an election, if any, made by the county fiscal body under IC 36-3-7-6;

(5) make payments permitted under IC 36-7-14-25.5 or IC 36-7-15.1-17.5;

(6) make payments permitted under subsection (i);

(7) make distributions of distributive shares to the civil taxing units of a county; ~~and~~

(8) make the distributions permitted under sections 27, 28, 29, 30, 31, 32, and 33 of this chapter; **and**

(9) fund a public transportation project approved in an eligible county under IC 8-25-2 or in a township under IC 8-25-6, if any.

(b) The county auditor shall retain from the payments of the county's certified distribution, an amount equal to the revenue lost, if any, due to the increase of the homestead credit within the county. This money shall be distributed to the civil taxing units and school corporations of the county as though they were property tax collections and in such a manner that no civil taxing unit or school corporation shall suffer a net revenue loss due to the allowance of an increased homestead credit.

(c) The county auditor shall retain:

(1) the amount, if any, specified by the county fiscal body for a particular calendar year under subsection (i), IC 36-3-7-6, IC 36-7-14-25.5, IC 36-7-15.1-17.5, IC 36-8-15-19(b), and IC 36-9-4-42 from the county's certified distribution for that same calendar year; and

(2) the amount of an additional tax rate imposed under section 27, 28, 29, 30, 31, 32, or 33 of this chapter.

The county auditor shall distribute amounts retained under this subsection to the county.

(d) All certified distribution revenues that are not retained and distributed under subsections (b) and (c) shall be distributed to the civil taxing units of the county as distributive shares.

(e) The amount of distributive shares that each civil taxing unit in a county is entitled to receive during a month equals the product of the following:

(1) The amount of revenue that is to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the

allocation amount for the civil taxing unit for the calendar year in which the month falls. The denominator of the fraction equals the sum of the allocation amounts of all the civil taxing units of the county for the calendar year in which the month falls.

(f) The department of local government finance shall provide each county auditor with the fractional amount of distributive shares that each civil taxing unit in the auditor's county is entitled to receive monthly under this section.

(g) Notwithstanding subsection (e), if a civil taxing unit of an adopting county does not impose a property tax levy that is first due and payable in a calendar year in which distributive shares are being distributed under this section, that civil taxing unit is entitled to receive a part of the revenue to be distributed as distributive shares under this section within the county. The fractional amount such a civil taxing unit is entitled to receive each month during that calendar year equals the product of the following:

(1) The amount to be distributed as distributive shares during that month; multiplied by

(2) A fraction. The numerator of the fraction equals the budget of that civil taxing unit for that calendar year. The denominator of the fraction equals the aggregate budgets of all civil taxing units of that county for that calendar year.

(h) If for a calendar year a civil taxing unit is allocated a part of a county's distributive shares by subsection (g), then the formula used in subsection (e) to determine all other civil taxing units' distributive shares shall be changed each month for that same year by reducing the amount to be distributed as distributive shares under subsection (e) by the amount of distributive shares allocated under subsection (g) for that same month. The department of local government finance shall make any adjustments required by this subsection and provide them to the appropriate county auditors.

(i) Notwithstanding any other law, a county fiscal body may pledge revenues received under this chapter (other than revenues attributable to a tax rate imposed under section 30, 31, or 32 of this chapter **for property tax relief or public safety)** to the payment of bonds or lease rentals to finance a qualified economic development tax project under IC 36-7-27 in that county or in any other county if the county fiscal body determines that the project will promote significant opportunities for the gainful employment or retention of employment of the county's residents.

SECTION 9. IC 6-3.5-6-26, AS AMENDED BY P.L.224-2007, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) A pledge of county option income tax revenues **received** under this chapter (other than revenues attributable to a tax rate imposed under section 30, 31, or 32 of this chapter **for property tax relief or public safety)** is enforceable in accordance with IC 5-1-14.

(b) With respect to obligations for which a pledge has been made under this chapter, the general assembly covenants with the county and the purchasers or owners of those obligations that this chapter will not be repealed or amended in any manner that will adversely affect the tax collected under this chapter as long as the principal of or interest on those obligations is unpaid.

SECTION 10. IC 6-3.5-6-30, AS AMENDED BY P.L.261-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 30. (a) In a county in which the county option income tax is in effect, the county income tax council may adopt an ordinance to impose or increase (as applicable) a tax rate under this section.

(b) In a county in which neither the county option adjusted gross income tax nor the county option income tax is in effect, the county income tax council may adopt an ordinance to impose a tax rate under this section.

(c) If a county income tax council adopts an ordinance to impose or increase a tax rate under this section, not more than ten (10) days after the vote, the county auditor shall send a certified copy of the ordinance to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(d) A tax rate under this section is in addition to any other tax rates imposed under this chapter and does not affect the purposes for which other tax revenue under this chapter may be used.

(e) **Except as provided in subsection (u),** the following apply only in the year in which a county income tax council first imposes a tax rate under this section:

(1) The county income tax council shall, in the ordinance imposing the tax rate, specify the tax rate for each of the following two (2) years.

(2) The tax rate that must be imposed in the county in the first year is equal to the result of:

(A) the tax rate determined for the county under ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in that year; multiplied by

(B) the following:

(i) In a county containing a consolidated city, one and five-tenths (1.5).

(ii) In a county other than a county containing a consolidated city, two (2).

(3) The tax rate that must be imposed in the county in the second year is the tax rate determined for the county under ~~IC 6-3.5-1.5-1(b).~~ **IC 6-3.5-1.5-1(c).** The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(4) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year and to property taxes first due and payable in the calendar year after the ensuing calendar year.

(f) **Except as provided in subsection (u),** the following apply only in a year in which a county income tax council increases a tax rate under this section:

(1) The county income tax council shall, in the ordinance increasing the tax rate, specify the tax rate for the following year.

(2) The tax rate that must be imposed in the county is equal to the result of:

(A) the tax rate determined for the county under ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the year the tax rate is increased; plus

(B) the tax rate currently in effect in the county under this section.

The tax rate under this subdivision continues in effect in later years unless the tax rate is increased under this section.

(3) The levy limitations in IC 6-1.1-18.5-3(b), IC 6-1.1-18.5-3(c), IC 12-19-7-4(b) (before its repeal), IC 12-19-7.5-6(b) (before its repeal), and IC 12-29-2-2(c) apply to property taxes first due and payable in the ensuing calendar year.

(g) **Except as provided in subsection (u),** the department of local government finance shall determine the following property tax replacement distribution amounts:

STEP ONE: Determine the sum of the amounts determined under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** for the county in the preceding year.

STEP TWO: For distribution to each civil taxing unit that in the year had a maximum permissible property tax levy limited under IC 6-1.1-18.5-3(b), determine the result of:

(1) the quotient of:

(A) the part of the amount determined under STEP

ONE of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year that was attributable to the civil taxing unit; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP THREE: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county family and children's fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP TWO of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FOUR: For distributions in 2009 and thereafter, the result of this STEP is zero (0). For distribution to the county for deposit in the county children's psychiatric residential treatment services fund before 2009, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP THREE of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

STEP FIVE: For distribution to the county for community mental health center purposes, determine the result of:

(1) the quotient of:

(A) the amount determined under STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** in the preceding year; divided by

(B) the STEP ONE amount; multiplied by

(2) the tax revenue received by the county treasurer under this section.

Except as provided in subsection (m), the county treasurer shall distribute the portion of the certified distribution that is attributable to a tax rate under this section as specified in this section. The county treasurer shall make the distributions under this subsection at the same time that distributions are made to civil taxing units under section 18 of this chapter.

(h) Notwithstanding sections 12 and 12.5 of this chapter, a county income tax council may not decrease or rescind a tax rate imposed under this section.

(i) The tax rate under this section shall not be considered for purposes of computing:

(1) the maximum income tax rate that may be imposed in a county under section 8 or 9 of this chapter or any other provision of this chapter; or

(2) the maximum permissible property tax levy under IC 6-1.1-18.5-3.

(j) The tax levy under this section shall not be considered for purposes of the credit under IC 6-1.1-20.6.

(k) **Except as provided in subsections (t) and (u),** a distribution under this section shall be treated as a part of the receiving civil taxing unit's property tax levy for that year for purposes of fixing its budget and for determining the distribution of taxes that are distributed on the basis of property tax levies.

(l) If a county income tax council imposes a tax rate under this section **(other than a tax rate imposed under subsection (t)),** the county option income tax rate dedicated to locally funded homestead credits in the county may not be decreased.

(m) In the year following the year in which a county first imposes a tax rate under this section:

(1) one-third (1/3) of the tax revenue that is attributable to the tax rate under this section must be deposited in the county stabilization fund established under subsection (o), in the case of a county containing a consolidated city; and

(2) one-half (1/2) of the tax revenue that is attributable to the tax rate under this section **(other than a tax rate imposed under subsection (t))** must be deposited in the county stabilization fund established under subsection (o), in the case of a county not containing a consolidated city.

(n) **Except as provided in subsection (t) and IC 8-25,** a pledge of county option income taxes does not apply to revenue attributable to a tax rate under this section.

(o) **Except as provided in subsections (t) and (u),** a county stabilization fund is established in each county that imposes a tax rate under this section. The county stabilization fund shall be administered by the county auditor. If for a year the certified distributions attributable to a tax rate under this section exceed the amount calculated under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section, the excess shall be deposited in the county stabilization fund. Money shall be distributed from the county stabilization fund in a year by the county auditor to political subdivisions entitled to a distribution of tax revenue attributable to the tax rate under this section if:

(1) the certified distributions attributable to a tax rate under this section are less than the amount calculated under STEP ONE through STEP FOUR of ~~IC 6-3.5-1.5-1(a)~~ **IC 6-3.5-1.5-1(b)** that is used by the department of local government finance and the department of state revenue to determine the tax rate under this section for a year; or

(2) the certified distributions attributable to a tax rate under this section in a year are less than the certified distributions attributable to a tax rate under this section in the preceding year.

However, subdivision (2) does not apply to the year following the first year in which certified distributions of revenue attributable to the tax rate under this section are distributed to the county.

(p) Notwithstanding any other provision, a tax rate imposed under this section may not exceed one percent (1%).

(q) **Except as provided in subsection (u),** a county income tax council must each year hold at least one (1) public meeting at which the county council discusses whether the tax rate under this section should be imposed or increased.

(r) The department of local government finance and the department of state revenue may take any actions necessary to carry out the purposes of this section.

(s) Notwithstanding any other provision, in:

(1) Lake County;

(2) Delaware County; and

(3) Madison County;

the county council (and not the county income tax council) is the entity authorized to take actions concerning the additional tax rate under this section.

(t) This subsection applies only to Delaware County and Madison County. If the voters of a county approve a local public question under IC 8-25-2, the fiscal body of the county may, after at least one (1) public meeting, adopt an ordinance to provide for the use of county option income tax revenue attributable to an additional tax rate imposed under this subsection to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not

more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate imposed under this subsection must be:

(1) retained by the county auditor;

(2) deposited in the county public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of as a property tax replacement distribution.

(u) The following do not apply to an additional tax rate imposed under subsection (t):

(1) Subsection (e).

(2) Subsection (f).

(3) Subsection (g).

(4) Subsection (k).

(5) Subsection (n).

(6) Subsection (o).

(7) Subsection (q).

SECTION 11. IC 6-3.5-6-34 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 34. Notwithstanding any other law, if an additional tax rate imposed under section 30(t) of this chapter is required by IC 8-25-6-10, the additional tax rate applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under IC 8-25-6.**

SECTION 12. IC 6-3.5-7-5, AS AMENDED BY P.L.261-2013, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. **Except as provided in section 26(m) of this chapter,** the entity that may impose the tax is:

(1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on October 1 of the year the county economic development income tax is imposed;

(2) the county council if the county adjusted gross income tax is in effect on October 1 of the year the county economic development tax is imposed; or

(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in this section and section 28 of this chapter, the county economic development income tax may be imposed at a rate of:

(1) one-tenth percent (0.1%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%);

(6) four-tenths percent (0.4%);

(7) forty-five hundredths percent (0.45%); or

(8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in this section, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in this section, the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, increase, decrease, or rescind the county economic development income tax, the appropriate body must adopt an ordinance.

(e) The ordinance to impose the tax must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county.".

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this chapter and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(g) For Jackson County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(h) For Pulaski County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(i) For Wayne County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(j) This subsection applies to Randolph County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.

(k) For Daviess County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(l) For:

(1) Elkhart County; or

(2) Marshall County;

except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(m) For Union County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(n) This subsection applies to Knox County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and:

(A) the county adjusted gross income tax rate that are in

effect on January 1 of a year may not exceed one and five-tenths percent (1.5%); or

(B) the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 24 of this chapter.

(o) **This subsection applies to a county in which an adopting entity approves the use of the certified distribution for property tax relief under section 26(c) and 26(e) of this chapter or to a county in which the county fiscal body approves the use of the certified distribution to fund a public transportation project under section 26(m) of this chapter.** In addition:

(1) the county economic development income tax may be imposed at a rate that exceeds by not more than twenty-five hundredths percent (0.25%) the maximum rate that would otherwise apply under this section; and

(2) the:

(A) county economic development income tax; and

(B) county option income tax or county adjusted gross income tax;

may be imposed at combined rates that exceed by not more than twenty-five hundredths percent (0.25%) the maximum combined rates that would otherwise apply under this section.

~~However,~~ **Except as provided in section 5.5 of this chapter,** the additional rate imposed under this subsection may not exceed the amount necessary to mitigate the increased ad valorem property taxes on homesteads (as defined in IC 6-1.1-20.9-1 (repealed) before January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008) or residential property (as defined in section 26 of this chapter), as appropriate under the ordinance adopted by the adopting body in the county, resulting from the deduction of the assessed value of inventory in the county under IC 6-1.1-12-41 or IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11.

(p) If the county economic development income tax is imposed as authorized under subsection (o) at a rate that exceeds the maximum rate that would otherwise apply under this section, the certified distribution must be used for ~~the~~ **a** purpose provided in section 26 of this chapter to the extent that the certified distribution results from the difference between:

(1) the actual county economic development tax rate; and

(2) the maximum rate that would otherwise apply under this section.

(q) This subsection applies only to a county described in section 27 of this chapter. Except as provided in subsection (o), in addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 27 of this chapter.

(r) Except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%) if the county has imposed the county adjusted gross income tax under IC 6-3.5-1.1-3.3.

(s) This subsection applies to Howard County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(t) This subsection applies to Scott County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(u) This subsection applies to Jasper County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(v) An additional county economic development income tax rate imposed under section 28 of this chapter may not be considered in calculating any limit under this section on the sum of:

(1) the county economic development income tax rate plus the county adjusted gross income tax rate; or

(2) the county economic development tax rate plus the county option income tax rate.

(w) The income tax rate limits imposed by subsection (c) or (x) or any other provision of this chapter do not apply to:

(1) a county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or

(2) a county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

For purposes of computing the maximum combined income tax rate under subsection (c) or (x) or any other provision of this chapter that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and this chapter, a county's county adjusted gross income tax rate or county option income tax rate for a particular year does not include the county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

(x) This subsection applies to Monroe County. Except as provided in subsection (o), if an ordinance is adopted under IC 6-3.5-6-33, the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(y) This subsection applies to Perry County. Except as provided in subsection (o), if an ordinance is adopted under section 27.5 of this chapter, the county economic development income tax rate plus the county option income tax rate that is in effect on January 1 of a year may not exceed one and seventy-five hundredths percent (1.75%).

(z) This subsection applies to Starke County. Except as provided in subsection (o), if an ordinance is adopted under section 27.6 of this chapter, the county economic development income tax rate plus the county adjusted gross income tax rate that is in effect on January 1 of a year may not exceed two percent (2%).

SECTION 13. IC 6-3.5-7-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 5.5. (a) This section applies to Hamilton County and Marion County.**

(b) If an additional tax rate is imposed under section 5(o) of this chapter:

(1) by a county subject to this section; and

(2) for the purpose described in section 26(m) of this chapter;

the additional tax rate is not subject to the limitations set forth in section 5(o) of this chapter that relate to increased ad valorem property taxes on homesteads or residential property resulting from the exclusion of inventory from the definition of personal property in IC 6-1.1-1-11.

SECTION 14. IC 6-3.5-7-26, AS AMENDED BY P.L.137-2012, SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) This section applies only to **the following:**

(1) Taxes imposed under this chapter to provide

homestead and property tax replacement credits for property taxes first due and payable after calendar year 2006.

(2) Taxes imposed under this chapter to fund a public transportation project under subsection (m).

(b) The following definitions apply throughout this section:

(1) "Adopt" includes amend.

(2) "Adopting entity" means:

(A) the entity that adopts an ordinance under IC 6-1.1-12-41(f); or

(B) any other entity that may impose a county economic development income tax under section 5 of this chapter.

(3) "Homestead" refers to tangible property that is eligible for a homestead credit under IC 6-1.1-20.9 (repealed) or the standard deduction under IC 6-1.1-12-37.

(4) "Residential" refers to the following:

(A) Real property, a mobile home, and industrialized housing that would qualify as a homestead if the taxpayer had filed for a homestead credit under IC 6-1.1-20.9 (repealed) or the standard deduction under IC 6-1.1-12-37.

(B) Real property not described in clause (A) designed to provide units that are regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more, regardless of whether the tangible property is subject to assessment under rules of the department of local government finance that apply to:

(i) residential property; or

(ii) commercial property.

(c) **This subsection does not apply to a county in which the county fiscal body adopts an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25.** An adopting entity may adopt an ordinance to provide for the use of the certified distribution described in section 16 of this chapter for the purpose provided in subsection (e). An adopting entity that adopts an ordinance under this subsection shall use the procedures set forth in IC 6-3.5-6 concerning the adoption of an ordinance for the imposition of the county option income tax. The ordinance may provide for an additional rate under section 5(o) of this chapter. An ordinance adopted under this subsection:

(1) first applies to the certified distribution described in section 16 of this chapter made in the later of the calendar year that immediately succeeds the calendar year in which the ordinance is adopted or calendar year 2007; and

(2) must specify that the certified distribution must be used to provide for one (1) of the following, as determined by the adopting entity:

(A) Uniformly applied homestead credits as provided in subsection (f).

(B) Uniformly applied residential credits as provided in subsection (g).

(C) Allocated homestead credits as provided in subsection (i).

(D) Allocated residential credits as provided in subsection (j).

An ordinance adopted under this subsection may be combined with an ordinance adopted under section 25 of this chapter (before its repeal).

(d) If an ordinance is adopted under subsection (c), the percentage of the certified distribution specified in the ordinance for use for the purpose provided in subsection (e) shall be:

(1) retained by the county auditor under subsection (k); and

(2) used for the purpose provided in subsection (e) instead of the purposes specified in the capital improvement plans adopted under section 15 of this chapter.

(e) If an ordinance is adopted under subsection (c), the adopting entity shall use the certified distribution described in section 16 of this chapter to provide:

(1) if the ordinance grants a credit described in subsection (c)(2)(A) or (c)(2)(C), a homestead credit for homesteads; or

(2) if the ordinance grants a credit described in subsection (c)(2)(B) or (c)(2)(D), a property tax replacement credit for residential property;

for property taxes to offset the effect on homesteads or residential property, as applicable, in the county resulting from the statewide deduction for inventory under IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11. The amount of a residential property tax replacement credit granted under this section may not be considered in computing the amount of any homestead credit to which the residential property may be entitled under IC 6-1.1-20.9 (before its repeal) or another law other than IC 6-1.1-20.6.

(f) If the imposing entity specifies the application of uniform homestead credits under subsection (c)(2)(A), the county auditor shall, for each calendar year in which a homestead credit percentage is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide a homestead credit percentage under this section for the year;

(2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of homestead credit under this section that equates to the amount of homestead credits determined under subdivision (2).

(g) If the imposing entity specifies the application of uniform residential credits under subsection (c)(2)(B), the county auditor shall determine for each calendar year in which a homestead credit percentage is authorized under this section:

(1) the amount of the certified distribution that is available to provide a residential property tax replacement credit percentage for the year;

(2) the amount of uniformly applied residential property tax replacement credits for the year in the county that equals the amount determined under subdivision (1); and

(3) the percentage of residential property tax replacement credit under this section that equates to the amount of residential property tax replacement credits determined under subdivision (2).

(h) The percentage of homestead credit determined by the county auditor under subsection (f) or the percentage of residential property tax replacement credit determined by the county auditor under subsection (g) applies uniformly in the county in the calendar year for which the percentage is determined.

(i) If the imposing entity specifies the application of allocated homestead credits under subsection (c)(2)(C), the county auditor shall, for each calendar year in which a homestead credit is authorized under this section, determine:

(1) the amount of the certified distribution that is available to provide a homestead credit under this section for the year; and

(2) except as provided in subsection (l), a percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the assessment date in 2006 bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the assessment date in 2006.

(j) If the imposing entity specifies the application of allocated residential property tax replacement credits under subsection (c)(2)(D), the county auditor shall determine for each calendar year in which a residential property tax replacement credit is authorized under this section:

(1) the amount of the certified distribution that is available to provide a residential property tax replacement credit under this section for the year; and

(2) except as provided in subsection (l), a percentage of residential property tax replacement credit for each taxing district in the county that allocates to the taxing district an amount of residential property tax replacement credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the assessment date in 2006 bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the assessment date in 2006.

(k) **This subsection does not apply to a county in which the county fiscal body adopts an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25.** The county auditor shall retain from the payments of the county's certified distribution an amount equal to the revenue lost, if any, due to the homestead credit or residential property tax replacement credit provided under this section within the county. The money shall be distributed to the civil taxing units and school corporations of the county:

(1) as if the money were from property tax collections; and

(2) in such a manner that no civil taxing unit or school corporation will suffer a net revenue loss because of the allowance of a homestead credit or residential property tax replacement credit under this section.

(l) **This subsection does not apply to a county in which the county fiscal body adopts an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25.** Subject to the approval of the imposing entity, the county auditor may adjust the increased percentage of:

(1) homestead credit determined under subsection (i)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the homesteads in the county; or

(2) residential property tax replacement credit determined under subsection (j)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the residential property in the county.

(m) This section applies to Hamilton County and Marion County. If the voters of a county approve a local public question under IC 8-25-2, the fiscal body of the county may adopt an ordinance to provide for the use of the certified distribution described in section 16 of this chapter to fund a public transportation project under IC 8-25. However, a county fiscal body shall adopt an ordinance under this subsection if required by IC 8-25-6-10 to impose an additional tax rate on the county taxpayers who reside in a township in which the voters approve a public transportation project in a local public question held under IC 8-25-6. An ordinance adopted under this subsection must specify an additional tax rate to be imposed in the county (or township in the case of an additional rate required by IC 8-25-6-10) of at least one-tenth percent (0.1%), but not more than twenty-five hundredths percent (0.25%). If an ordinance is adopted under this subsection, the amount of the certified distribution attributable to the additional tax rate specified in the ordinance and authorized by section 5(o) of this chapter to fund a public transportation project under IC 8-25 must be:

(1) retained by the county auditor;

(2) deposited in the public transportation project fund established under IC 8-25-3-7; and

(3) used for the purpose provided in this subsection instead of the purposes specified in the capital improvement plan adopted under section 15 of this chapter.

SECTION 15. IC 6-3.5-7-29 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 29. Notwithstanding any other law, if an additional tax rate imposed under sections 5(o) and 26(m) of this chapter is required by IC 8-25-6-10, the additional tax rate applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under IC 8-25-6.**

SECTION 16. IC 8-23-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) The public mass transportation fund is established for the purpose of promoting and developing public mass transportation in Indiana. The fund shall be administered by the department.

(b) The treasurer of state may invest the money in the fund in the same manner as other public funds may be invested.

(c) Money in the fund at the end of a fiscal year does not revert to the state general fund.

(d) This subsection applies to a calendar year beginning after December 31 of a calendar year in which an eligible county (as defined by IC 8-25-1-4) begins to carry out a public transportation project approved under IC 8-25. The distribution formula established by the department is subject to annual review by the budget committee and approval by the budget director to ensure that a public mass transportation system located in a county other than an eligible county is not adversely affected by a public transportation project carried out under IC 8-25.

SECTION 17. IC 8-25 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

ARTICLE 25. CENTRAL INDIANA PUBLIC TRANSPORTATION PROJECTS

Chapter 1. General Provisions

Sec. 1. The purpose of this article is to provide a flexible means of planning, designing, acquiring, constructing, enlarging, improving, renovating, maintaining, equipping, financing, operating, and supporting public transportation systems that can be adapted to the unique circumstances existing in central Indiana.

Sec. 2. The definitions in this chapter apply throughout this article.

Sec. 3. "Bonds" means, except as otherwise provided, bonds, notes, or other evidences of indebtedness. The term includes obligations (as defined in IC 8-9.5-9-3) and swap agreements (as defined in IC 8-9.5-9-4).

Sec. 4. "Eligible county" means one (1) or more of the following counties:

(1) Delaware County.

(2) Hamilton County.

(3) Hancock County.

(4) Johnson County.

(5) Madison County.

(6) Marion County.

Sec. 5. "Light rail" means a streetcar type vehicle railway operated on city streets, semi-private rights-of-way, or exclusive private rights-of-way using step-entry vehicles or level boarding.

Sec. 6. "Public transportation project" refers to an action taken to:

(1) plan;

(2) design;

(3) acquire;

(4) construct;

(5) enlarge;
(6) improve;
(7) renovate;
(8) maintain;
(9) equip; or
(10) operate;

a public transportation system in an eligible county.

Sec. 7. "Public transportation agency" has the meaning set forth in IC 36-9-1-5.5.

Sec. 8. "Public transportation system" means any common carrier of passengers for hire.

Chapter 2. Local Public Questions on Central Indiana Public Transportation Projects

Sec. 1. Except as provided in IC 8-25-4-6, the fiscal body of an eligible county may adopt an ordinance to place on the ballot a local public question granting the fiscal body of the eligible county the authority to fund and carry out a public transportation project. The fiscal body shall include in the ordinance:

(1) a description of the public transportation services that will be provided through the proposed public transportation project; and
(2) an estimate of each tax necessary to annually fund the public transportation project.

Sec. 2. If the fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify a copy of the ordinance to the department of local government finance, including the language for the question required by section 3, 4, or 5 of this chapter, whichever is applicable to the eligible county. The department shall review the language for compliance with section 3, 4, or 5 of this chapter, whichever is applicable to the eligible county. The department of local government finance may approve or reject the language. The department shall send its decision to the county auditor and the fiscal body of the eligible county not more than ten (10) days after the ordinance is submitted to the department. If the language is approved, the county auditor shall certify a copy of the ordinance, including the language for the question and the department's approval, to the county election board of the eligible county.

Sec. 3. (a) This section applies to Hamilton County and Marion County.

(b) If a fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

"Shall _____ County have the ability to impose a county economic development income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), to pay for improving or establishing public transportation service in the county through a public transportation project that _____ (insert the description of the public transportation project set forth in the ordinance authorizing the local public question)?".

Sec. 4. (a) This section applies to Delaware County and Madison County.

(b) If a fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

"Shall _____ County have the ability to impose a county option income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), to pay for improving or establishing public transportation service in the county through a public transportation project that _____ (insert the description of the public transportation project set forth in the ordinance authorizing the local public question)?".

Sec. 5. (a) This section applies to Hancock County and Johnson County.

(b) If a fiscal body of an eligible county adopts an ordinance under section 1 of this chapter, the county auditor shall certify the ordinance to the county election board, and the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

"Shall _____ County have the ability to impose a county adjusted gross income tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), to pay for improving or establishing public transportation service in the county through a public transportation project that _____ (insert the description of the public transportation project set forth in the ordinance authorizing the local public question)?".

Sec. 6. Except as provided in section 9 of this chapter, if a county auditor certifies an ordinance under section 3, 4, or 5 of this chapter, the county election board shall place the local public question on the ballot at the next general election for which the question may be certified under IC 3-10-9-3 and for which all voters of the county are entitled to vote.

Sec. 7. After an election on the local public question, the circuit court clerk of the county shall:

(1) make a certified copy of the election returns; and
(2) not later than five (5) days after the election, file the copy with:
(A) the department of state revenue; and
(B) the fiscal body of the county.

Sec. 8. The local public question is approved by a county if a majority of the county voters voting on the local public question vote "yes". The local public question is defeated by a county if a majority of the county voters voting on the local public question vote "no".

Sec. 9. If the local public question is defeated in a county, the fiscal body may adopt an ordinance under section 1 of this chapter to place another local public question on the ballot as provided in this chapter at a subsequent general election in the county. However, a local public question may not be placed on the ballot under this chapter more than two (2) times in any seven (7) year period.

Sec. 10. Nothing in this article creates a moral obligation of the state:

(1) to pay for any transportation project or service or other amounts under this article; or
(2) to pay any bonds issued under this article.

Sec. 11. No general tax revenues of the state may be used to pay for a transportation project or service under this article. However, this section does not apply to distributions from the public mass transportation fund.

Sec. 12. (a) Except as otherwise provided in this section, during the period beginning with the date on which an ordinance is adopted under this chapter to place a local public question on the ballot and continuing through the day on which the public question is submitted to the voters under this chapter, a political subdivision may not promote a position on the local public question by doing any of the following:

(1) Using facilities or equipment, including mail and messaging systems, owned by the political subdivision to promote a position on the local public question, unless equal access to the facilities or equipment is given to persons with a position opposite to that of the political subdivision.
(2) Making an expenditure of money from a fund

controlled by the political subdivision to promote a position on the local public question.

(3) Using an employee to promote a position on the local public question during the employee's normal working hours or paid overtime, or otherwise compelling an employee to promote a position on the local public question at any time. However, if a person described in subsection (b) is advocating for or against a position on the local public question or discussing the local public question as authorized under subsection (b), an employee of the political subdivision may assist the person in presenting information on the public question if requested to do so by the person described in subsection (b).

However, this section does not prohibit an official or employee of the political subdivision from carrying out duties with respect to a local public question that are part of the normal and regular conduct of the official's or employee's office or agency, including the furnishing of factual information regarding the local public question in response to inquiries from any person.

(b) Notwithstanding any other law, an elected or appointed official of a political subdivision may:

(1) personally advocate for or against a position on a local public question; or

(2) discuss the public question with any individual, group, or organization or personally advocate for or against a position on a local public question before any individual, group, or organization;

so long as it is not done by using public funds. Advocacy or discussion allowed under this subsection is not considered a use of public funds.

Chapter 3. Funding for Central Indiana Public Transportation Projects

Sec. 1. (a) This section applies to Hamilton County and Marion County.

(b) If the voters of an eligible county approve a local public question under IC 8-25-2, the fiscal body of the eligible county may, subject to section 4 of this chapter, adopt an ordinance under IC 6-3.5-7-26(m) to impose an additional county economic development income tax rate as allowed by IC 6-3.5-7-5(o) for the public transportation project.

Sec. 2. (a) This section applies to Delaware County and Madison County.

(b) If the voters of an eligible county approve a local public question under IC 8-25-2, the fiscal body of the eligible county may, subject to section 4 of this chapter, adopt an ordinance under IC 6-3.5-6-30(t) to impose an additional county option income tax rate for the public transportation project.

Sec. 3. (a) This section applies to Hancock County and Johnson County.

(b) If the voters of an eligible county approve a local public question under IC 8-25-2, the fiscal body of the eligible county may, subject to section 4 of this chapter, adopt an ordinance under IC 6-3.5-1.1-24(s) to impose an additional county adjusted gross income tax rate for the public transportation project.

Sec. 4. The fiscal body of an eligible county may not adopt an ordinance imposing a tax rate or a tax for a public transportation project unless the tax rate or tax was described in an ordinance adopted under IC 8-25-2-1 and in the local public question on the approval of the public transportation project.

Sec. 5. (a) The minimum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed to fund a public transportation project is one-tenth percent (0.1%).

(b) The maximum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed to fund a public transportation project is twenty-five hundredths percent (0.25%).

Sec. 6. (a) The following apply to the funding of a public transportation project:

(1) For the first year of operations, an amount must be raised from sources other than taxes and fares that is equal to at least ten percent (10%) of the revenue that the budget agency certifies that the county will receive in that year from a county adjusted gross income tax, county option income tax, or county economic development income tax imposed to fund the public transportation project.

(2) For the second year of operations and each year thereafter, at least ten percent (10%) of the annual operating expenses of the public transportation project must be paid from sources other than taxes and fares. For purposes of this subdivision, operating expenses include only those expenses incurred in the operation of fixed route services that are established or expanded as a result of a public transportation project authorized and funded under this article.

The budget agency shall assist the fiscal body of an eligible county in determining the amount of money that must be raised under subdivision (1).

(b) A county fiscal body or another entity authorized to carry out a public transportation project under IC 8-25-4 shall raise the revenue required by subsection (a) for a particular calendar year before the end of the third quarter of the preceding calendar year. Money raised under this section must be deposited in the county public transportation fund established under section 7 of this chapter.

(c) If a county fiscal body or other entity fails to raise the revenue required by subsection (a) before the deadline specified in subsection (b), the county in which the public transportation project is located is responsible for paying the difference between:

(1) the amount that subsection (a) requires to be raised from sources other than taxes and fares; minus

(2) the amount actually raised from sources other than taxes and fares.

Sec. 7. (a) If the fiscal body of an eligible county imposes taxes to fund a public transportation project, the county treasurer of the eligible county shall establish a county public transportation project fund to receive tax revenues collected for the public transportation project. Money received from a foundation established under IC 8-25-7 or IC 8-25-8 may be deposited into the fund.

(b) Money in a fund established under subsection (a) at the end of the eligible county's fiscal year remains in the fund. Interest earned by the fund must be deposited in the fund.

(c) Money deposited in an eligible county's public transportation project fund may be used only to purchase, establish, operate, repair, or maintain a public transportation project authorized under this article. Money in the fund may be pledged by the fiscal body of the eligible county to the repayment of bonds issued for purposes of a public transportation project authorized under this article.

(d) The fiscal body of an eligible county may, in the manner provided by law, appropriate money from the fund to a public transportation corporation that is authorized to purchase, establish, operate, repair, or maintain the public transportation project if the public transportation project is located, either entirely or partially, within the eligible county.

Sec. 8. For purposes of this chapter, IC 36-9-2-2(b), and IC 36-9-4-58(b), the purchase of equipment or other personal property is considered an operating expense if the equipment or other personal property has a useful life of less than three (3) years.

Chapter 4. Carrying Out Central Indiana Public Transportation Projects

Sec. 1. An eligible county may carry out a public transportation project in accordance with the powers granted to the county by IC 36-9-2 and this article.

Sec. 2. The fiscal body of an eligible county may adopt an ordinance authorizing a public transportation corporation to carry out a public transportation project in accordance with the powers granted to the public transportation corporation under IC 36-9-4 and subject to the appropriating power of the fiscal body and any other powers reserved for the fiscal body by this article.

Sec. 3. The fiscal body of an eligible county may adopt an ordinance authorizing the executive of the county to enter into an interlocal agreement with the executive of another eligible county to carry out jointly a public transportation project approved by the voters of both counties in local public questions held under this article.

Sec. 4. The fiscal body of an eligible county may adopt an ordinance authorizing the executive of the county to enter into one (1) or more public-private partnership contracts under which a public transportation project is carried out, in whole or in part, by one (1) or more nongovernmental entities.

Sec. 5. If an ordinance authorizing public-private partnership contracts is adopted under section 4 of this chapter, the executive of the eligible county shall issue a request for proposals with respect to each proposed public-private partnership contract and award each contract under IC 5-22-9.

Sec. 6. An eligible county may carry out only one (1) public transportation project under this article. The fiscal body of an eligible county may not adopt a subsequent ordinance under IC 8-25-2-1 after a public transportation project is approved by the voters of the county under IC 8-25-2.

Sec. 7. (a) As used in this section, "minority business enterprise" has the meaning set forth in IC 4-13-16.5-1.

(b) As used in this section, "veteran business enterprise" means a business enterprise that has a current verification as a veteran owned small business concern under 38 CFR 74 et seq. by the Center of Veterans Enterprise of the United States Department of Veterans Affairs.

(c) As used in this section, "women's business enterprise" has the meaning set forth in IC 4-13-16.5-1.3.

(d) Except where 49 CFR 26 applies, the fiscal body of an eligible county or another person authorized to carry out a public transportation project under this chapter shall set a goal for participation by minority business enterprises, veteran business enterprises, and women's business enterprises in conformity with the goals established by the department of minority and women's business development of a consolidated city and the goals of the department of administration established under IC 5-22-14-11 for veteran business enterprises. The goals must be consistent with the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services.

Sec. 8. If a transportation project is approved in an eligible county, transportation services must be provided through the transportation project throughout the eligible county and must be made available under this article to all citizens of the county.

Sec. 9. An eligible county may not:

(1) purchase, lease, or otherwise acquire;

(2) construct;

(3) operate;

(4) cause any person to purchase, lease, acquire, construct, or operate; or

(5) expend revenues deposited in the county public transportation project fund established under IC 8-25-3-7 on;

a light rail project.

Sec. 10. If a public transportation project is authorized by a local public question held in a township under IC 8-25-6, the fiscal body of the eligible county in which the township is located shall carry out the public transportation project. An eligible county may exercise any power authorized by this chapter in carrying out the public transportation project in the township. Any duty imposed upon an eligible county by this chapter applies with respect to a public transportation project carried out in the township.

Chapter 5. Bonding for Central Indiana Public Transportation Projects

Sec. 1. This chapter applies to the issuance of bonds by an eligible county for purposes of a public transportation project authorized under this article.

Sec. 2. As used in this chapter, "bonds" has the meaning set forth in IC 36-1-2-2.

Sec. 3. (a) Upon request of the county executive, the county fiscal body may borrow money and issue bonds in the name of the county in principal amounts and maturities as the fiscal body determines necessary to provide sufficient funds for the purposes specified in this article, including:

(1) the payment of costs of the public transportation project for which bonds are authorized, costs of issuance, or related costs of financing;

(2) the payment of interest on the bonds;

(3) the establishment of reserves to secure the bonds; and

(4) all other expenditures of the county incident to, necessary, and convenient to carry out this chapter.

(b) Before bonds may be issued under this chapter, the county fiscal body shall give notice of a public hearing to disclose the purpose for which the bond issue is proposed, the amount of the proposed issue, and other pertinent data. The county fiscal body shall publish in accordance with IC 5-3-1 a notice of the time, place, and general purpose of the hearing.

Sec. 4. (a) The bonds must be authorized by ordinance of the fiscal body. The ordinance must provide the following with respect to the bonds:

(1) The original date of the bonds.

(2) The time or times that the bonds mature. However, a bond may not mature more than twenty (20) years after the date it is issued.

(3) The maximum interest rate or rates, including variations of the rates.

(4) The denominations.

(5) The form, either coupon or registered.

(6) The registration privileges.

(7) The medium of payment and the place or places of payment.

(8) The terms of redemption, including redemption before maturity.

(b) Bonds issued under this chapter must be sold under IC 5-1-11, and at a price or prices determined by the county fiscal body in the ordinance.

Sec. 5. An ordinance authorizing the issuance of bonds under this chapter or trust indenture under which the bonds are issued may contain the following provisions:

(1) Pledging revenues of the county to secure the payment of the bonds, subject to section 6 of this chapter and existing agreements with bondholders.

(2) Setting aside reserves or sinking funds and the regulation and disposition of these funds.

(3) Limitations on the purposes to which the proceeds from the sale of bonds may be applied.

(4) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding or other bonds.

(5) The procedure, if any, by which the terms of a contract with bondholders may be amended or abrogated and the manner in which the consent to the amendment or abrogation may be given.

(6) Vesting in a trustee property, rights, powers, and trust as the county fiscal body determines, and limiting or abrogating the right of the bondholders to appoint a trustee or to limit the rights, powers, and duties of the trustee.

(7) Defining acts or omissions that will constitute a default and the obligations or duties of the county fiscal body to the bondholders and providing for the rights and remedies of the bondholders in the event of default. However, the rights and remedies must not be inconsistent with this chapter or other laws of this state.

(8) A covenant that the fiscal body will not repeal or adversely modify the taxes or sources of revenue that are pledged to secure the payment of the bonds.

(9) Any other matter that affects the security or protection of the bondholders.

Sec. 6. (a) Except as provided in subsection (b), the county fiscal body may pledge revenues for the payment of principal and interest on the bonds and for other purposes under the ordinance as provided by IC 5-1-14-4, including revenues from the following sources:

(1) The county adjusted gross income tax in Hancock County or Johnson County.

(2) The county option income tax in Delaware County or Madison County.

(3) The county economic development income tax in Hamilton County or Marion County.

(b) The county fiscal body may not pledge to levy ad valorem property taxes for these purposes.

(c) If the county fiscal body has pledged revenues from the county economic development income tax as set forth in subsection (a), the county fiscal body may covenant that the county fiscal body will not repeal or modify the tax in a manner that would adversely affect owners of outstanding bonds issued under this chapter. The county fiscal body may make the covenant by adopting an ordinance.

Sec. 7. (a) The bonds may be secured by a trust indenture between the county and a bank having the power of a trust company or any trust company.

(b) The trust indenture may provide for:

(1) protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law;

(2) covenants setting forth the duties of the county fiscal body in relation to the exercise of its powers and the custody, safekeeping, and application of money related to the bond financing for which the trust indenture exists;

(3) the payment of the proceeds of the bonds and the revenue of the trustee under the trust indenture; and

(4) the method of disbursement of the proceeds of the bonds and the revenue to the trustee, with safeguards and restrictions as the county fiscal body may determine.

Sec. 8. Bonds issued by the county under this chapter must be executed by the manual or facsimile signatures of the executive and attested to by the county auditor.

Sec. 9. Money received from the bonds issued under this chapter shall be applied solely to the purposes for which the bonds were issued, except as provided in IC 5-1-13 and IC 5-1-14.

Sec. 10. The bonds are negotiable instruments, subject only to the provisions of the bonds relating to registration.

Sec. 11. Bonds issued under this chapter are exempt from taxation in Indiana under IC 6-8-5.

Sec. 12. Bonds issued by the county under this chapter are exempt from registration and other requirements of IC 23 and any other securities registration laws.

Sec. 13. The general assembly pledges to and covenants with the owner of any bonds issued under this chapter that the general assembly will not limit or alter the ability of the county to fulfill the terms of the agreements or pledges made with bondholders or in any way impair the rights or remedies of the bondholders until the bonds and related obligations are fully met and discharged.

Sec. 14. IC 6-1.1-20 does not apply to the issuance of bonds under this chapter.

Sec. 15. Bonds issued under this chapter do not create a moral obligation of the state to pay all or part of the debt.

Chapter 6. Township Opt-in

Sec. 1. This chapter applies to a township located in an eligible county.

Sec. 2. (a) If:

(1) the fiscal body of the county in which the township is located does not adopt an ordinance under IC 8-25-2-1; and

(2) the township is adjacent to either:

(A) an eligible county in which a public transportation project has been approved under IC 8-25-2; or

(B) a township in which a public transportation project has been approved under this chapter;

the fiscal body of the township may pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township.

(b) The fiscal body of the township shall include in the resolution passed under subsection (a):

(1) a description of the public transportation services that will be provided in the township through the proposed public transportation project; and

(2) an estimate of each tax necessary to annually fund the public transportation project in the township.

Sec. 3. If the fiscal body of a township adopts a resolution under section 2 of this chapter, the township trustee shall certify a copy of the resolution to the department of local government finance, including the language for the question required by IC 8-25-2-3, IC 8-25-2-4, or IC 8-25-2-5, whichever is applicable to the eligible county in which the township is located. The township trustee may modify the proposed local question as necessary to indicate that the local question concerns a public transportation project for the township. The department shall review the language for compliance with section 3, 4, or 5 of this chapter, whichever is applicable to the eligible county, while taking into account any necessary modifications for the township. The department of local government finance may approve or reject the language. The department shall send its decision to the township trustee and the fiscal body of the township not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the township trustee shall certify a copy of the resolution, including the language for the question and the department's approval, to the county election board of the eligible county.

Sec. 4. If the county election board of an eligible county receives from a township trustee a certified copy of the resolution adopted under section 2 of this chapter and the approved language for the local public question, the county election board shall place the following question on the election ballot in accordance with IC 3-10-9:

"Shall _____ County impose a _____ (insert the name of the applicable income tax under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7) tax rate, not to exceed a rate of _____ (insert recommended rate included in the ordinance authorizing the local public question), on the county taxpayers residing in _____ Township to pay

for improving or establishing public transportation service in _____ Township through a public transportation project that _____ (insert the description of the public transportation project set forth in the township resolution authorizing the local public question)?".

Sec. 5. If a township trustee certifies a resolution under section 3 of this chapter, the county election board shall place the local public question on the ballot at the next general election for which the question may be certified under IC 3-10-9-3 and for which all voters of the township are entitled to vote.

Sec. 6. After an election on the local public question, the circuit court clerk of the eligible county in which the township is located shall:

(1) make a certified copy of the election returns; and

(2) not later than five (5) days after the election, file the copy with:

(A) the department of state revenue;

(B) the fiscal body of the county; and

(C) the fiscal body of the township.

Sec. 7. The local public question is approved by a township if a majority of the township voters voting on the local public question vote "yes". The local public question is defeated by a township if a majority of the township voters voting on the local public question vote "no".

Sec. 8. If the local public question is defeated in a township, the fiscal body of the township may not adopt a resolution under section 2 of this chapter to place another local public question on the ballot as provided in this chapter at a subsequent general election in the township.

Sec. 9. IC 8-25-2-12 applies to a local public question held under this chapter.

Sec. 10. If the voters of a township located in an eligible county approve a local public question under this chapter, the fiscal body of the eligible county shall adopt an ordinance under IC 6-3.5-1.1-24(s), IC 6-3.5-6-30(t), or IC 6-3.5-7-26(m), whichever is applicable to the eligible county, to impose an additional county adjusted gross income tax rate, county option income tax rate, or county economic development income tax rate upon the county taxpayers residing in the township for the public transportation project in the township.

Sec. 11. (a) The minimum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed upon the county taxpayers who reside in a township to fund a public transportation project in the township is one-tenth percent (0.1%).

(b) The maximum tax rate for a county adjusted gross income tax, county option income tax, or county economic development income tax that may be imposed upon the county taxpayers who reside in a township to fund a public transportation project in the township is twenty-five hundredths percent (0.25%).

Sec. 12. A tax rate imposed under this chapter applies only to the county taxpayers who reside in a township in which the voters approve a local public question held under this chapter.

Sec. 13. IC 8-25-3-6 applies to a public transportation project authorized under this chapter in a township.

Sec. 14. Bonds issued with respect to a public transportation project in the township must be paid from tax revenue collected from county taxpayers who reside in the township.

Sec. 15. IC 36-9-2-2(b) and IC 36-9-2-2(c) apply to a public transportation project authorized under this chapter in a township.

Chapter 7. Public Transportation Foundation in Marion County

Sec. 1. This chapter applies to Marion County.

Sec. 2. As used in this chapter, "board" refers to the board of a public transportation corporation providing public transportation services in Marion County.

Sec. 3. The board shall establish a foundation that is organized as a nonprofit corporation that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code to solicit and accept private funding, gifts, donations, bequests, devises, and contributions to meet the requirements of IC 8-25-3-6(a).

Sec. 4. A foundation established under section 3 of this chapter:

(1) shall use money received under section 3 of this chapter to:

(A) fund in part a public transportation project authorized under this article as required by IC 8-25-3-6(a); and

(B) carry out the purposes and programs of the foundation under this chapter; and

(2) may deposit money received under section 3 of this chapter in an account or fund that is:

(A) administered by the foundation; and

(B) not part of the state or county treasury.

Sec. 5. The foundation established under section 3 of this chapter is governed by a board of directors consisting of at least seven (7) voting members appointed by the board.

Sec. 6. The members appointed under section 5 of this chapter shall be appointed for a term of three (3) years but may be removed by the board for cause.

Sec. 7. The affirmative votes of a majority of the members of the board of directors are required for the foundation to take any official action.

Sec. 8. The fiscal body of Marion County or the board, if authorized to carry out a public transportation project under IC 8-25-4, may enter into any agreement necessary with the foundation to meet the requirements of IC 8-25-3-6(a) and carry out the purposes of this chapter.

Chapter 8. Public Transportation Foundations in Eligible Counties other than Marion County

Sec. 1. This chapter applies to an eligible county other than Marion County.

Sec. 2. As used in this chapter, "board" refers to the board of commissioners of an eligible county.

Sec. 3. The board shall establish a foundation that is organized as a nonprofit corporation that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code to solicit and accept private funding, gifts, donations, bequests, devises, and contributions to meet the requirements of IC 8-25-3-6(a).

Sec. 4. A foundation established under section 3 of this chapter:

(1) shall use money received under section 3 of this chapter to:

(A) fund in part a public transportation project authorized under this article as required by IC 8-25-3-6(a); and

(B) carry out the purposes and programs of the foundation under this chapter; and

(2) may deposit money received under section 3 of this chapter in an account or fund that is:

(A) administered by the foundation; and

(B) not part of the state or county treasury.

Sec. 5. The foundation established under section 3 of this chapter is governed by a board of directors consisting of at least seven (7) voting members appointed by the board.

Sec. 6. The members appointed under section 5 of this chapter shall be appointed for a term of three (3) years but may be removed by the board for cause.

Sec. 7. The affirmative votes of a majority of the members of the board of directors are required for the foundation to take any official action.

Sec. 8. The fiscal body of an eligible county, the board, or

any other entity authorized to carry out a public transportation project under IC 8-25-4 in the eligible county may enter into any agreement necessary with the foundation to meet the requirements of IC 8-25-3-6(a) and carry out the purposes of this chapter.

SECTION 18. IC 12-29-2-2, AS AMENDED BY SEA 24-2014, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A county shall fund the operation of community mental health centers in the amount determined under subsection (b), unless a lower tax levy amount will be adequate to fulfill the county's financial obligations under this chapter in any of the following situations:

(1) If the total population of the county is served by one (1) center.

(2) If the total population of the county is served by more than one (1) center.

(3) If the partial population of the county is served by one (1) center.

(4) If the partial population of the county is served by more than one (1) center.

(b) The amount of funding under subsection (a) for taxes first due and payable in a calendar year is the following:

(1) For 2004, the amount is the amount determined under STEP THREE of the following formula:

STEP ONE: Determine the amount that was levied within the county to comply with this section from property taxes first due and payable in 2002.

STEP TWO: Multiply the STEP ONE result by the county's assessed value growth quotient for the ensuing year 2003, as determined under IC 6-1.1-18.5-2.

STEP THREE: Multiply the STEP TWO result by the county's assessed value growth quotient for the ensuing year 2004, as determined under IC 6-1.1-18.5-2.

(2) Except as provided in subsection (c), for 2005 and each year thereafter, the result equal to:

(A) the amount that was levied in the county to comply with this section from property taxes first due and payable in the calendar year immediately preceding the ensuing calendar year; multiplied by

(B) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2.

(c) This subsection applies only to property taxes first due and payable after December 31, 2007. This subsection applies only to a county for which:

(1) a county adjusted gross income tax rate is first imposed or is increased in a particular year under IC 6-3.5-1.1-24; or

(2) a county option income tax rate is first imposed or is increased in a particular year under IC 6-3.5-6-30;

to provide property tax relief in the county. Notwithstanding any provision in this section or any other section of this chapter, for a county subject to this subsection, the county's maximum property tax levy under this section to fund the operation of community mental health centers for the ensuing calendar year is equal to the county's maximum property tax levy to fund the operation of community mental health centers for the current calendar year.

(d) Except as provided in subsection (h), the county shall pay to the division of mental health and addiction the part of the funding determined under subsection (b) that is appropriated solely for funding the operations of a community health center. The funding required under this section for operations of a community health center shall be paid by the county to the division of mental health and addiction. These funds shall be used solely for satisfying the non-federal share of medical assistance payments to community mental health centers serving the county for:

(1) allowable administrative services; and

(2) community mental health rehabilitation services.

All other funding appropriated for the purposes allowed under section 1.2(b)(1) of this chapter shall be paid by the county directly to the community mental health center semiannually at the times that the payments are made under subsection (e).

(e) The county shall appropriate and disburse the funds for operations semiannually not later than December 1 and June 1 in an amount equal to the amount determined under subsection (b) and requested in writing by the division of mental health and addiction. The total funding amount paid to the division of mental health and addiction for a county for each calendar year may not exceed the amount that is calculated in subsection (b) and set forth in writing by the division of mental health and addiction for the county. Funds paid to the division of mental health and addiction by the county shall be submitted by the county in a timely manner after receiving the written request from the division of mental health and addiction, to ensure current year compliance with the community mental health rehabilitation program and any administrative requirements of the program.

(f) The division of mental health and addiction shall ensure that the non-federal share of funding received from a county under this program is applied only for matching federal funds for the designated community mental health centers to the extent a center is eligible to receive county funding under ~~IC 12-21-2-3(a)(5)(E).~~ **IC 12-21-2-3(5)(D).**

(g) The division of mental health and addiction:

(1) shall first apply state funding to a community mental health center's non-federal share of funding under this program; and

(2) may next apply county funding received under ~~IC 12-29-2-2~~ **this section** to any remaining non-federal share of funding for the community mental health center.

The division shall distribute any excess state funds that exceed the community mental health rehabilitation services non-federal share applied to a community mental health center that is entitled to the excess state funds.

(h) The health and hospital corporation of Marion County created by IC 16-22-8-6 may make payments to the division for the operation of a community mental health center as described in this chapter.

SECTION 19. IC 36-9-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a)** A unit may establish, aid, maintain, and operate transportation systems.

(b) This subsection applies to an eligible county (as defined by IC 8-25-1-4) that establishes a public transportation system through a public transportation project authorized and funded under IC 8-25. The unit must establish fares and charges that cover at least twenty-five percent (25%) of the operating expenses of the public transportation system. For purposes of this subsection, operating expenses include only those expenses incurred in the operation of fixed route services that are established or expanded as a result of a public transportation project authorized and funded under IC 8-25. The unit annually shall report on the unit's compliance with this subsection not later than sixty (60) days after the close of the unit's fiscal year. The report must include information on any fare increases necessary to achieve compliance. The unit shall submit the report to the department of local government finance and make the report available electronically through the Indiana transparency Internet web site established under IC 5-14-3.8.

(c) If a unit fails to prepare and disclose the annual report in the manner required by subsection (b), any person subject to a tax described in IC 8-25 may initiate a cause of action in the circuit court of the eligible county to compel the appropriate officials of the unit to prepare and disclose the annual report not later than thirty (30) days after a court order mandating the unit to comply with subsection (b) is issued by the circuit court.

SECTION 20. IC 36-9-4-58 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 58. **(a)** An urban mass transportation system operating under this chapter is considered a common carrier not operating under a franchise or contract granted by a municipality and not regulated by ordinance, and is subject to the authority of the department of state revenue under IC 8-2.1 to the same extent as any other common carrier. However, in determining the reasonableness of the fares and charges of such a system, the department of state revenue shall consider, among other factors, the policy of this chapter to foster and assure the development and maintenance of urban mass transportation systems, and it is not necessary that the operating revenues of the system be sufficient to cover the cost to the system of providing adequate service.

(b) If a public transportation corporation providing public transportation services in Marion County expands its service through a public transportation project authorized and funded under IC 8-25, the public transportation corporation shall establish fares and charges that cover at least twenty-five percent (25%) of the operating expenses of the urban mass transportation system operated by the public transportation corporation. For purposes of this subsection, operating expenses include only those expenses incurred in the operation of fixed route services that are established or expanded as a result of a public transportation project authorized and funded under IC 8-25. The public transportation corporation annually shall report on the corporation's compliance with this subsection not later than sixty (60) days after the close of the corporation's fiscal year. The report must include information on any fare increases necessary to achieve compliance. The public transportation corporation shall submit the report to the department of local government finance and make the report available electronically through the Indiana transparency Internet web site established under IC 5-14-3.8.

(c) If a public transportation corporation fails to prepare and disclose the annual report in the manner required by subsection (b), any person subject to a tax described in IC 8-25 may initiate a cause of action in the circuit court of the eligible county to compel the appropriate officials of the public transportation corporation to prepare and disclose the annual report not later than thirty (30) days after a court order mandating the public transportation corporation to comply with subsection (b) is issued by the circuit court.

(Reference is to ESB 176 as reprinted February 28, 2014.)

PAT MILLER	TORR
BREAUX	PORTER
Senate Conferees	House Conferees

Roll Call 504: yeas 66, nays 34. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 179–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 179 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Page 3, delete lines 41 through 42.

Page 4, delete lines 1 through 6.

Renumber all SECTIONS consecutively.

(Reference is to ESB 179 as printed February 25, 2014.)

YODER	CLERE
R. YOUNG	NIEZGODSKI
Senate Conferees	House Conferees

Roll Call 505: yeas 92, nays 6. Report adopted.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative Lehman.

CONFERENCE COMMITTEE REPORT
ESB 225–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 225 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-10-22-3, AS AMENDED BY P.L.205-2013, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. **If,** after completing the presentation to the state budget committee described in section 2 of this chapter, ~~the governor shall do the following:~~

~~(1) If the amount of excess reserves on June 30 of any year is less than fifty million dollars ($50,000,000), the governor shall carry over the excess reserves to each subsequent year until the total excess reserves, including any carryover amount, equal at least fifty million dollars ($50,000,000). In the year that the total excess reserves equal at least fifty million dollars ($50,000,000), the excess reserves shall be used as provided in subdivision (2).~~

~~(2) If in any year~~ the amount of the excess reserves is fifty million dollars ($50,000,000) or more, the governor shall do the following:

~~(A)~~ **(1)** If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or thereafter, transfer fifty percent (50%) of any excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund.

~~(B)~~ **(2)** If the year is calendar year 2014 or thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this chapter.

SECTION 2. IC 4-23-7.1-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) Subject to subsections (b) and (c), every state agency that issues public documents shall furnish the state library ~~fifty (50)~~ **twenty-five (25)** copies of all publications issued by them, whether printed ~~mimeographed, or duplicated in any way,~~ **or published electronically,** which are not issued solely for use within the issuing office. However, if the library requests, as many as twenty-five (25) additional copies of each public document shall be supplied.

(b) If other provision is made by law for the distribution of the session laws of the general assembly, the journals of the house and senate of the general assembly, the supreme court and court of appeals reports, or the publications of the Indiana historical bureau, any of the public documents for which distribution is provided are exempted from the depository requirements under subsection (a). However, two (2) copies of each document exempted under this subsection from the general depository requirements shall be deposited with the state library.

(c) If a public document issued by an agency is published in the Indiana Register in full or in summary form, the agency is exempt from providing copies of the published public document to the state library under subsection (a).

(d) Publications of the various schools, colleges, divisions, and departments of the state universities and their regional campuses are exempt from the depository requirements under subsection (a). However, two (2) copies of each publication of these divisions shall be deposited in the state library.

(e) Publications of state university presses, directives for internal administration, intraoffice and interoffice publications, and forms are completely exempt from all depository requirements.

SECTION 3. IC 4-23-7.1-42, AS ADDED BY P.L.47-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 42. (a) The board may establish a foundation that is organized as a nonprofit corporation that is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code to solicit and accept private funding, gifts, donations, bequests, devises, and contributions. The board may transfer private funding, gifts, donations, bequests, devises, and contributions intended for the state library that are in the state treasury into the foundation.

(b) A foundation established under this section:

(1) shall use money received under subsection (a) to:

(A) support the state library and libraries in the state; and

(B) carry out the purposes and programs under this chapter; and

(2) may deposit money received under subsection (a) in an account or fund that is:

(A) administered by the foundation; and

(B) not part of the state treasury.

(c) The foundation established under this section is governed by a board of directors consisting of the following members:

(1) Seven (7) voting members appointed by the board of directors.

(2) The state treasurer, who shall serve as a nonvoting member.

(d) The members appointed under subsection (c)(1) shall be appointed for a term of three (3) years but may be removed by the governor for cause.

(e) The affirmative votes of at least four (4) members of the board of directors are required for the foundation to take any official action.

(f) Employees of the state library ~~shall~~ **may** provide administrative support for the foundation.

(g) **All** money ~~in~~ **under** the ~~foundation~~ **foundation's control is considered private funding and is not subject to state laws that apply to public funds. Money under the foundation's control** at the end of a state fiscal year does not revert to the state general fund.

(h) ~~The state board of accounts~~ **The foundation** shall ~~annually~~ **submit to an annual** audit. The foundation ~~established under this section~~ **may choose to have the audit performed by an independent certified public accountant or by the state board of accounts.**

SECTION 4. IC 4-23-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The annual reports of the meetings of the Indiana Academy of Science, beginning with the report for the year 1894, including all papers of scientific or economic value presented at such meetings, after they shall have been edited and prepared for publication shall be published by the ~~commission on public records.~~ **Indiana Academy of Science.**

SECTION 5. IC 4-23-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The reports shall be edited and prepared for publication without expense to the state, by a corps of editors to be selected and appointed by the Indiana Academy of Science, who shall not, by reason of such services, have any claim against the state for compensation. The form, style of binding, paper, typography, and manner and extent of illustration of the reports shall be determined by the editors. ~~subject to the approval of the commission on public records.~~ Not less than ~~fifteen~~ **one** hundred ~~(1,500)~~ **(100)** nor more than three thousand (3,000) copies of each of said reports shall be published, the ~~size~~ **number** of ~~the edition to~~ **which must** be determined by the concurrent ~~action~~ **decision** of the editors and the ~~commission on public records.~~ **Indiana state library.**

SECTION 6. IC 4-23-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~All except three hundred (300)~~ **(a) The Indiana Academy of Science shall provide** copies of each volume of said reports ~~shall be placed in the custody of~~ **to** the **Indiana** state ~~librarian, who~~ **library. The number of copies provided to the Indiana state library shall be determined by the Indiana Academy of Science and the state librarian. The Indiana state library** shall, **upon request,** furnish one (1) copy thereof to **the following:**

(1) Each public library in the state. ~~one (1) copy to~~

(2) Each university **or** college ~~or normal school~~ in the state. ~~one (1) copy to each high school in the state having a library. which shall make application therefor, and one (1) copy to such~~

(3) Other institutions, societies, or persons ~~as may be~~ designated by the academy through its editors or its council. ~~The remaining three hundred (300) copies shall be turned over to the academy to be disposed of as it may determine. In order to provide for the preservation of the same, it shall be the duty of the custodian of the state-house to provide and place at the disposal of the academy one (1) of the unoccupied rooms of the state-house, to be designated as the office of the Indiana Academy of Science, wherein said copies of said reports belonging to the academy, together with the original manuscripts, drawings, etc., thereof can be safely kept, and he shall also equip the same with the necessary shelving and furniture.~~

(b) The Indiana Academy of Science shall pay for shipping of a report under subsection (a) to a recipient located outside Indiana.

(c) To the extent that the Indiana Academy of Science makes papers and proceedings of the Indiana Academy of Science available to the public through open electronic access, the Indiana state library has no duty to furnish hard copies of the papers and proceedings.

SECTION 7. IC 4-23-10-1 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 1. Beginning with the first day of October, 1921, and annually thereafter, there is appropriated the sum of twelve hundred dollars ($1,200), said moneys to be used to pay for the printing of the proceedings and papers of the Indiana Academy of Science, provided that any unexpended balance of any of said sums shall be carried forward and be available for the use of said academy for future years.~~

SECTION 8. IC 5-10-8-0.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 0.5. Notwithstanding the amendments made to sections 2.2 and 2.6 of this chapter, and IC 20-5-2-2 (before its repeal, now codified at IC 20-26-5-4), and the addition of section 6.6 of this chapter by P.L.286-2001, the coverage that may be elected under section 6.6 of this chapter, as added by P.L.286-2001:~~

~~(1) need not be made available before January 1, 2002; but~~

~~(2) must be made available not later than January 1, 2002.~~

SECTION 9. IC 5-10-8-2.2, AS AMENDED BY P.L.182-2009(ss), SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.2. (a) As used in this section, "dependent" means a natural child, stepchild, or adopted child of a public safety employee who:

(1) is less than eighteen (18) years of age;

(2) is at least eighteen (18) years of age and has a physical or mental disability (using disability guidelines established by the Social Security Administration); or

(3) is at least eighteen (18) and less than twenty-three (23) years of age and is enrolled in and regularly attending a secondary school or is a full-time student at an accredited

college or university.

(b) As used in this section, "public safety employee" means a full-time firefighter, police officer, county police officer, or sheriff.

(c) This section applies only to local unit public employers and their public safety employees.

(d) A local unit public employer may provide programs of group health insurance for its active and retired public safety employees through one (1) of the following methods:

(1) By purchasing policies of group insurance.

(2) By establishing self-insurance programs.

~~(3) By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.~~

~~(4)~~ **(3)** If the local unit public employer is a school corporation, by electing to provide the coverage through a state employee health plan under section 6.7 of this chapter.

A local unit public employer may provide programs of group insurance other than group health insurance for the local unit public employer's active and retired public safety employees by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(e) A local unit public employer may pay a part of the cost of group insurance for its active and retired public safety employees. However, a local unit public employer that provides group life insurance for its active and retired public safety employees shall pay a part of the cost of that insurance.

(f) A local unit public employer may not cancel an insurance contract under this section during the policy term of the contract.

(g) After June 30, 1989, a local unit public employer that provides a group health insurance program for its active public safety employees shall also provide a group health insurance program to the following persons:

(1) Retired public safety employees.

(2) Public safety employees who are receiving disability benefits under IC 36-8-6, IC 36-8-7, IC 36-8-7.5, IC 36-8-8, or IC 36-8-10.

(3) Surviving spouses and dependents of public safety employees who die while in active service or after retirement.

(h) A public safety employee who is retired or has a disability and is eligible for group health insurance coverage under subsection (g)(1) or (g)(2):

(1) may elect to have the person's spouse, dependents, or spouse and dependents covered under the group health insurance program at the time the person retires or becomes disabled;

(2) must file a written request for insurance coverage with the employer within ninety (90) days after the person retires or begins receiving disability benefits; and

(3) must pay an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active public safety employee (however, the employer may elect to pay any part of the person's premiums).

(i) Except as provided in IC 36-8-6-9.7(f), IC 36-8-6-10.1(h), IC 36-8-7-12.3(g), IC 36-8-7-12.4(j), IC 36-8-7.5-13.7(h), IC 36-8-7.5-14.1(i), IC 36-8-8-13.9(d), IC 36-8-8-14.1(h), and IC 36-8-10-16.5 for a surviving spouse or dependent of a public safety employee who dies in the line of duty, a surviving spouse or dependent who is eligible for group health insurance under subsection (g)(3):

(1) may elect to continue coverage under the group health insurance program after the death of the public safety employee;

(2) must file a written request for insurance coverage with the employer within ninety (90) days after the death of the public safety employee; and

(3) must pay the amount that the public safety employee would have been required to pay under this section for coverage selected by the surviving spouse or dependent (however, the employer may elect to pay any part of the surviving spouse's or dependents' premiums).

(j) The eligibility for group health insurance under this section for a public safety employee who is retired or has a disability ends on the earlier of the following:

(1) When the public safety employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program for active public safety employees.

(k) A surviving spouse's eligibility for group health insurance under this section ends on the earliest of the following:

(1) When the surviving spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.

(3) The date of the surviving spouse's remarriage.

(4) When health insurance becomes available to the surviving spouse through employment.

(l) A dependent's eligibility for group health insurance under this section ends on the earliest of the following:

(1) When the dependent becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the unit providing the insurance terminates the health insurance program for active public safety employees.

(3) When the dependent no longer meets the criteria set forth in subsection (a).

(4) When health insurance becomes available to the dependent through employment.

(m) A public safety employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the local unit public employer for active public safety employees if the public safety employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.

(n) A local unit public employer may provide group health insurance for retired public safety employees or their spouses not covered by subsections (g) through (l) and may provide group health insurance that contains provisions more favorable to retired public safety employees and their spouses than required by subsections (g) through (l). A local unit public employer may provide group health insurance to a public safety employee who is on leave without pay for a longer period than required by subsection (m), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 10. IC 5-10-8-2.6, AS AMENDED BY P.L.182-2009(ss), SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.6. (a) This section applies only to local unit public employers and their employees. This section does not apply to public safety employees, surviving spouses, and dependents covered by section 2.2 of this chapter.

(b) A public employer may provide programs of group insurance for its employees and retired employees. The public employer may, however, exclude part-time employees and persons who provide services to the unit under contract from any group insurance coverage that the public employer provides to the employer's full-time employees. A public employer may provide programs of group health insurance under this section through one (1) of the following methods:

(1) By purchasing policies of group insurance.

(2) By establishing self-insurance programs.

~~(3) By electing to participate in the local unit group of local units that offer the state employee health plan under section 6.6 of this chapter.~~

~~(4)~~ **(3)** If the local unit public employer is a school corporation, by electing to provide the coverage through a state employee health plan under section 6.7 of this chapter.

A public employer may provide programs of group insurance other than group health insurance under this section by purchasing policies of group insurance and by establishing self-insurance programs. However, the establishment of a self-insurance program is subject to the approval of the unit's fiscal body.

(c) A public employer may pay a part of the cost of group insurance, but shall pay a part of the cost of group life insurance for local employees. A public employer may pay, as supplemental wages, an amount equal to the deductible portion of group health insurance as long as payment of the supplemental wages will not result in the payment of the total cost of the insurance by the public employer.

(d) An insurance contract for local employees under this section may not be canceled by the public employer during the policy term of the contract.

(e) After June 30, 1986, a public employer shall provide a group health insurance program under subsection (g) to each retired employee:

(1) whose retirement date is:

(A) after May 31, 1986, for a retired employee who was a teacher (as defined in IC 20-18-2-22) for a school corporation; or

(B) after June 30, 1986, for a retired employee not covered by clause (A);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.;

(3) who will have completed twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which must have been completed immediately preceding the retirement date; and

(4) who will have completed at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date.

(f) A group health insurance program required by subsection (e) must be equal in coverage to that offered active employees and must permit the retired employee to participate if the retired employee pays an amount equal to the total of the employer's and the employee's premiums for the group health insurance for an active employee and if the employee, within ninety (90) days after the employee's retirement date, files a written request with the employer for insurance coverage. However, the employer may elect to pay any part of the retired employee's premiums.

(g) A retired employee's eligibility to continue insurance under subsection (e) ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under subsection (e) may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

(1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program.

(3) Two (2) years after the date of the employee's death.

(4) The date of the spouse's remarriage.

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-28-10-2(b). An employee who is on leave without pay is entitled to participate for ninety (90) days in any group health insurance program maintained by the public employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance. However, the employer may pay all or part of the employer's premium for the insurance.

(i) A public employer may provide group health insurance for retired employees or their spouses not covered by subsections (e) through (g) and may provide group health insurance that contains provisions more favorable to retired employees and their spouses than required by subsections (e) through (g). A public employer may provide group health insurance to an employee who is on leave without pay for a longer period than required by subsection (h), and may continue to pay all or a part of the employer's premium for the insurance while the employee is on leave without pay.

SECTION 11. IC 5-10-8-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6.6. (a) As used in this section, "local unit group" means all of the local units that elect to provide coverage for health care services for active and retired:

(1) elected or appointed officers and officials;

(2) full-time employees; and

(3) part-time employees;

of the local unit under this section.

(b) As used in this section, "state employee health plan" means:

(1) an accident and sickness insurance policy (as defined in IC 27-8-5.6-1) purchased through the state personnel department under section 7(a) of this chapter; or

(2) a contract with a prepaid health care delivery plan entered into by the state personnel department under section 7(c) of this chapter.

(c) The state personnel department shall allow a local unit to participate in the local unit group by electing to provide coverage of health care services for active and retired:

(1) elected or appointed officers and officials;

(2) full-time employees; and

(3) part-time employees;

of the local unit under a state employee health plan. **This subsection expires July 1, 2014.**

(d) If a local unit elects to provide coverage under subsection (c):

(1) the local unit group must be treated as a single group that is separate from the group of state employees that is covered under a state employee health plan;

(2) the state personnel department shall:

(A) establish:

(i) the premium costs, as determined by an accident and sickness insurer or a prepaid health care delivery plan under which coverage is provided under this section;

(ii) the administrative costs; and

(iii) any other costs;

of the coverage provided under this section, including the cost of obtaining insurance or reinsurance, for the local unit group as a whole; and

(B) establish a uniform premium schedule for each accident and sickness insurance policy or prepaid health care delivery plan under which coverage is provided under this section for the local unit group; and

(3) the local unit shall provide for payment of the cost of the coverage as provided in sections 2.2 and 2.6 of this chapter.

The premium determined under subdivision (2) and paid by an

individual local unit shall not be determined based on claims made by the local unit. **This subsection expires July 1, 2014.**

(e) The state personnel department shall provide an annual opportunity for local units to elect to provide or terminate coverage under subsection (c). **This subsection expires July 1, 2014.**

(f) The state personnel department may adopt rules under IC 4-22-2 to establish minimum participation and contribution requirements for participation in a state employee health plan under this section. **This subsection expires July 1, 2014.**

(g) The state personnel department shall not, after June 30, 2014, amend or renew:

(1) an accident and sickness insurance policy; or

(2) a prepaid health care delivery plan;

that is in effect on June 30, 2014, to provide coverage under this section for the local unit group.

(h) An accident and sickness insurance policy or a prepaid health care delivery plan that is in effect on June 30, 2014, to provide coverage under this section for the local unit group terminates on the first policy or plan renewal date occurring after June 30, 2014.

SECTION 12. IC 5-10-8-7, AS AMENDED BY P.L.138-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) The state, excluding state educational institutions, may not purchase or maintain a policy of group insurance, except:

(1) life insurance for the state's employees;

(2) long term care insurance under a long term care insurance policy (as defined in IC 27-8-12-5), for the state's employees;

(3) an accident and sickness insurance policy (as defined in IC 27-8-5.6-1) that:

(A) is in effect on June 30, 2014; and

(B) covers individuals to whom coverage is provided by a local unit under section 6.6 of this chapter;

may be maintained until the first policy renewal date after June 30, 2014; or

(4) an insurance policy that provides coverage that supplements coverage provided under a United States military health care plan.

(b) With the consent of the governor, the state personnel department may establish self-insurance programs to provide group insurance other than life or long term care insurance for state employees and retired state employees. The state personnel department may contract with a private agency, business firm, limited liability company, or corporation for administrative services. A commission may not be paid for the placement of the contract. The department may require, as part of a contract for administrative services, that the provider of the administrative services offer to an employee terminating state employment the option to purchase, without evidence of insurability, an individual policy of insurance.

(c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department:

(1) may contract for health services for state employees **through one (1) or more prepaid health care delivery plans;** and

(2) may maintain a contract:

(A) for health services for individuals to whom coverage is provided by a local unit under section 6.6 of this chapter through one (1) or more prepaid health care delivery plans; **and**

(B) that is in effect on June 30, 2014;

until the first policy renewal date after June 30, 2014.

(d) The state personnel department shall adopt rules under IC 4-22-2 to establish long term and short term disability plans for state employees (except employees who hold elected offices (as defined by IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department considers necessary and proper and must:

(1) require participation in the plan by employees with six (6) months of continuous, full-time service;

(2) require an employee to make a contribution to the plan in the form of a payroll deduction;

(3) require that an employee's benefits under the short term disability plan be subject to a thirty (30) day elimination period and that benefits under the long term plan be subject to a six (6) month elimination period;

(4) prohibit the termination of an employee who is eligible for benefits under the plan;

(5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages for an employee disabled by injuries resulting from tortious acts, as distinguished from passive negligence, that occur within the employee's scope of state employment;

(6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the employee derives income from:

(A) Social Security;

(B) the public employees' retirement fund;

(C) the Indiana state teachers' retirement fund;

(D) pension disability;

(E) worker's compensation;

(F) benefits provided from another employer's group plan; or

(G) remuneration for employment entered into after the disability was incurred.

(The department of state revenue and the department of workforce development shall cooperate with the state personnel department to confirm that an employee has disclosed complete and accurate information necessary to administer subdivision (6).);

(7) provide that an employee will not receive benefits under the plan for a disability resulting from causes specified in the rules; and

(8) provide that, if an employee refuses to:

(A) accept work assignments appropriate to the employee's medical condition;

(B) submit information necessary for claim administration; or

(C) submit to examinations by designated physicians;

the employee forfeits benefits under the plan.

(e) This section does not affect insurance for retirees under IC 5-10.3 or IC 5-10.4.

(f) The state may pay part of the cost of self-insurance or prepaid health care delivery plans for its employees.

(g) A state agency may not provide any insurance benefits to its employees that are not generally available to other state employees, unless specifically authorized by law.

(h) The state may pay a part of the cost of group medical and life coverage for its employees.

(i) To carry out the purposes of this section, a trust fund may be established. The trust fund established under this subsection is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the trust fund established under this subsection by the state board of finance, the budget agency, or any other state agency. Money in a trust fund established under this subsection does not revert to the state general fund at the end of any state fiscal year. The trust fund established under this subsection consists of appropriations, revenues, or transfers to the trust fund under IC 4-12-1. Contributions to the trust fund are irrevocable. The trust fund must be limited to providing prefunding of annual required contributions and to cover OPEB liability for covered individuals. Funds may be used only for these purposes and not to increase benefits or reduce premiums. The trust fund shall be established to comply with and be administered in a manner that satisfies the Internal Revenue Code requirements concerning a trust fund for prefunding annual required contributions and for covering OPEB liability for covered individuals. All assets in the

trust fund established under this subsection:

(1) are dedicated exclusively to providing benefits to covered individuals and their beneficiaries according to the terms of the health plan; and

(2) are exempt from levy, sale, garnishment, attachment, or other legal process.

The trust fund established under this subsection shall be administered by the state personnel department. The expenses of administering the trust fund shall be paid from money in the trust fund. The treasurer of state shall invest the money in the trust fund not currently needed to meet the obligations of the trust fund in the same manner as other public money may be invested.

SECTION 13. IC 5-10-8-8, AS AMENDED BY P.L.43-2007, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) This section applies only to the state and employees who are not covered by a plan established under section 6 of this chapter.

(b) After June 30, 1986, the state shall provide a group health insurance plan to each retired employee:

(1) whose retirement date is:

(A) after June 29, 1986, for a retired employee who was a member of the field examiners' retirement fund;

(B) after May 31, 1986, for a retired employee who was a member of the Indiana state teachers' retirement fund; or

(C) after June 30, 1986, for a retired employee not covered by clause (A) or (B);

(2) who will have reached fifty-five (55) years of age on or before the employee's retirement date but who will not be eligible on that date for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) who:

(A) for an employee who retires before January 1, 2007, will have completed:

(i) twenty (20) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement; and

(ii) at least fifteen (15) years of participation in the retirement plan of which the employee is a member on or before the employee's retirement date; or

(B) for an employee who retires after December 31, 2006, will have completed fifteen (15) years of creditable employment with a public employer on or before the employee's retirement date, ten (10) years of which shall have been completed immediately preceding the retirement.

(c) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired judge;

(2) whose retirement date is after June 30, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least eight (8) years of service credit as a participant in the Indiana judges' retirement fund, with at least eight (8) years of that service credit completed immediately preceding the judge's retirement.

(d) The state shall provide a group health insurance program to each retired employee:

(1) who is a retired participant under the prosecuting attorneys retirement fund;

(2) whose retirement date is after January 1, 1990;

(3) who is at least sixty-two (62) years of age;

(4) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(5) who has at least ten (10) years of service credit as a participant in the prosecuting attorneys retirement fund, with at least ten (10) years of that service credit completed immediately preceding the participant's retirement.

(e) The state shall make available a group health insurance program to each former member of the general assembly or surviving spouse of each former member, if the former member:

(1) is no longer a member of the general assembly;

(2) is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. or, in the case of a surviving spouse, the surviving spouse is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(3) has at least ten (10) years of service credit as a member in the general assembly.

A former member or surviving spouse of a former member who obtains insurance under this section is responsible for paying both the employer and the employee share of the cost of the coverage.

(f) The group health insurance program required under subsections (b) through (e) and subsection (k) must be equal to that offered active employees. The retired employee may participate in the group health insurance program if the retired employee pays an amount equal to the employer's and the employee's premium for the group health insurance for an active employee and if the retired employee within ninety (90) days after the employee's retirement date files a written request for insurance coverage with the employer. Except as provided in subsection (l), the employer may elect to pay any part of the retired employee's premium with respect to insurance coverage under this chapter.

(g) Except as provided in subsection (j), a retired employee's eligibility to continue insurance under this section ends when the employee becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq., or when the employer terminates the health insurance program. A retired employee who is eligible for insurance coverage under this section may elect to have the employee's spouse covered under the health insurance program at the time the employee retires. If a retired employee's spouse pays the amount the retired employee would have been required to pay for coverage selected by the spouse, the spouse's subsequent eligibility to continue insurance under this section is not affected by the death of the retired employee. The surviving spouse's eligibility ends on the earliest of the following:

(1) When the spouse becomes eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.

(2) When the employer terminates the health insurance program.

(3) Two (2) years after the date of the employee's death.

(4) The date of the spouse's remarriage.

(h) This subsection does not apply to an employee who is entitled to group insurance coverage under IC 20-28-10-2(b). An employee who is on leave without pay is entitled to participate for ninety (90) days in any health insurance program maintained by the employer for active employees if the employee pays an amount equal to the total of the employer's and the employee's premiums for the insurance.

(i) An employer may provide group health insurance for retired employees or their spouses not covered by this section and may provide group health insurance that contains provisions more favorable to retired employees and their spouses than required by this section. A public employer may provide group health insurance to an employee who is on leave without pay for a longer period than required by subsection (h).

(j) An employer may elect to permit former employees and their spouses, including surviving spouses, to continue to participate in a group health insurance program under this chapter after the former employee (who is otherwise qualified under this chapter to participate in a group insurance program) or spouse has become eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq. ~~An employer who makes an election under this section may require a person who continues coverage under this subsection to participate in a retiree health~~

~~benefit plan developed under section 8.3 of this chapter.~~

(k) The state shall provide a group health insurance program to each retired employee:

(1) who was employed as a teacher in a state institution under:

(A) IC 11-10-5;

(B) IC 12-24-3;

(C) IC 16-33-3;

(D) IC 16-33-4;

(E) IC 20-21-2-1; or

(F) IC 20-22-2-1;

(2) who is at least fifty-five (55) years of age on or before the employee's retirement date;

(3) who is not eligible for Medicare coverage as prescribed by 42 U.S.C. 1395 et seq.; and

(4) who:

(A) has at least fifteen (15) years of service credit as a participant in the retirement fund of which the employee is a member on or before the employee's retirement date; or

(B) completes at least ten (10) years of service credit as a participant in the retirement fund of which the employee is a member immediately before the employee's retirement.

(l) The president pro tempore of the senate and the speaker of the house of representatives may not elect to pay any part of the premium for insurance coverage under this chapter for a former member of the general assembly or the spouse of a former member of the general assembly whose last day of service as a member of the general assembly is after July 31, 2007.

SECTION 14. IC 5-10-8-8.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8.3. (a) As used in this section, "department" refers to the state personnel department.

(b) The department shall establish, or contract for the establishment of, at least two (2) retiree health benefit plans to be available for former employees of:

(1) the state; and

(2) the legislative branch of government;

whose employer elects under section 8(j) of this chapter to permit its former employees to continue to participate in a health insurance program under this chapter after the employees have become eligible for Medicare coverage. At least one (1) of the plans offered to former employees must include coverage for prescription drugs comparable to a Medicare plan that provides prescription drug benefits. **This subsection expires July 1, 2014.**

(c) The department shall not, after June 30, 2014, amend or renew a retiree health benefit plan described in subsection (b) that is in effect on June 30, 2014.

(d) A retiree health benefit plan described in subsection (b) that is in effect on June 30, 2014, terminates on the first plan renewal date occurring after June 30, 2014.

SECTION 15. IC 5-10.3-8-14, AS AMENDED BY P.L.205-2013, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2014]: Sec. 14. (a) Except as provided in subsection (c), this section applies to employees of the state (as defined in IC 5-10.3-7-1(d)) who are:

(1) members of the fund; and

(2) paid by the auditor of state by salary warrants.

(b) Except as provided in subsection (c), this section does not apply to the employees of the state (as defined in IC 5-10.3-7-1(d)) employed by:

(1) a body corporate and politic of the state created by state statute; or

(2) a state educational institution (as defined in IC 21-7-13-32).

(c) The chief executive officer of a body or institution described in subsection (b) may elect to have this section apply to the employees of the state (as defined in IC 5-10.3-7-1(d)) employed by the body or institution by submitting a written notice of the election to the director. An election under this subsection is effective on the later of:

(1) the date the notice of the election is received by the director; or

(2) July 1, 2013.

(d) The board shall adopt provisions to establish a retirement medical benefits account within the fund under Section 401(h) or as a separate fund under another applicable section of the Internal Revenue Code for the purpose of converting unused excess accrued leave to a monetary contribution for an employee of the state to fund on a pretax basis benefits for sickness, accident, hospitalization, and medical expenses for the employee and the spouse and dependents of the employee after the employee's retirement. The state may match all or a portion of an employee's contributions to the retirement medical benefits account established under this section.

(e) The board is the trustee of the account described in subsection (d). The account must be qualified, as determined by the Internal Revenue Service, as a separate account within the fund whose benefits are subordinate to the retirement benefits provided by the fund.

(f) The board may adopt rules under IC 5-10.5-4-2 that it considers appropriate or necessary to implement this section after consulting with the state personnel department. The rules adopted by the board under this section must:

(1) be consistent with the federal and state law that applies to:

(A) the account described in subsection (d); and

(B) the fund; and

(2) include provisions concerning:

(A) the type and amount of leave that may be converted to a monetary contribution;

(B) the conversion formula for valuing any leave that is converted;

(C) the manner of employee selection of leave conversion; and

(D) the vesting schedule for any leave that is converted.

(g) The board may adopt the following:

(1) Account provisions governing:

(A) the investment of amounts in the account; and

(B) the accounting for converted leave.

(2) Any other provisions that are necessary or appropriate for operation of the account.

(h) The account described in subsection (d) may be implemented only if the board has received from the Internal Revenue Service any rulings or determination letters that the board considers necessary or appropriate.

(i) To the extent allowed by:

(1) the Internal Revenue Code; and

(2) rules adopted by:

(A) the board under this section; and

(B) the state personnel department under IC 5-10-1.1-7.5;

employees of the state may convert unused excess accrued leave to a monetary contribution under this section and under IC 5-10-1.1-7.5.

~~(j) To the extent allowed by the Internal Revenue Code, the account described in subsection (d) must include provisions that:~~

~~(1) require an employee of the state to convert to a monetary contribution to the account at retirement the balance, but not more than thirty (30) days, of unused vacation leave for which the state would otherwise pay an employee in good standing at separation from service (as determined by state personnel department rule); and~~

~~(2) allow the state to contribute to the account on the employee's behalf an amount not to exceed two (2) times the amount of the employee's contribution under subdivision (1).~~

~~(k) The account described in subsection (d) must be implemented on July 1, 2014.~~

SECTION 16. IC 6-1.1-15-4, AS AMENDED BY P.L.112-2012, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) After receiving a petition for review which is filed under section 3 of this chapter, the Indiana board shall conduct a hearing at its earliest opportunity. The Indiana board may correct any errors that may have been made and adjust the assessment or exemption in accordance with the correction.

(b) If the Indiana board conducts a site inspection of the property as part of its review of the petition, the Indiana board shall give notice to all parties of the date and time of the site inspection. The Indiana board is not required to assess the property in question. The Indiana board shall give notice of the date fixed for the hearing, by mail, to the taxpayer and to the county assessor. The Indiana board shall give these notices at least thirty (30) days before the day fixed for the hearing unless the parties agree to a shorter period. With respect to a petition for review filed by a county assessor, the county board that made the determination under review under this section may file an amicus curiae brief in the review proceeding under this section. The expenses incurred by the county board in filing the amicus curiae brief shall be paid from the property reassessment fund under IC 6-1.1-4-27.5. The executive of a taxing unit may file an amicus curiae brief in the review proceeding under this section if the property whose assessment or exemption is under appeal is subject to assessment by that taxing unit.

(c) If a petition for review does not comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter, the Indiana board shall return the petition to the petitioner and include a notice describing the defect in the petition. The petitioner then has thirty (30) days from the date on the notice to cure the defect and file a corrected petition. The Indiana board shall deny a corrected petition for review if it does not substantially comply with the Indiana board's instructions for completing the form prescribed under section 3 of this chapter.

(d) After the hearing, the Indiana board shall give the taxpayer, the county assessor, and any entity that filed an amicus curiae brief:

(1) notice, by mail, of its final determination; and

(2) for parties entitled to appeal the final determination, notice of the procedures they must follow in order to obtain court review under section 5 of this chapter.

(e) Except as provided in subsection (f), the Indiana board shall conduct a hearing not later than nine (9) months after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(f) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana board shall conduct a hearing not later than one (1) year after a petition in proper form is filed with the Indiana board, excluding any time due to a delay reasonably caused by the petitioner.

(g) Except as provided in subsection (h), the Indiana board shall make a determination not later than the later of:

(1) ninety (90) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

(h) With respect to an appeal of a real property assessment that takes effect on the assessment date on which a reassessment of real property takes effect under IC 6-1.1-4-4 or IC 6-1.1-4-4.2, the Indiana board shall make a determination not later than the later of:

(1) one hundred eighty (180) days after the hearing; or

(2) the date set in an extension order issued by the Indiana board.

(i) The Indiana board may not extend the final determination date under subsection (g) or (h) by more than one hundred eighty (180) days. If the Indiana board fails to make a final determination within the time allowed by this section, the entity that initiated the petition may:

(1) take no action and wait for the Indiana board to make a final determination; or

(2) petition for judicial review under section 5 of this chapter.

(j) A final determination must include separately stated findings of fact for all aspects of the determination. Findings of ultimate fact must be accompanied by a concise statement of the underlying basic facts of record to support the findings. Findings must be based exclusively upon the evidence on the record in the proceeding and on matters officially noticed in the proceeding. Findings must be based upon a preponderance of the evidence.

(k) The Indiana board may limit the scope of the appeal to the issues raised in the petition and the evaluation of the evidence presented to the county board in support of those issues only if all parties participating in the hearing required under subsection (a) agree to the limitation. A party participating in the hearing required under subsection (a) is entitled to introduce evidence that is otherwise proper and admissible without regard to whether that evidence has previously been introduced at a hearing before the county board.

(l) The Indiana board may require the parties to the appeal:

(1) to file not more than five (5) business days before the date of the hearing required under subsection (a) documentary evidence or summaries of statements of testimonial evidence; and

(2) to file not more than fifteen (15) business days before the date of the hearing required under subsection (a) lists of witnesses and exhibits to be introduced at the hearing.

(m) A party to a proceeding before the Indiana board shall provide to all other parties to the proceeding the information described in subsection (l) if the other party requests the information in writing at least ten (10) days before the deadline for filing of the information under subsection (l).

(n) The Indiana board may base its final determination on a stipulation between the respondent and the petitioner. If the final determination is based on a stipulated assessed valuation of tangible property, the Indiana board may order the placement of a notation on the permanent assessment record of the tangible property that the assessed valuation was determined by stipulation. The Indiana board may:

(1) order that a final determination under this subsection has no precedential value; or

(2) specify a limited precedential value of a final determination under this subsection.

(o) If a party to a proceeding, or a party's authorized representative, elects to receive any notice under this section by electronic mail, the notice is considered effective in the same manner as if the notice had been sent by United States mail, with postage prepaid, to the party's or representative's mailing address of record.

SECTION 17. IC 8-15.5-1-2, AS AMENDED BY P.L.205-2013, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This article contains full and complete authority for public-private agreements between the authority, ~~and~~ a private entity, **and, where applicable, a governmental entity.** Except as provided in this article, no law, procedure, proceeding, publication, notice, consent, approval, order, or act by the authority or any other officer, department, agency, or instrumentality of the state or any political subdivision is required for the authority to enter into a public-private agreement with a private entity under this article, or for a project that is the subject of a public-private agreement to be constructed, acquired, maintained, repaired, operated, financed, transferred, or conveyed.

(b) Before the authority or the department may issue a request

for proposals for or enter into a public-private agreement under this article that would authorize an operator to impose tolls for the operation of motor vehicles on all or part of a toll road project, the general assembly must adopt a statute authorizing the imposition of tolls. However, during the period beginning July 1, 2011, and ending June 30, 2021, and notwithstanding subsection (c), the general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement to authorize an operator to impose tolls for the operation of motor vehicles on all or part of the following projects:

(1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69 other than a part described in subdivision (4).

(2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.

(3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in northwestern Indiana with an interstate highway in Illinois.

(4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

(c) Before the authority or an operator may carry out any of the following activities under this article, the general assembly must enact a statute authorizing that activity:

(1) Carrying out construction for Interstate Highway 69 in a township having a population of more than one hundred thousand (100,000) and less than one hundred ten thousand (110,000) located in a county having a consolidated city.

(2) Imposing tolls on motor vehicles for use of Interstate Highway 69.

(3) Imposing tolls on motor vehicles for use of a nontolled highway, roadway, or other facility in existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes, and state routes.

(d) Except as provided in subsection (c)(1), the general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement for a freeway project.

SECTION 18. IC 8-15.5-2-3.5, AS ADDED BY P.L.85-2010, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. "Governmental entity" means:

(1) any state;

(2) any authority, board, bureau, commission, committee, **agency,** department, division, or other instrumentality established by any state, **including a unit of local government;** or

(3) any entity established by the laws of another state in which the state of Indiana has been invited to participate.

SECTION 19. IC 8-15.5-2-6, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. "Private entity" means any individual, sole proprietorship, corporation, limited liability company, joint venture, general partnership, limited partnership, nonprofit entity, or other private legal entity. A ~~public agency~~ **governmental entity** may provide services to a private entity without affecting the private status of the private entity and the ability to enter into a public-private agreement.

SECTION 20. IC 8-15.5-2-8, AS AMENDED BY P.L.205-2013, SECTION 139, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. "Public-private agreement" means an agreement under this article between a private entity and the authority under which the private entity, acting on behalf of the authority **(and, where applicable, a governmental entity)** as lessee, licensee, or franchisee, will plan, design, acquire, construct, reconstruct, improve, extend, expand, lease, operate, repair, manage, maintain, or finance a project.

SECTION 21. IC 8-15.5-2-9.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9.7. "Unit of local government" means a:**

(1) county;

(2) city;

(3) town; or

(4) township;

located in Indiana.

SECTION 22. IC 8-15.5-3-1, AS AMENDED BY P.L.205-2013, SECTION 142, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. Subject to the other provisions of this article, the authority, **a governmental entity,** and a private entity may enter into a public-private agreement with respect to a project. Subject to the requirements of this article, a public-private agreement may provide that the private entity is partially or entirely responsible for any combination of the following activities with respect to the project:

(1) Planning.

(2) Design.

(3) Acquisition.

(4) Construction.

(5) Reconstruction.

(6) Improvement.

(7) Extension or expansion.

(8) Operation.

(9) Repair.

(10) Management.

(11) Maintenance.

(12) Financing.

SECTION 23. IC 8-15.5-4-1.5, AS AMENDED BY P.L.205-2013, SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.5. (a) This section does not apply to a freeway project.

(b) The authority may not issue a request for proposals for a toll road project under this article unless the authority has received a preliminary feasibility study and an economic impact study for the project from the department. ~~prepared in the same manner as required by IC 8-15.7-4-1.~~

(c) The economic impact study must, at a minimum, include an analysis of the following matters with respect to the proposed project:

(1) Economic impacts on existing commercial and industrial development.

(2) Potential impacts on employment.

(3) Potential for future development near the project area, including consideration of locations for interchanges that will maximize opportunities for development.

(4) Fiscal impacts on revenues to local units of government.

(5) Demands on government services, such as public safety, public works, education, zoning and building, and local airports.

The authority shall post a copy of the economic impact study on the authority's Internet web site and shall also provide copies of the study to the governor and the legislative council (in an electronic format under IC 5-14-6).

(d) After completion of the economic impact study, the authority must conduct a public hearing on the results of the study in the county seat of the county in which the proposed project would be located. At least ten (10) days before each public hearing, the authority shall:

(1) post notice of the public hearing on the authority's Internet web site;

(2) publish notice of the public hearing one (1) time in accordance with IC 5-3-1 in two (2) newspapers of general circulation in the county; and

(3) include in the notices under subdivisions (1) and (2):

(A) the date, time, and place of the hearing;

(B) the subject matter of the hearing;

(C) a description of the purpose of the economic impact study;

(D) a description of the proposed project and its location; and

(E) a statement concerning the availability of the study on the

authority's Internet web site.

At the hearing, the authority shall allow the public to be heard on the economic impact study and the proposed project.

SECTION 24. IC 8-15.5-4-9, AS AMENDED BY P.L.205-2013, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) If the authority makes a preliminary selection of an operator under section 8 of this chapter, the authority shall schedule a public hearing on the preliminary selection and the terms of the public-private agreement for the project. The hearing shall be conducted in the county seat of ~~the~~ **any Indiana** county in which the proposed project is to be located.

(b) At least ten (10) days before the public hearing, the authority shall post on its Internet web site:

(1) the proposal submitted by the offeror that has been preliminarily selected as the operator for the project, except for those parts of the proposal that are confidential under this article; and

(2) the proposed public-private agreement for the project.

(c) At least ten (10) days before the public hearing, the authority shall:

(1) post notice of the public hearing on the authority's Internet web site; and

(2) publish notice of the hearing one (1) time in accordance with IC 5-3-1 in two (2) newspapers of general circulation in the **Indiana** county in which the proposed project is to be located.

(d) The notices required by subsection (c) must include the following:

(1) The date, time, and place of the hearing.

(2) The subject matter of the hearing.

(3) A description of the project and of the public-private agreement to be awarded.

(4) The identity of the offeror that has been preliminarily selected as the operator for the project.

(5) The address and telephone number of the authority.

(6) A statement indicating that, subject to section 6 of this chapter, and except for those portions that are confidential under this chapter, the following are available on the authority's Internet web site and are also available for public inspection and copying at the principal office of the authority during regular business hours:

(A) The selected offer.

(B) An explanation of the basis upon which the preliminary selection was made.

(C) The proposed public-private agreement for the project.

(e) At the hearing, the authority shall allow the public to be heard on the preliminary selection of the operator for the proposed project and the terms of the public-private agreement for the proposed project.

SECTION 25. IC 8-15.5-4-12, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Any action to contest the validity of a public-private agreement **or any underlying agreement related to the public-private project that is** entered into under this ~~chapter~~ **article** may not be brought after the fifteenth day following the publication of the notice of the designation of an operator under the public-private agreement as provided in section 11 of this chapter.

SECTION 26. IC 8-15.5-5-2, AS AMENDED BY P.L.205-2013, SECTION 150, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. A public-private agreement entered into under this article must provide for the following:

(1) The original term of the public-private agreement, which may not exceed seventy-five (75) years.

(2) Provisions for a:

(A) lease, franchise, or license of the project and the real property owned by the authority upon which the project is located or is to be located; or

(B) management agreement or other contract to operate the project and the real property owned by the authority upon which the project is located or is to be located;

for a predetermined period. The public-private agreement must provide for ownership of all improvements and real property by the authority in the name of the state **or by a governmental entity, or both.**

(3) Monitoring of the operator's maintenance practices by the authority and the taking of actions by the authority that it considers appropriate to ensure that the project is properly maintained.

(4) The basis upon which user fees that may be collected by the operator, as determined under this article, are established.

(5) Compliance with applicable state and federal laws and local ordinances.

(6) Grounds for termination of the public-private agreement by the authority or the operator.

(7) The date of termination of the operator's authority and duties under this article.

(8) Procedures for amendment of the agreement.

(9) Provisions requiring the completion of all environmental analyses of the project required by state and federal law in the manner and at the times required by the appropriate state and federal agencies.

(10) An expedited method for resolving disputes between or among the authority, the parties to the public-private agreement, and units of local government that contain any part of the project, as required by IC 8-15.5-10-8.

SECTION 27. IC 8-15.5-5-5, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. Notwithstanding any contrary provision of this article, the authority may enter into a public-private agreement with multiple private entities **or with another governmental entity,** if the authority determines in writing that it is in the public interest to do so.

SECTION 28. IC 8-15.5-5-6, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. The department or any other state agency **or governmental entity** may perform any duties and exercise any powers of the authority under this article or the public-private agreement that have been assigned, subcontracted, or delegated to it by the authority.

SECTION 29. IC 8-15.5-6-4, AS AMENDED BY P.L.205-2013, SECTION 159, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. Each project constructed or operated **in the state of Indiana** under this article ~~is considered~~ **may be determined by the department** to be part of the state highway system designated under IC 8-23-4-2 for purposes of identification, maintenance standards, and enforcement of traffic laws.

SECTION 30. IC 8-15.5-8-1, AS AMENDED BY P.L.205-2013, SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **Notwithstanding IC 4-4-11-36.1(b), IC 4-4-11-36.1(c), or any other law,** a project and tangible personal property used exclusively in connection with a project that are:

(1) owned by the authority **or a governmental entity** and leased, franchised, licensed, or otherwise conveyed to an operator; or

(2) acquired, constructed, or otherwise provided by an operator in connection with ~~the~~ **a** project;

under the terms of a public-private agreement are considered to be public property devoted to an essential public and governmental function and purpose and the property, and an operator's leasehold estate, franchise, license, and other interests in the property, are exempt from all ad valorem property taxes and special assessments levied against property by the state or any political subdivision of the state.

SECTION 31. IC 8-15.5-8-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. Notwithstanding IC 4-4-11-36.1(b), IC 4-4-11-36.1(c), or any other law, any interest in a project, including all tangible personal property used exclusively in connection with a project, that is:**

(1) owned by:

(A) the authority;

(B) an adjacent state or commonwealth; or

(C) a political subdivision or instrumentality of an adjacent state or commonwealth; and

(2) acquired, constructed, or otherwise provided in connection with a project by;

(A) an operator;

(B) an adjacent state or commonwealth; or

(C) a political subdivision or instrumentality of an adjacent state or commonwealth;

is considered to be public property devoted to an essential public and governmental function and purpose. This property, and a leasehold estate, franchise, license, or other interests in the property, is exempt from all ad valorem property taxes and special assessments levied against property by the state or any political subdivision of the state.

SECTION 32. IC 8-15.5-10-2, AS ADDED BY P.L.47-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) The authority may make and enter into all contracts and agreements necessary or incidental to the performance of the authority's duties and the execution of the authority's powers under this article. These contracts or agreements are not subject to any approvals other than the approval of the authority and may be for any term of years and contain any terms that are considered reasonable by the authority.

(b) The department and any other ~~state agency~~ **governmental entity** may make and enter into all contracts and agreements necessary or incidental to the performance of the duties and the execution of the powers granted to the department or the ~~state agency~~ **governmental entity** in accordance with this article or the public-private agreement. These contracts or agreements are not subject to any approvals other than the approval of the department or ~~state agency~~ **governmental entity** and may be for any term of years and contain any terms that are considered reasonable by the department or the ~~state agency.~~ **governmental entity.**

SECTION 33. IC 10-13-3-40, AS ADDED BY P.L.190-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 40. ~~(a) The department may use the appropriations described in subsection (b) for either or both of the following purposes:~~

~~(1) Operating and maintaining the central repository for criminal history data.~~

~~(2) Establishing, operating, or maintaining an electronic log to record the sale of drugs containing ephedrine or pseudoephedrine in accordance with IC 35-48-4-14.7.~~

~~(b)~~ If the amount of money that is deposited in the state general fund during a state fiscal year from handgun license fees (as described in IC 35-47-2-4) exceeds one million one hundred thousand dollars ($1,100,000), the excess is appropriated from the state general fund to the department. ~~for the purposes described in subsection (a).~~ An appropriation under this section is subject to allotment by the budget agency.

SECTION 34. IC 36-1-12-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.2. The following definitions apply throughout this chapter:

(1) "Board" means the board or officer of a political subdivision or an agency having the power to award contracts for public work.

(2) "Contractor" means a person who is a party to a public work contract with the board.

(3) "Subcontractor" means a person who is a party to a contract with the contractor and furnishes and performs labor on the public work project. The term includes material men who supply contractors or subcontractors.

(4) "Escrowed income" means the value of all property held in an escrow account over the escrowed principal in the account.

(5) "Escrowed principal" means the value of all cash and securities or other property placed in an escrow account.

(6) "Operating agreement" has the meaning set forth in IC 5-23-2-7.

(7) "Person" means any association, corporation, limited liability company, fiduciary, individual, joint venture, partnership, sole proprietorship, or any other legal entity.

(8) "Property" means all:

(A) personal property, fixtures, furnishings, inventory, and equipment; and

(B) real property.

(9) "Public fund" means all funds that are:

(A) derived from the established revenue sources of a political subdivision or an agency of a political subdivision; and

(B) deposited in a general or special fund of a municipal corporation, or another political subdivision or agency of a political subdivision.

The term does not include funds received by any person managing or operating a public ~~facility~~ **project** under a duly authorized operating agreement under IC 5-23 or proceeds of bonds payable exclusively by a private entity.

(10) "Retainage" means the amount to be withheld from a payment to the contractor or subcontractor until the occurrence of a specified event.

(11) "Specifications" means a description of the physical characteristics, functional characteristics, extent, or nature of any public work required by the board.

(12) "Substantial completion" refers to the date when the construction of a structure is sufficiently completed, in accordance with the plans and specifications, as modified by any complete change orders agreed to by the parties, so that it can be occupied for the use for which it was intended.

(Reference is to ESB 225 as reprinted February 28, 2014.)

KENLEY	T. BROWN
SKINNER	PORTER
Senate Conferees	House Conferees

Roll Call 506: yeas 80, nays 19. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 80–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 80 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as

follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 2-5-1.1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) The Indiana code revision commission is established. The commission shall function as an advisory body to the legislative council. In that capacity, the commission shall:

(1) assist the council in supervising the compilation, computerization, indexing, and printing of the Indiana Code;

(2) assist the council in developing standards for the codification and revision of statutes to make those statutes clear, concise, and easy to interpret and to apply;

(3) assist the council, as required by IC 4-22-8-11, with the publication of the Indiana Register and in the compilation, computerization, indexing, and printing of the Indiana Administrative Code;

(4) assist the council, as required by IC 4-22-2-42, in developing and revising standards, techniques, format, and numbering system to be used in drafting rules for promulgation;

(5) assist the council in developing and revising standards, techniques, and format to be used when preparing legislation for consideration by the Indiana general assembly; and

(6) assist the council with any other related tasks assigned to the commission by the council.

(b) The commission consists of the following members:

(1) Four (4) members of the house of representatives, not more than two (2) of whom are members of the same political party, to be appointed by the speaker of the house of representatives.

(2) Four (4) members of the senate, not more than two (2) of whom are members of the same political party, to be appointed by the president pro tempore of the senate.

(3) The chief justice of Indiana or his designee.

(4) The chief judge of the Indiana court of appeals or his designee.

(5) The Indiana attorney general or his designee.

(6) An attorney admitted to the practice of law before the Indiana supreme court selected by the chairman of the council.

(7) A present or former professor of law selected by the chairman of the council.

(8) The Indiana secretary of state or his designee.

(9) An individual appointed by the governor.

Appointive members of the commission shall be appointed to serve a term of two (2) years or until their successors are appointed and qualified. **However, an appointing authority may replace a member appointed under subsection (b)(1) or (b)(2) at any time during the member's term. Notwithstanding this subsection, the term of a member appointed to the commission under subsection (b)(1) or (b)(2) and serving on the commission after March 14, 2014, and before December 31, 2014, expires December 31, 2014.**

(c) ~~The chairman~~ **IC 2-5-1.2-8.5 applies to the appointment of a chair and a vice-chair** of the commission. ~~shall be selected by the commission from among its legislative members.~~

(d) Commission members serve without compensation other than per diem and travel allowance as authorized for legislative study committees.

(e) The commission shall meet as often as is necessary to properly perform its duties.

(f) The council may direct the legislative services agency to provide such clerical, research, and administrative personnel and other assistance as the council considers necessary to enable the commission to properly perform its duties.

(g) Subject to the authorization of the council, the expenses incurred by the commission in performing its duties shall be paid from the funds appropriated to the council.

SECTION 2. IC 2-5-1.1-12.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12.2. (a) The definitions in IC 1-1-3.5 and IC 3-5-2 apply throughout this section.

~~(b) As used in this section, "committee" refers to the census data advisory committee established by IC 2-5-19-2.~~

~~(c)~~ **(b)** As used in this section, "council" refers to the legislative council established by section 1 of this chapter.

~~(d)~~ **(c)** As used in this section, "GIS" refers to the geographic information system that the office is required to establish and maintain under subsection ~~(g)(9).~~ **(f)(7).**

~~(e)~~ **(d)** As used in this section, "office" refers to the office of census data established by subsection ~~(f).~~ **(e).**

~~(f)~~ **(e)** The office of census data is established within the legislative services agency. Appointment of staff members of the office is subject to the approval of the legislative council.

~~(g)~~ **(f)** The office shall do the following:

(1) Advise and assist the Bureau of the Census ~~and the committee~~ in defining the boundaries of census blocks in Indiana.

~~(2) Advise and assist the committee in coordinating the state's efforts to obtain an accurate population count in each federal decennial census.~~

~~(3)~~ **(2)** Work with other state and federal agencies to assist in the Census Bureau's local review program conducted in Indiana.

~~(4)~~ **(3)** Participate in national associations of state governments to obtain information regarding census count activities conducted by other states.

~~(5) Advise and assist the committee in the preparation and organization of decennial census data for use in congressional and state legislative redistricting.~~

~~(6)~~ **(4)** Work with political subdivisions following each decennial census to provide information and assistance concerning special censuses, special tabulations, and corrected population counts.

~~(7)~~ **(5)** Work with the election division, state agencies, and political subdivisions to maintain accurate information concerning the boundaries of precincts and political subdivisions.

~~(8)~~ **(6)** Provide technical assistance to counties, the election commission, and the election division to comply with Indiana law concerning establishing a precinct (as defined in IC 3-11-1.5-1).

~~(9)~~ **(7)** Establish and maintain a geographic information system that contains the boundaries of all precincts, legislative districts, and congressional districts. The geographic information system may contain other boundaries and information as determined by the executive director of the legislative services agency or as required by the council.

~~(10)~~ **(8)** Perform other census and mapping research as determined by the executive director of the legislative services agency or as required by the council.

~~(h)~~ **(g)** The office shall provide the election division a network connection to the GIS. The network connection must do the following:

(1) Provide the election division with read access to the GIS.

(2) Enable the election division to download any information, including maps, contained in the GIS.

~~(i)~~ **(h)** The election division is the agency through which public access to information contained in the GIS shall be provided.

SECTION 3. IC 2-5-1.2-1, AS AMENDED BY P.L.205-2013, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in subsection (b) or otherwise in this article, this

chapter applies to all committees established under this article.

(b) This chapter does not apply to the following:

(1) The legislative council ~~and code revision commission~~ (IC 2-5-1.1).

~~(2) The public officers compensation advisory commission (IC 2-5-1.6).~~

~~(3) The commission on interstate cooperation (IC 2-5-2).~~

~~(4) The commission on state tax and financing policy (IC 2-5-3).~~

~~(5) The natural resources study committee (IC 2-5-5).~~

~~(6) The pension management oversight commission (IC 2-5-12).~~

~~(7) The probate code study commission (IC 2-5-16).~~

~~(8) The administrative rules oversight committee (IC 2-5-18).~~

~~(9) The census data advisory committee (IC 2-5-19).~~

~~(10) The commission on military and veterans affairs (IC 2-5-20).~~

~~(11) A committee covered by IC 2-5-21.~~

~~(12) The health finance commission (IC 2-5-23).~~

~~(13) The water resources study committee (IC 2-5-25).~~

~~(14) The commission on developmental disabilities (IC 2-5-27.2).~~

~~(15)~~ **(2)** The youth advisory council (IC 2-5-29).

~~(16) The unemployment insurance oversight committee (IC 2-5-30).~~

~~(17) The criminal law and sentencing policy study committee (IC 2-5-33.4).~~

(3) The commission on improving the status of children in Indiana (IC 2-5-36).

SECTION 4. IC 2-5-1.2-4, AS ADDED BY P.L.220-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. "Committee" refers to a commission, a committee, or another body (however designated) established under this article, **including a subcommittee established under IC 2-5-1.3-12 and a committee established under IC 2-5-1.3-14.**

SECTION 5. IC 2-5-1.2-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. (a) The:**

(1) chairman of the legislative council, with the advice of the vice-chairman, shall designate the chair; and

(2) vice-chairman of the legislative council, with the advice of the chairman, shall designate a vice-chair;

of each committee from among the legislative members of the committee. The chair and vice-chair of a committee serve at the pleasure of the appointing authority.

(b) If a committee is a study committee (as defined in IC 2-5-1.3-3) or another committee on which members serve for two (2) interims or years, the chairman and the vice-chairman of the legislative council may provide that:

(1) the chair of a committee becomes the vice-chair of the committee in the year after the individual is appointed as chair; and

(2) the vice-chair of the committee becomes the chair of the committee in the year after the individual is appointed as vice-chair.

SECTION 6. IC 2-5-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 1.3. Interim Study Committees

Sec. 1. As used in this chapter, "interim" refers to the part of a year that begins immediately after the day that a regular session of the general assembly adjourns sine die and ends immediately before the day that the next regular session of the general assembly convenes.

Sec. 2. As used in this chapter, "standing committee" means the following:

(1) A standing committee established under the rules of the senate to consider bills during a regular session of the general assembly.

(2) A standing committee established under the rules of the house of representatives to consider bills during a regular session of the general assembly.

Sec. 3. As used in this chapter, "study committee" means an interim study committee established by section 4 of this chapter.

Sec. 4. The following interim study committees are established:

(1) Agriculture and Natural Resources.
(2) Commerce and Economic Development.
(3) Corrections and Criminal Code.
(4) Courts and the Judiciary.
(5) Education.
(6) Elections.
(7) Employment and Labor.
(8) Energy, Utilities, and Telecommunications.
(9) Environmental Affairs.
(10) Financial Institutions and Insurance.
(11) Government.
(12) Public Safety and Military Affairs.
(13) Pension Management Oversight.
(14) Public Health, Behavioral Health, and Human Services.
(15) Public Policy.
(16) Roads and Transportation.
(17) Fiscal Policy.

Sec. 5. A study committee has the following members:

(1) Four (4) members of the senate, appointed by the president pro tempore, who preferably are members of the standing committee of the senate that has subject matter jurisdiction most closely relating to the subject matter for the study committee, as determined by the president pro tempore.

(2) Three (3) members, appointed by the minority leader of the senate, who preferably are members of the standing committee of the senate that has subject matter jurisdiction most closely relating to the subject matter for the study committee, as determined by the president pro tempore.

(3) Four (4) members, appointed by the speaker, who preferably are members of the standing committee of the house of representatives that has subject matter jurisdiction most closely relating to the subject matter for the study committee, as determined by the speaker.

(4) Three (3) members, appointed by the minority leader of the house of representatives, who preferably are members of the standing committee of the house of representatives that has subject matter jurisdiction most closely relating to the subject matter for the study committee, as determined by the speaker.

(5) The members (if any) appointed under section 6 of this chapter.

Sec. 6. (a) The legislative council may authorize the addition of lay members to one (1) or more study committees in accordance with this section.

(b) If the legislative council authorizes the appointment of lay members to a study committee, four (4) lay members shall be appointed as follows:

(1) One (1) individual, appointed by the president pro tempore, who resides in Indiana and has experience, education, or training in the subject matter for the study committee but who is not a member of the general assembly.

(2) One (1) individual, appointed by the minority leader of the senate, who resides in Indiana and has experience, education, or training in the subject matter for the study committee but who is not a member of the general assembly.

(3) One (1) individual, appointed by the speaker, who resides in Indiana and has experience, education, or

training in the subject matter for the study committee but who is not a member of the general assembly.

(4) One (1) individual, appointed by the minority leader of the house of representatives, who resides in Indiana and has experience, education, or training in the subject matter for the study committee but who is not a member of the general assembly.

(c) If the legislative council authorizes the appointment of lay members to a study committee, the legislative council may provide for the appointment to the study committee of lay members in addition to the lay members appointed under subsection (b).

(d) If the legislative council authorizes the appointment of lay members to a study committee, the legislative council may make the lay members appointed to the study committee voting members of the study committee.

Sec. 7. This chapter does not prohibit an appointing authority from appointing a legislator who is not a member of a standing committee that has subject matter jurisdiction most closely relating to the subject matter for the study committee.

Sec. 8. Except as provided by this chapter, additional voting members, advisory members, or lay members may not be appointed to serve on a study committee.

Sec. 9. The term of a member appointed to a study committee is two (2) consecutive interims. However, an appointing authority may replace a member at any time during the member's term. Notwithstanding this section, the term of a member serving on a study committee after March 14, 2014, and before December 31, 2014, expires December 31, 2014.

Sec. 10. IC 2-5-1.2-8.5 applies to the appointment of a chair and vice-chair for a study committee.

Sec. 11. A study committee shall operate, as required in IC 2-5-1.2-13, under the policies and rules of the legislative council. However, a study committee may meet only during the interim period in a year.

Sec. 12. (a) The chair of a study committee may establish not more than two (2) subcommittees in an interim to assist the study committee. The chair of a study committee establishing a subcommittee shall appoint the members of the subcommittee from among the members of the study committee. Notwithstanding IC 2-5-1.2-8.5, the chair of the study committee shall appoint the chair of the subcommittee. A nonvoting member on the study committee is a nonvoting member on a subcommittee. A subcommittee established by a chair of a study committee exists for the duration of only (1) interim.

(b) The expenses of a subcommittee, including per diem, mileage, and travel allowances payable under IC 2-5-1.2-11, shall be paid from money authorized by the legislative council for operation of the study committee. The amount authorized by the legislative council for expenditures of a study committee may not be increased to pay for the operation of a subcommittee.

Sec. 13. A study committee shall study the issues assigned by the legislative council that are within the subject matter for the study committee, as described in section 4 of this chapter. In addition, the interim study committee on roads and transportation shall advise the bureau of motor vehicles regarding the suitability of a special group (as defined in IC 9-13-2-170) to receive a special group recognition license plate for the special group (as defined in IC 9-13-2-170) for the first time under IC 9-18-25-2.5 and the suitability of a special group (as defined in IC 9-13-2-170) to continue participating in the special group recognition license plate program under IC 9-18-25-2.7.

Sec. 14. In addition to the study committees established under section 4 of this chapter, the legislative council by resolution may establish one (1) or more additional interim study committees. An interim study committee established by the legislative council:

(1) shall study only the specific topics assigned by the legislative council;

(2) exists for the duration of only one (1) interim period;

(3) has the membership determined by the legislative council; and

(4) is subject to IC 2-5-1.2.

Sec. 15. The legislative council may transfer the study of a legislative topic from the board, commission, or other committee that is directed by law to study the legislative topic to a study committee with subject matter jurisdiction closely relating to the subject matter of the proposed study, as determined by the chairman of the legislative council, or to an interim study committee established under section 14 of this chapter.

Sec. 16. The general assembly recognizes that SEA 80-2014 repeals IC 2-5-3, IC 2-5-20, IC 2-5-28.5, IC 2-5-33.4, IC 2-5-38.1, IC 13-13-7, IC 33-23-10, and other statutes that establish study committees and that other acts of the 2014 regular session of the general assembly add or amend provisions that are repealed by SEA 80-2014. The general assembly intends to repeal the provisions described in this section, including the additions and amendments to the repealed provisions enacted in other acts of the 2014 regular session of the general assembly.

SECTION 7. IC 2-5-1.6 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Public Officers Compensation Advisory Commission).

SECTION 8. IC 2-5-2 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Commission on Interstate Cooperation).

SECTION 9. IC 2-5-3 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Commission on State Tax and Financing Policy).

SECTION 10. IC 2-5-5 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Natural Resources Study Committee).

SECTION 11. IC 2-5-12 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Pension Management Oversight Commission).

SECTION 12. IC 2-5-16 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Probate Code Study Commission).

SECTION 13. IC 2-5-18 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Administrative Rules Oversight Committee).

SECTION 14. IC 2-5-19 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Census Data Advisory Committee).

SECTION 15. IC 2-5-20 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Commission on Military and Veterans Affairs).

SECTION 16. IC 2-5-21-2 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 2. As used in this chapter, "committee" refers to a committee established under section 10 of this chapter.~~

SECTION 17. IC 2-5-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The subcommittee consists of four (4) members of the council as follows:

(1) Two (2) members of the house of representatives who may not be members of the same political party.

(2) Two (2) members of the senate who may not be members of the same political party.

(b) The chairman of the council, with the advice of the vice-chairman of the council, shall appoint the members of the subcommittee.

~~(c) An individual serves as a member of the subcommittee until the earlier of the following:~~

~~(1) The individual resigns as a member of the subcommittee.~~

~~(2) The individual ceases to be a member of the council.~~

~~(3) The individual is replaced by the chairman of the council.~~

~~(d) The chairman of the council, with the advice of the vice chairman of the council, shall fill a vacancy on the subcommittee.~~

SECTION 18. IC 2-5-21-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. ~~(a) When making appointments to the subcommittee, the chairman of the council, with the advice of the vice chairman of the council, shall appoint a member of the subcommittee as the~~ **IC 2-5-1.2-8.5 applies to the appointment of a** chair **and vice-chair** of the subcommittee.

~~(b) The chair of the subcommittee serves until the earlier of the following:~~

~~(1) The individual resigns as chair.~~

~~(2) The individual ceases to be a member of the subcommittee.~~

~~(3) The individual is replaced by the chairman of the council.~~

SECTION 19. IC 2-5-21-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. **(a)** Subject to the direction of the council, the subcommittee shall do the following:

(1) ~~Identify~~ **Annually recommend to the legislative council** the agencies and programs to be reviewed by the staff ~~and the committee assigned to the evaluation project.~~ **and a committee to receive and evaluate the agencies and programs selected for review after the review is completed.**

(2) Direct the staff in performing ~~audits~~ **reviews** of agencies and programs.

~~(3) Assist the committees in performing the duties of a committee under this chapter.~~

~~(4)~~ **(3)** Perform other functions assigned by the council.

(b) The council shall determine which agencies and programs to review.

(c) Unless assigned by the legislative council to a committee established under IC 2-5-1.3, the subcommittee shall do the following:

(1) Evaluate the results of the review.

(2) Determine whether additional corrective or other legislation is required.

If the legislative council assigns the duties under this subsection to a committee established under IC 2-5-1.3, the assigned committee has the duties and powers of the subcommittee established by this chapter.

SECTION 20. IC 2-5-21-10 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 10. (a) Subject to subsection (c), the chairman of the council, with the advice of the vice chairman of the council, shall appoint a committee to evaluate each of the following:~~

~~(1) Agencies and programs with highway or transportation matters as their major function during 1994.~~

~~(2) Agencies and programs with occupational licensing as their major function during 1995.~~

~~(3) Agencies and programs with commerce matters as their major function during 1996.~~

~~(4) Agencies and programs with agricultural matters as their major function during 1997.~~

~~(5) Agencies and programs with human resources or economic security as their major function during 1998.~~

~~(6) Agencies and programs with management or administration as their major function during 1999.~~

~~(7) Agencies and programs with corrections or judicial matters as their major function during 2000.~~

~~(8) Agencies and programs with public safety matters as their major function during 2001.~~

~~(9) Agencies and programs with education matters as their major function during 2002.~~

~~(10) Agencies and programs with human services as their major function during 2003.~~

~~(11) Agencies and programs with labor matters as their major function during 2004.~~

~~(12) Agencies and programs with taxation or finance as their major function during 2005.~~

~~(13) Agencies and programs with business regulation as their major function during 2006.~~

~~(14) Agencies and programs with health matters as their major function during 2007.~~

~~(15) Agencies and programs with natural resources or recreation as their major function during 2008.~~

~~(b) The committee shall be appointed before July 1 of the year the agencies and programs are required to be evaluated under this section.~~

~~(c) The council by resolution may do any of the following with respect to agencies and programs evaluated under this section:~~

~~(1) Require evaluation of agencies and programs in an order different from the order specified in subsection (a).~~

~~(2) Assign specific topics or issues for audit and evaluation by staff and a committee.~~

~~(3) Assign areas for audit and evaluation in classifications different from the areas described in subsection (a).~~

SECTION 21. IC 2-5-21-11 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 11. (a) A committee must consist of the following:~~

~~(1) Four (4) members of the house of representatives appointed by the chairman of the council with the advice of the vice chairman of the council. Not more than two (2) members appointed under this subdivision may be members of the same political party.~~

~~(2) Four (4) members of the senate appointed by the chairman of the council with the advice of the vice chairman of the council. Not more than two (2) members appointed under this subdivision may be members of the same political party.~~

~~(b) A member of a committee serves until the earlier of the following:~~

~~(1) The individual resigns from the committee.~~

~~(2) The individual ceases to be a member in the chamber of the general assembly from which the individual was appointed.~~

~~(3) The individual is replaced by the chairman of the council.~~

~~(c) The chairman of the council, with the advice of the vice chairman of the council, shall fill a vacancy on the committee.~~

SECTION 22. IC 2-5-21-12 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 12. (a) When making appointments to a committee, the chairman of the council, with the advice of the vice chairman of the council, shall appoint a member of the committee to be the chair of the committee.~~

~~(b) The chair of a committee serves until the earlier of the following:~~

~~(1) The individual resigns as chair.~~

~~(2) The individual ceases to be a member of the committee.~~

~~(3) The individual is replaced as chair by the chairman of the council.~~

SECTION 23. IC 2-5-21-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. ~~As directed by the subcommittee or the council,~~ Any of the following shall be considered by staff ~~in doing audits and by the committee~~ when ~~evaluating~~ **reviewing** and doing follow-up ~~evaluation~~ **reviews** of agencies and programs:

(1) The objectives intended for the agency or program and the problem or need that the agency or program was intended to address.

(2) The degree to which the intended objectives of the agency or program have been achieved expressed in terms of performance, impact, or accomplishments of the agency or program.

(3) Budget and other fiscal factors relating to the agency or program.

(4) Areas or aspects of outstanding agency or program performance that might be effectively used by other agencies or programs.

(5) The effect of the agency or program on the Indiana economy, including costs to consumers and businesses.

(6) Whether another public or private program or entity can better or more economically meet the need for which the agency or program was established.

(7) Whether the operation of the agency or program has been efficient and responsive to public needs.

(8) The management efficiency of the agency or program and the cost effectiveness and value of the information the agency or program processes.

(9) Any criteria identified by the subcommittee or by the council.

SECTION 24. IC 2-5-21-14 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 14. Subject to the direction of the subcommittee, a committee shall do the following during the year the committee is appointed to evaluate agencies and programs:~~

~~(1) Review audit reports.~~

~~(2) Take testimony regarding audit reports and other areas the committee considers related to the committee's work.~~

~~(3) Make recommendations for legislation.~~

~~(4) Make recommendations for administrative changes.~~

SECTION 25. IC 2-5-21-15 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 15. With the consent of the subcommittee, a committee may extend the committee's work under section 14 of this chapter through the next calendar year after the committee is appointed.~~

SECTION 26. IC 2-5-21-16 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 16. After the committee completes its work under sections 14 and 15 of this chapter, the committee shall do the following:~~

~~(1) Evaluate the results of the audit and the recommendations made by the committee.~~

~~(2) Determine whether additional corrective or other legislation is required.~~

SECTION 27. IC 2-5-21-17 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 17. Subject to section 18 of this chapter, a committee expires on the earlier of the following dates:~~

~~(1) December 31 of the second full year after the committee is appointed.~~

~~(2) When terminated by the council.~~

SECTION 28. IC 2-5-21-18 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 18. The council by resolution may extend the work of a committee beyond the committee's expiration date under section 17 of this chapter.~~

SECTION 29. IC 2-5-21-19 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 19. (a) For purposes of this section, "committee" includes the subcommittee.~~

~~(b) The following apply to the operation of a committee:~~

~~(1) The council may provide that there is a vice chair of the committee.~~

~~(2) The chair of a committee may delegate any of the chair's powers to a vice chair of the committee.~~

~~(3) The committee shall meet at the call of the chair.~~

~~(4) A quorum consists of a majority of the voting members of the committee.~~

~~(5) An affirmative vote of a majority of the members of the committee is required for the committee to take official action. For purposes of this subdivision, meeting to take testimony is not considered official action.~~

~~(6) The legislative services agency shall provide staff and administrative support for the committee as directed by the council.~~

~~(7) The committee shall make reports as required by the council or the subcommittee.~~

~~(8) The council may establish a budget for the committee.~~

~~(9) Each member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals who serve as legislative members of interim study committees established by the legislative council.~~

~~(10) The expenditures of the committee shall be paid from appropriations to the council or the legislative services agency.~~

SECTION 30. IC 2-5-21-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. The chief administrative officer and the employees of an agency or agency that administers a program subject to evaluation under this chapter shall cooperate with ~~a committee,~~ the subcommittee, ~~and~~ the council, **and the legislative services agency as the staff to the subcommittee and the council,** as ~~the committee, subcommittee, or council performs~~ **they perform** the duties under this chapter.

SECTION 31. IC 2-5-21-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. The chief administrative officer and the employees of an agency or agency that administers a program subject to ~~evaluation~~ **review** under this chapter shall provide ~~a committee,~~ **the legislative services agency as the staff of** the subcommittee ~~or the~~ **and** council with the following information upon request **in an electronic format under IC 5-14-6:**

(1) The identity of all agencies or subunits under the agency's direct or advisory control.

(2) A ~~statement~~ **description** of all the agency's powers, duties, and functions currently performed.

(3) A citation to all constitutional, statutory, or other authority under which the agency carries out the agency's powers, duties, and functions.

(4) A ~~statement~~ **description** of the number and types of persons the agency serves.

(5) A summary ~~statement~~ **description,** for the last completed fiscal year, of the number, type, and cost of personnel the agency employs in carrying out each program, and a summary ~~statement~~ **description** of the cost of personnel the agency employs under contract in carrying out each program.

(6) A ~~statement~~ **description** identifying the source of all funds for which the agency has some responsibility.

(7) A ~~statement~~ **description** of the agency's performance and accomplishments in the last fiscal year and of the budgetary costs the agency incurred in the operation of each program.

(8) A summary ~~statement~~ **description** of the agency's reporting and recordkeeping requirements and activities, including the agency's management and control of information and records and the value of the information gathered compared to the cost to respondents, and an assessment of the agency's methods to reduce and simplify the reporting and recordkeeping requirements.

(9) A summary ~~statement~~ **description** of the agency's budget and program for the current fiscal year and the agency's budget projections for the next succeeding fiscal year.

(10) An estimate of potential outputs of services to be produced by varying levels of budgetary inputs.

(11) A ~~statement~~ **description** concerning any powers, duties, or functions that in the agency's opinion are being performed and duplicated to any extent by another public or private program or entity, including the manner in which and the extent to which this duplication of effort is occurring, and any recommendations the agency has as to eliminating this situation.

(12) A ~~statement~~ **description** of any powers, duties, or functions that in the agency's opinion are inconsistent with current and projected public demands and that should be terminated or altered.

(13) A ~~statement~~ **description** of the names of those private

programs or entities with which the agency has substantial contact, and a description of the nature of that contact.

(14) Any other information that ~~a committee,~~ the subcommittee, **the staff of the subcommittee,** or the council feels is necessary and proper to assist the ~~committee, the~~ subcommittee or the council in carrying out its duties.

SECTION 32. IC 2-5-23 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Health Finance Commission).

SECTION 33. IC 2-5-25 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Water Resources Study Committee).

SECTION 34. IC 2-5-27.2 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Commission on Developmental Disabilities).

SECTION 35. IC 2-5-28.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Joint Study Committee on Transportation and Infrastructure Assessment and Solutions).

SECTION 36. IC 2-5-29-1.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 1.5. As used in this chapter, "fund" refers to the youth advisory council fund established by section 7.5 of this chapter.~~

SECTION 37. IC 2-5-29-7.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 7.5. (a) The youth advisory council fund is established as a dedicated fund to be administered by the office. The fund consists of:~~

~~(1) appropriations made to the fund by the general assembly; and~~

~~(2) grants, gifts, and donations intended for deposit in the fund.~~

~~(b) Expenses of administering the fund shall be paid from money in the fund.~~

~~(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.~~

~~(d) Money in the fund at the end of a fiscal year does not revert to the state general fund.~~

~~(e) Money in the fund is available, with the approval of the budget agency, to augment and supplement the funds appropriated to the department of education to implement this chapter.~~

SECTION 38. IC 2-5-30 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Unemployment Insurance Oversight Committee).

SECTION 39. IC 2-5-31.8 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Interim Study Committee on Economic Development).

SECTION 40. IC 2-5-33.3 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Interim Study Committee on Insurance).

SECTION 41. IC 2-5-33.4 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Criminal Law and Sentencing Policy Study Committee).

SECTION 42. IC 2-5-36-12 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12. The commission and this chapter expire January 1, 2019.**

SECTION 43. IC 2-5-36.1 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Child Services Oversight Committee).

SECTION 44. IC 2-5-36.2 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Special Group Recognition License Plate Committee).

SECTION 45. IC 2-5-36.5 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Interim Study Committee on Government Accounting).

SECTION 46. IC 2-5-36.8 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Land Bank Study Committee).

SECTION 47. IC 2-5-38.1 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Commission on Education Study Committee).

SECTION 48. IC 3-6-4.5-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. As authorized by 42 U.S.C. 15512, if the commission determines that there is a violation of any provision of Title III, the commission shall determine and provide the appropriate remedy if authorized by law to do so. If providing the remedy would require additional or amended Indiana legislation, the commission shall notify the ~~census data advisory committee~~ **interim study committee on elections established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** and provide recommendations regarding the form and content of this legislation.

SECTION 49. IC 4-3-22-13, AS AMENDED BY P.L.131-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) Except as provided in subsection (e), the OMB shall perform a cost benefit analysis upon each proposed rule and provide to:

(1) the governor; and

(2) the ~~administrative rules oversight committee established under IC 2-5-18;~~ **legislative council;**

an assessment of the rule's effect on Indiana business. The OMB shall submit the cost benefit analysis to the ~~committee~~ **legislative council** in an electronic format under IC 5-14-6.

(b) After June 30, 2005, the cost benefit analysis performed by the OMB under this section with respect to any proposed rule that has an impact of at least five hundred thousand dollars ($500,000) shall replace and be used for all purposes under IC 4-22-2 in lieu of the fiscal analysis previously performed by the legislative services agency under IC 4-22-2.

(c) In preparing a cost benefit analysis under this section, the OMB shall consider in its analysis any verified data provided voluntarily by interested parties, regulated persons, and nonprofit corporations whose members may be affected by the proposed rule. A cost benefit analysis prepared under this section is a public document, subject to the following:

(1) This subsection does not empower the OMB or an agency to require an interested party or a regulated person to provide any materials, documents, or other information in connection with a cost benefit analysis under this section. If an interested party or a regulated person voluntarily provides materials, documents, or other information to the OMB or an agency in connection with a cost benefit analysis under this section, the OMB or the agency, as applicable, shall ensure the adequate protection of any:

(A) information that is confidential under IC 5-14-3-4; or

(B) confidential and proprietary business plans and other confidential information.

If an agency has adopted rules to implement IC 5-14-3-4, interested parties and regulated persons must submit the information in accordance with the confidentiality rules adopted by the agency to ensure proper processing of confidentiality claims. The OMB and any agency involved in proposing the rule, or in administering the rule upon the rule's adoption, shall exercise all necessary caution to avoid disclosure of any confidential information supplied to the OMB or the agency by an interested party or a regulated person.

(2) The OMB shall make the cost benefit analysis and other related public documents available to interested parties, regulated persons, and nonprofit corporations whose members may be affected by the proposed rule at least thirty (30) days before presenting the cost benefit analysis to the governor and the ~~administrative rules oversight committee~~ **legislative council** under subsection (a).

(d) If the OMB or an agency is unable to obtain verified data for the cost benefit analysis described in subsection (c), the OMB shall state in the cost benefit analysis which data were unavailable for purposes of the cost benefit analysis.

(e) If the OMB finds that a proposed rule is:

(1) an adoption or incorporation by reference of a federal law, regulation, or rule that has no substantive effect on the scope or intended application of the federal law or rule; or

(2) a technical amendment with no substantive effect on an existing Indiana rule;

the OMB may not prepare a cost benefit analysis of the rule under this section. The agency shall submit the proposed rule to the OMB with a statement explaining how the proposed rule meets the requirements of this subsection. If the OMB finds that the rule meets the requirements of this subsection, the OMB shall provide its findings to the governor and to the committee in an electronic format under IC 5-14-6. If the agency amends or modifies the proposed rule after the OMB finds that a cost benefit analysis may not be prepared for the rule, the agency shall resubmit the proposed rule to the OMB either for a new determination that the rule meets the requirements of this subsection, or for the OMB to prepare a cost benefit analysis of the rule under this section.

SECTION 50. IC 4-3-22-13.1, AS ADDED BY P.L.131-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.1. (a) This section applies to a rule that:

(1) has been adopted under IC 4-22-2 or IC 13-14-9; and

(2) has taken effect;

after December 31, 2011.

(b) This section does not apply to a rule for which the OMB has not performed a cost benefit analysis under section 13(e) of this chapter.

~~(c) As used in this section, "committee" refers to the administrative rules oversight committee established by IC 2-5-18-4.~~

~~(d)~~ **(c)** For each rule to which this section applies, the OMB shall perform a cost benefit analysis of the rule with respect to the period encompassing the first three (3) years following the rule's effective date. Except as otherwise required by the governor ~~or the committee~~ under subsection ~~(h),~~ **(g),** the OMB shall submit a cost benefit analysis prepared under this section to:

(1) the governor; and

(2) the ~~committee;~~ **legislative council;**

not later than six (6) months after the third anniversary of the rule's effective date. The OMB shall submit the cost benefit analysis to the ~~committee~~ **legislative council** in an electronic format under IC 5-14-6.

~~(e)~~ **(d)** A cost benefit analysis prepared under this section must include the following with respect to the three (3) year period covered by the analysis:

(1) The cost benefit analysis for the rule prepared under section 13 of this chapter before the rule's adoption, including the following:

(A) The information required by Financial Management Circular #2010-4.

(B) The estimate of the primary and direct benefits of the rule, including the impact on:

(i) consumer protection;

(ii) worker safety;

(iii) the environment; and

(iv) business competitiveness;

as determined before the rule's adoption.

(C) The estimate of the secondary or indirect benefits of the rule and the explanation of how the conduct regulated by the rule is linked to the primary and secondary benefits, as determined before the rule's adoption.

(D) The estimate of any cost savings to regulated persons (including individuals and businesses) as a result of the rule, including any savings from:

(i) a change in an existing requirement; or

(ii) the imposition of a new requirement;

as determined before the rule's adoption.

(2) A statement of the number of regulated persons, classified by industry sector, subject to the rule.

(3) A comparison of:

(A) the cost benefit analysis for the rule prepared under section 13 of this chapter before the rule's implementation, including the information specified in subdivision (1); and

(B) the actual costs and benefits of the rule during the first three (3) years of the rule's implementation, including the following:

(i) Any actual primary and direct benefits of the rule, including the rule's impact on consumer protection, worker safety, the environment, and business competitiveness.

(ii) Any actual secondary or indirect benefits of the rule and an explanation of how the conduct regulated by the rule is linked to the primary and secondary benefits.

(iii) Any actual cost savings to regulated persons (including individuals and businesses) as a result of the rule, including any savings from a change in an existing requirement or from the imposition of a new requirement.

(4) For each element of the rule that is also the subject of restrictions or requirements imposed under federal law, a comparison of:

(A) the restrictions or requirements imposed under the rule; and

(B) the restrictions or requirements imposed under federal law.

(5) Any other information that the governor or the committee:

(A) requires with respect to a cost benefit analysis under this section; and

(B) requests in writing.

~~(f)~~ **(e)** In preparing a cost benefit analysis under this section, the OMB shall consider in its analysis any verified data provided voluntarily by interested parties, regulated persons, and nonprofit corporations whose members may be affected by the rule. A cost benefit analysis prepared under this section is a public document, subject to the following:

(1) This subsection does not empower the OMB or an agency to require an interested party or a regulated person to provide any materials, documents, or other information. If an interested party or a regulated person voluntarily provides materials, documents, or other information to the OMB or an agency in connection with a cost benefit analysis under this section, the OMB or the agency, as applicable, shall ensure the adequate protection of any:

(A) information that is confidential under IC 5-14-3-4; or

(B) confidential and proprietary business plans and other confidential information.

If an agency has adopted rules to implement IC 5-14-3-4, interested parties and regulated persons must submit the information in accordance with the confidentiality rules adopted by the agency to ensure proper processing of confidentiality claims. The OMB and any agency involved in administering the rule shall exercise all necessary caution to avoid disclosure of any confidential information supplied to the OMB or the agency by an interested party or a regulated person.

(2) The OMB shall make the cost benefit analysis and other related public documents available to interested parties, regulated persons, and nonprofit corporations whose members may be affected by the rule at least thirty (30) days before presenting the cost benefit analysis to the governor and the ~~committee~~ **legislative council** under

subsection ~~(d).~~ **(c).**

~~(g)~~ **(f)** If the OMB or an agency is unable to obtain verified data for the cost benefit analysis described in subsection ~~(c),~~ **(d),** the OMB shall state in the cost benefit analysis which data were unavailable for purposes of the cost benefit analysis.

~~(h)~~ **(g)** The governor or the ~~committee,~~ **legislative council,** or both, may prescribe:

(1) the form of a cost benefit analysis; and

(2) the process, deadlines, and other requirements for submitting a cost benefit analysis;

required under this section.

SECTION 51. IC 4-4-11-46, AS ADDED BY HEA 1286-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014]: Sec. 46. Not later than August 1 of each year, the public finance director shall prepare for ~~presentation to~~ the ~~joint~~ **interim** study committee on **roads and** transportation ~~and infrastructure assessment and solutions established by IC 2-5-28.5-2~~ a report that includes the following:

(1) Updates on transportation projects in which the authority is involved, including public-private agreements under IC 8-15.5 or public-private partnerships under IC 8-15.7.

(2) Any other information requested by the ~~joint~~ study committee.

The report must be submitted in an electronic format under IC 5-14-6.

SECTION 52. IC 4-10-13-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Each state agency required to prepare reports under the provisions of this chapter may, after consultation with and agreement by the ~~commission on state tax and financing policy~~ **interim study committee on fiscal policy established by IC 2-5-1.3-4,** add to or omit specific categories of data from the reports required by this chapter. **Reports submitted to the legislative council under section 7 of this chapter or another provision of this chapter shall be submitted in an electronic format under IC 5-14-6.**

SECTION 53. IC 4-10-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The manner of publication of any of the reports as herein required shall be prescribed by the state budget committee, and the cost of publication shall be paid from funds appropriated to such state agencies and allocated by the state budget committee to such agencies for such purpose.

(b) A copy of such reports shall be presented to the governor, the department of local government finance, the budget committee, the ~~commission on state tax and financing~~ **interim study committee on fiscal** policy **established by IC 2-5-1.3-4 and** the legislative council **in an electronic format under IC 5-14-6**, and to any other state agency that may request a copy of such reports. A report presented under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 54. IC 4-22-2-0.1, AS ADDED BY P.L.220-2011, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.1. The amendments made to this chapter by P.L.44-1995 apply as follows:

(1) The amendments made to sections 13, 19, 23, 25, and 28 of this chapter apply to a rulemaking action that commences after June 30, 1995.

(2) The addition of sections 23.1 and 46 **(repealed)** of this chapter applies to a rulemaking action that commences after June 30, 1995.

SECTION 55. IC 4-22-2-3.2 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 3.2. As used in this chapter, "administrative rules oversight committee" refers to the administrative rules oversight committee established by IC 2-5-18-4.~~

SECTION 56. IC 4-22-2-19, AS AMENDED BY P.L.123-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) Except as provided in section 23.1 of this chapter, this section does not apply to the adoption of rules:

(1) required to receive or maintain:

(A) delegation;

(B) primacy; or

(C) approval;

for state implementation or operation of a program established under federal law;

(2) that amend an existing rule;

(3) required or authorized by statutes enacted before June 30, 1995; or

(4) required or authorized by statutes enacted before June 30, 1995, and recodified in the same or similar form after June 29, 1995, in response to a program of statutory recodification conducted by the code revision commission.

(b) If an agency will have statutory authority to adopt a rule at the time that the rule becomes effective, the agency may conduct any part of its rulemaking action before the statute authorizing the rule becomes effective.

(c) However, an agency shall:

(1) begin the rulemaking process not later than sixty (60) days after the effective date of the statute that authorizes the rule; or

(2) if an agency cannot comply with subdivision (1), provide

~~(A) written notification to the administrative rules oversight committee; and~~

~~(B)~~ electronic notice to the publisher

stating the reasons for the agency's noncompliance.

~~(d) If an agency notifies the administrative rules oversight committee concerning a rule in compliance with subsection (c)(2) failure to adopt the rule within the time specified in subsection (c)(1) does not invalidate the rule.~~

SECTION 57. IC 4-22-2-20, AS AMENDED BY P.L.291-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) Whenever an agency submits a rule to the publisher, the attorney general, ~~the administrative rules oversight committee established by IC 2-5-18-4,~~ or the governor under this chapter, the agency shall submit the rule in the form of a written document that:

(1) is clear, concise, and easy to interpret and to apply; and

(2) uses the format, numbering system, standards, and techniques established under section 42 of this chapter.

(b) After June 30, 2006, all documents submitted to the publisher under this chapter must be submitted electronically in the format specified by the publisher.

~~(c) Except as otherwise permitted under section 21 of this chapter, after June 30, 2013, all documents submitted by the office of management and budget or an agency proposing or adopting a rule to the members of the administrative rules oversight committee must be submitted in an electronic format under IC 5-14-6.~~

SECTION 58. IC 4-22-2-25, AS AMENDED BY P.L.123-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) An agency has one (1) year from the date that it publishes a notice of intent to adopt a rule in the Indiana Register under section 23 of this chapter to comply with sections 26 through 33 of this chapter and obtain the approval or deemed approval of the governor. If an agency determines that a rule cannot be adopted within one (1) year after the publication of the notice of intent to adopt a rule under section 23 of this chapter, the agency shall, before the two hundred fiftieth day following the publication of the notice of intent to adopt a rule under section 23 of this chapter

~~(1)~~ notify the ~~chairperson of the administrative oversight committee in writing of the:~~ **publisher by electronic means:**

~~(A)~~ **(1) the** reasons why the rule was not adopted and the expected date the rule will be completed; and

~~(B)~~ **(2) the** expected date the rule will be approved or deemed approved by the governor or withdrawn under section 41 of this chapter. ~~and~~

~~(2) provide an electronic copy of the notice required under this subsection to the publisher.~~

(b) If a rule is not approved before the later of:

(1) one (1) year after the agency publishes notice of intent to adopt the rule under section 23 of this chapter; ~~or~~

(2) the expected date contained in a notice concerning the rule that is provided to ~~the administrative rules oversight committee~~ **the publisher** under subsection ~~(a)(2);~~ **(a);**

a later approval or deemed approval is ineffective, and the rule may become effective only through another rulemaking action initiated under this chapter.

SECTION 59. IC 4-22-2-28, AS AMENDED BY HEA 1332-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2014 (RETROACTIVE)]: Sec. 28. (a) The following definitions apply throughout this section:

(1) "Ombudsman" refers to the small business ombudsman designated under IC 4-4-35-8.

(2) "Total estimated economic impact" means the direct annual economic impact of a rule on all regulated persons after the rule is fully implemented under subsection (g).

(b) The ombudsman:

(1) shall review a proposed rule that:

(A) imposes requirements or costs on small businesses (as defined in IC 4-22-2.1-4); and

(B) is referred to the ombudsman by an agency under IC 4-22-2.1-5(c); and

(2) may review a proposed rule that imposes requirements or costs on businesses other than small businesses (as defined in IC 4-22-2.1-4).

After conducting a review under subdivision (1) or (2), the ombudsman may suggest alternatives to reduce any regulatory burden that the proposed rule imposes on small businesses or other businesses. The agency that intends to adopt the proposed rule shall respond in writing to the ombudsman concerning the ombudsman's comments or suggested alternatives before adopting the proposed rule under section 29 of this chapter.

(c) Subject to subsection (e) and not later than fifty (50) days before the public hearing for a proposed rule required by section 26 of this chapter, an agency shall submit the proposed rule to the office of management and budget for a review under subsection (d), if the agency proposing the rule determines that the rule will have a total estimated economic impact greater than five hundred thousand dollars ($500,000) on all regulated persons. In determining the total estimated economic impact under this subsection, the agency shall consider any applicable information submitted by the regulated persons affected by the rule. To assist the office of management and budget in preparing the fiscal impact statement required by subsection (d), the agency shall submit, along with the proposed rule, the data used and assumptions made by the agency in determining the total estimated economic impact of the rule.

(d) Except as provided in subsection (e), before the adoption of the rule, and not more than forty-five (45) days after receiving a proposed rule under subsection (c), the office of management and budget shall prepare, using the data and assumptions provided by the agency proposing the rule, along with any other data or information available to the office of management and budget, a fiscal impact statement concerning the effect that compliance with the proposed rule will have on:

(1) the state; and

(2) all persons regulated by the proposed rule.

The fiscal impact statement must contain the total estimated economic impact of the proposed rule and a determination concerning the extent to which the proposed rule creates an unfunded mandate on a state agency or political subdivision. The fiscal impact statement is a public document. The office of management and budget shall make the fiscal impact statement available to interested parties upon request and to the agency proposing the rule. The agency proposing the rule shall consider the fiscal impact statement as part of the rulemaking process and shall provide the office of management and budget with the information necessary to prepare the fiscal impact statement, including any economic impact statement prepared by the agency under IC 4-22-2.1-5. The office of management and budget may also receive and consider applicable information from the regulated persons affected by the rule in preparation of the fiscal impact statement.

(e) With respect to a proposed rule subject to IC 13-14-9:

(1) the department of environmental management shall give written notice to the office of management and budget of the proposed date of preliminary adoption of the proposed rule not less than sixty-six (66) days before that date; and

(2) the office of management and budget shall prepare the fiscal impact statement referred to in subsection (d) not later than twenty-one (21) days before the proposed date of preliminary adoption of the proposed rule.

(f) In determining whether a proposed rule has a total estimated economic impact greater than five hundred thousand dollars ($500,000), the agency proposing the rule shall consider the impact of the rule on any regulated person that already complies with the standards imposed by the rule on a voluntary basis.

(g) For purposes of this section, a rule is fully implemented after:

(1) the conclusion of any phase-in period during which:

(A) the rule is gradually made to apply to certain regulated persons; or

(B) the costs of the rule are gradually implemented; and

(2) the rule applies to all regulated persons that will be affected by the rule.

In determining the total estimated economic impact of a proposed rule under this section, the agency proposing the rule shall consider the annual economic impact on all regulated persons beginning with the first twelve (12) month period after the rule is fully implemented. The agency may use actual or forecasted data and may consider the actual and anticipated effects of inflation and deflation. The agency shall describe any assumptions made and any data used in determining the total estimated economic impact of a rule under this section.

(h) ~~This subsection applies to any proposed rule submitted under this section or section 40 of this chapter to the office of management and budget after June 30, 2013.~~ An agency shall provide the ~~administrative rules oversight committee~~ **legislative council in an electronic format under IC 5-14-6** with any analysis, data, and description of assumptions submitted to the office of management and budget under this section or section 40 of this chapter at the same time the agency submits the information to the office of management and budget. The office of management and budget shall provide the administrative rules oversight committee with any fiscal impact statement and related supporting documentation prepared by the office of management and budget under this section or section 40 of this chapter at the same time the office of management and budget provides the fiscal impact statement to the agency proposing the rule. Information submitted under this subsection must identify the rule to which the information is related by document control number assigned by the publisher.

(i) ~~This subsection applies to any analysis completed after June 30, 2013, to comply with a statute described in this subsection.~~ An agency shall provide the ~~administrative rules oversight committee~~ **legislative council in an electronic format under IC 5-14-6** with any economic impact or fiscal impact statement, including any supporting data, studies, or analysis, prepared for a rule proposed by the agency or subject to

readoption by the agency to comply with:

(1) a requirement in section 19.5 of this chapter to minimize the expenses to regulated entities that are required to comply with the rule;

(2) a requirement in section 24 of this chapter to publish a justification of any requirement or cost that is imposed on a regulated entity under the rule;

(3) a requirement in IC 4-22-2.1-5 to prepare a statement that describes the annual economic impact of a rule on all small businesses after the rule is fully implemented;

(4) a requirement in IC 4-22-2.5-3.1 to conduct a review to consider whether there are any alternative methods of achieving the purpose of the rule that are less costly or less intrusive, or that would otherwise minimize the economic impact of the proposed rule on small businesses;

(5) a requirement in IC 13-14-9-3 or IC 13-14-9-4 to publish information concerning the fiscal impact of a rule or alternatives to a rule subject to these provisions; or

(6) a requirement under any other law to conduct an analysis of the cost, economic impact, or fiscal impact of a rule;

regardless of whether the total estimated economic impact of the proposed rule is more than five hundred thousand dollars ($500,000), as soon as practicable after the information is prepared. Information submitted under this subsection must identify the rule to which the information is related by document control number assigned by the publisher.

SECTION 60. IC 4-22-2-40, AS AMENDED BY P.L.291-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 40. (a) At any time before a rule is accepted for filing by the publisher under section 35, 37.1, or 38 of this chapter, the agency that adopted the rule may recall it. A rule may be recalled regardless of whether:

(1) the rule has been disapproved by the attorney general under section 32 of this chapter; **or**

~~(2) the administrative rules oversight committee has recommended under section 46 of this chapter that the governor disapprove the rule; or~~

~~(3)~~ **(2)** the rule has been disapproved by the governor under section 34 of this chapter.

(b) Sections 24 through 38 of this chapter do not apply to a recall action under this section. However, the agency shall distribute a notice of its recall action to the publisher for publication in the Indiana Register. Sections 24 and 26 of this chapter do not apply to a readoption action under subsection (c).

(c) After an agency recalls a rule, the agency may reconsider its adoption action and adopt an identical rule or a revised rule. However, if sections 24 through 36 of this chapter apply to the recalled rule, the readopted rule must comply with the requirements under section 29 of this chapter.

(d) The recall of a rule under this section voids any approval given after the rule was adopted and before the rule was recalled.

(e) If a rule is:

(1) subject to sections 31 and 33 of this chapter;

(2) recalled under subsection (a); and

(3) readopted under subsection (c);

the agency shall resubmit the readopted version of the recalled rule to the attorney general and the governor for approval. The attorney general and the governor have the full statutory period to approve or disapprove the readopted rule. If the recalled rule was submitted to the office of management and budget under section 28 of this chapter, the agency shall resubmit the readopted version of a recalled rule to the office of management and budget with sufficient information for the office of management and budget to evaluate whether its initial fiscal impact statement under section 28 of this chapter needs to be revised. The office of management and budget shall revise a fiscal impact statement under section 28 of this chapter if the fiscal impact of the readopted rule is substantially different from the recalled rule. The agency also shall comply with any other applicable approval requirement provided by statute.

(f) The readopted version of a recalled rule is effective only after the agency has complied with section 35, 37.1, or 38 of this chapter.

SECTION 61. IC 4-22-2-46 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 46. (a) The administrative rules oversight committee shall carry out a program to review each rule (including a rule subject to IC 13-14-9):~~

~~(1) that is required to be submitted to the attorney general under IC 4-22-2-31 and submitted to the governor under IC 4-22-2-33; and~~

~~(2) that the agency proposing the rule or the office of management and budget determines has a total estimated economic impact of more than five hundred thousand dollars ($500,000).~~

~~(b) The administrative rules oversight committee may review under this section any proposed or adopted rule not described in subsection (a) for the purposes described in subsection (c)(1) through (c)(4).~~

~~(c) The administrative rules oversight committee shall review a rule under this section for the following:~~

~~(1) Direct economic impact.~~

~~(2) Compliance with the intent of the general assembly.~~

~~(3) The extent to which the rule creates an unfunded mandate on any state agency or political subdivision.~~

~~(4) The extent to which the rule complies with the standards in IC 4-22-2-19.5.~~

~~(d) In the case of a proposed rule reviewed under this section, the administrative rules oversight committee may recommend that the proposed rule be approved or disapproved by the governor or take any other action permitted under IC 2-5-18.~~

SECTION 62. IC 4-22-2.1-8, AS ADDED BY P.L.188-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to a small business that is adversely affected or aggrieved by a rule that:

(1) is subject to this chapter;

(2) is finally adopted by an agency under IC 4-22-2-29; and

(3) has taken effect under IC 4-22-2-36.

(b) ~~In addition to or instead of filing a complaint with the administrative rules oversight committee under IC 2-5-18-8, and~~ Subject to subsection (c), a small business described in subsection (a) may file, in a court having jurisdiction, an action seeking a determination of the agency's compliance with the requirements of this chapter during the rulemaking process. Upon receipt of a complaint under this section, the court shall, at the earliest date possible, hear evidence on the matter and make a determination as to the agency's compliance with this chapter during the rulemaking process. If the court determines that the agency failed to comply with one (1) or more requirements of this chapter, the court may issue an order or injunction enjoining the agency from enforcing the rule with respect to the complaining small business and any similarly situated small businesses. A determination of the court under this section is final, subject to the right of direct appeal by either party.

(c) A small business that seeks a determination by a court under subsection (b) must file the action described in subsection (b) not later than one year (1) after the date the rule described in subsection (a) takes effect under IC 4-22-2-36.

SECTION 63. IC 4-22-7-7, AS AMENDED BY P.L.123-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) This section applies to the following agency statements:

(1) Executive orders issued by the governor.

(2) Notices that a rule has been disapproved or objected to by the attorney general under IC 4-22-2-32 or

IC 4-22-2-38, or disapproved or objected to by the governor under IC 4-22-2-34 or IC 4-22-2-38.

(3) Official opinions of the attorney general (excluding advisory letters).

(4) Official explanatory opinions of the state board of accounts based on an official opinion of the attorney general.

(5) Any other statement:

(A) that:

(i) interprets, supplements, or implements a statute or rule;

(ii) has not been adopted in compliance with IC 4-22-2;

(iii) is not intended by its issuing agency to have the effect of law; and

(iv) may be used in conducting the agency's external affairs; or

(B) that specifies a policy that an agency relies upon to:

(i) enforce a statute or rule;

(ii) conduct an audit or investigation to determine compliance with a statute or rule; or

(iii) impose a sanction for violation of a statute or rule.

This subdivision includes information bulletins, revenue rulings (including, subject to IC 6-8.1-3-3.5, a letter of findings), and other guidelines of an agency.

(6) A statement of the governor concerning extension of an approval period under IC 4-22-2-34.

(b) Whenever an agency adopts a statement described by subsection (a), the agency shall distribute electronic copies of the statement to the publisher for publication and indexing in the Indiana Register (in the format specified by the publisher under IC 4-22-2) and the copies required by IC 4-23-7.1-26 to the Indiana library and historical department. However, if a statement under subsection (a)(5)(B) is in the form of a manual, book, pamphlet, or reference publication, the publisher is required to publish only the title of the manual, book, or reference publication.

(c) Every agency that adopts a statement described under subsection (a) also shall maintain a current list of all agency statements described in subsection (a) that it may use in its external affairs. The agency shall update the listing at least every thirty (30) days. The agency shall include on the list the name of the agency and the following information for each statement:

(1) Title.

(2) Identification number.

(3) Date originally adopted.

(4) Date of last revision.

(5) Reference to all other statements described in subsection (a) that are repealed or amended by the statement.

(6) Brief description of the subject matter of the statement.

(d) At least quarterly, every agency that maintains a list under subsection (c) shall distribute two (2) copies to the Indiana library and historical department. ~~and the administrative rules oversight committee.~~

SECTION 64. IC 5-10.5-4-1, AS ADDED BY P.L.177-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The board shall do all of the following:

(1) Appoint and fix the salary of a director.

(2) Employ or contract with employees, auditors, technical experts, legal counsel, and other service providers as the board considers necessary to transact the business of the fund without the approval of any state officer, and fix the compensation of those persons.

(3) Establish a general office in Indianapolis for board meetings and for administrative personnel.

(4) Provide for the installation in the general office of a complete system of:

(A) books;

(B) accounts, including reserve accounts; and

(C) records;

to give effect to all the requirements of this article and to ensure the proper operation of the fund.

(5) Provide for a report at least annually to each member of the amount credited to the member in the annuity savings account in each investment program under IC 5-10.2-2.

(6) With the advice of the actuary, adopt actuarial tables and compile data needed for actuarial studies that are necessary for the fund's operation.

(7) Act on applications for benefits and claims of error filed by members.

(8) Have the accounts of the fund audited annually by the state board of accounts, and if the board determines that it is advisable, have the operation of a public pension or retirement fund of the system audited by a certified public accountant.

(9) Publish for the members a synopsis of the fund's condition.

(10) Adopt a budget on a calendar year or fiscal year basis that is sufficient, as determined by the board, to perform the board's duties and, as appropriate and reasonable, draw upon fund assets to fund the budget.

(11) Expend money, including income from the fund's investments, for effectuating the fund's purposes.

(12) Establish personnel programs and policies for the employees of the system.

(13) Submit a financial report before November 1 each year to the governor, the **interim study committee on** pension management oversight ~~commission,~~ **established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6,** and the budget committee. The report under this subdivision must set forth a complete operating and financial statement covering its operations during the most recent fiscal year, and include any other information requested by the chair of the **interim study committee on** pension management oversight ~~commission.~~ **established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.** ~~The report must be submitted to the pension management oversight commission in an electronic format pursuant to IC 5-14-6.~~

(14) Provide the necessary forms for administering the fund.

(15) Submit to the auditor of state or the treasurer of state vouchers or reports necessary to claim an amount due from the state to the system.

SECTION 65. IC 5-14-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "report" includes any annual or other report that a public agency:

(1) voluntarily; or

(2) under a statutory directive;

submits to the entire membership of the general assembly, the legislative services agency, ~~or~~ the legislative council, **or a committee established under IC 2-5-1.3-4**. The term does not include any document prepared ~~for or~~ at the request of an individual member ~~or committee~~ of the general assembly.

SECTION 66. IC 5-14-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) A public agency may not submit a report to the general assembly, the legislative services agency, ~~or~~ the legislative council, **or a committee established under IC 2-5-1.3-4** on paper.

(b) Notwithstanding any law, no funds appropriated to a public agency from the state treasury may be used to duplicate, print, distribute, or mail a report to the general assembly, the legislative services agency, ~~or~~ the legislative council, **or a**

committee established under IC 2-5-1.3-4 in violation of this chapter.

SECTION 67. IC 5-14-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A public agency shall submit all reports in an electronic format specified by the executive director of the legislative services agency. Unless otherwise specified in statute, the electronic copy shall be delivered to the executive director of the legislative services agency.

(b) An agency that submits a report under subsection (a) shall do the following:

(1) Post, or cause to be posted, a copy of the report on the Internet.

(2) **Subject to the policies established by the legislative council,** send a copy of the report:

(A) for reports required to be sent to the entire membership of the general assembly, to each member of the general assembly;

(B) for reports required to be sent to the legislative council, to each member of the legislative council; and

(C) for reports required to be sent to a committee established under IC 2-5-1.3-4, **to each member of the committee;**

using the member's senate or house of representatives electronic mail address**. The legislative council may provide for the legislative services agency to make electronic distribution of reports under this subdivision instead of having the agency make the distribution.**

(c) The legislative services agency shall periodically compile reports received under this chapter on a CD-ROM or other suitable storage medium and shall distribute copies of the CD-ROM or other medium to any member of the general assembly who requests a copy.

SECTION 68. IC 5-22-14-11, AS AMENDED BY SEA 24-2014, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The Indiana department of administration shall adopt rules under IC 4-22-2 to do the following:

(1) Increase contracting opportunities for Indiana veteran owned small businesses described in section 3.5 of this chapter with a goal to procure in each state fiscal year at least three percent (3%) ~~percent~~ of state contracts with Indiana veteran owned small businesses.

(2) Develop procurement policies and procedures to accomplish the goal described in subdivision (1), including guidelines to be followed by the Indiana department of administration in conducting the department's procurement efforts.

These procurement policies do not apply to a procurement of supplies and services to address immediate and serious government needs at a time of emergency, including a threat to the public health, welfare, or safety that may arise by reason of floods, epidemics, riots, acts of terrorism, major power failures, a threat proclaimed by the President of the United States or the governor, or a threat declared by the commissioner of the Indiana department of administration.

(b) The Indiana department of administration shall annually evaluate its progress in meeting the goal described in this section for the previous state fiscal year. Beginning in 2014, after June 30 and before November 1 of each year, the Indiana department of administration shall submit a report to the governor, the Indiana department of veterans' affairs, ~~the commission on military and veterans affairs,~~ **and the interim study committee on public safety and military affairs established by IC 2-5-1.3-4** and ~~in an electronic format under IC 5-14-6,~~ the legislative council **in an electronic format under IC 5-14-6.** The report must include:

(1) the percentage goal obtained by the Indiana department of administration during the previous state fiscal year; and

(2) a summary of why the Indiana department of administration failed to meet the goal and what actions are being taken by the Indiana department of administration to meet the goal in the current state fiscal year.

(c) The Indiana department of administration shall post the report described in subsection (b) on the department's Internet web site not later than thirty (30) days after the report is submitted. The Indiana department of veterans' affairs shall post the report described in subsection (b) on the department's Internet web site not later than thirty (30) days after the report is submitted by the Indiana department of administration.

SECTION 69. IC 5-28-6-1, AS AMENDED BY P.L.6-2012, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The corporation shall do the following:

(1) Create and regularly update a strategic economic development plan that includes the following:

(A) Identification of specific economic regions within Indiana and methods by which the corporation will implement more regional collaboration between the corporation and the various local economic development organizations within these regions.

(B) Methods by which the corporation will implement more collaboration between the corporation and the various state economic development organizations within the states contiguous to Indiana.

(2) Establish strategic benchmarks and performance measures.

(3) Monitor and report on Indiana's economic performance.

(4) Market Indiana to businesses worldwide.

(5) Assist Indiana businesses that want to grow.

(6) Solicit funding from the private sector for selected initiatives.

(7) Provide for the orderly economic development and growth of Indiana.

(8) Establish and coordinate the operation of programs commonly available to all citizens of Indiana to implement a strategic plan for the state's economic development and enhance the general welfare.

(9) Evaluate and analyze the state's economy to determine the direction of future public and private actions, and report and make recommendations to the general assembly in an electronic format under IC 5-14-6 with respect to the state's economy. The report prepared under this subdivision must include recommendations for strategies and plans for collaboration by the corporation with:

(A) local economic development organizations within geographic regions in Indiana; and

(B) the various state economic development organizations within the states contiguous to Indiana.

(10) Conduct a statewide study to determine specific economic sectors that should be emphasized by the state and by local economic development organizations within geographic regions in Indiana.

(11) Report in an electronic format under IC 5-14-6 the results of the study conducted under subdivision (10) to the interim study committee on **commerce and** economic development established by ~~IC 2-5-31.8-1.~~ **IC 2-5-1.3-4.**

SECTION 70. IC 5-28-11-10, AS ADDED BY P.L.172-2011, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. The corporation shall collaborate with local economic development organizations throughout Indiana. Before August 1 each year through 2014, the corporation shall submit a ~~written~~ report to the interim study committee on **commerce and** economic development established by ~~IC 2-5-31.8-1,~~ **IC 2-5-1.3-4 in an electronic format under IC 5-14-6,** indicating how the corporation has collaborated with local economic development organizations during the previous

state fiscal year.

SECTION 71. IC 6-1.1-12.1-11 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 11. On a quadrennial basis, the general assembly shall provide for an evaluation of the provisions of this chapter, giving first priority to using the Indiana economic development corporation established under IC 5-28-3. The evaluation must be a fiscal analysis, including an assessment of the effectiveness of the provisions of this chapter to:~~

~~(1) create new jobs;~~

~~(2) increase income; and~~

~~(3) increase the tax base;~~

~~in the jurisdiction of the designating body. The fiscal analysis may also consider impacts on tax burdens borne by various classes of property owners. The fiscal analysis may also include a review of the practices and experiences of other states or political subdivisions with laws similar to the provisions of this chapter. The board of the Indiana economic development corporation established under IC 5-28-4 or another person or entity designated by the general assembly shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives before December 1, 1999, and every fourth year thereafter.~~

SECTION 72. IC 6-1.1-17-3.7, AS ADDED BY P.L.257-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.7. (a) This section authorizes a three (3) year pilot program to allow county fiscal bodies of designated counties to carry out a more thorough nonbinding review of the proposed budgets, property tax rates, and property tax levies of all taxing units in those counties. The general assembly finds that, because of the enactment of property tax credits under IC 6-1.1-20.6, there is an even greater need for taxing units to cooperate in the adoption of their budgets, property tax rates, and property tax levies.

(b) The department of local government finance may establish a pilot program concerning nonbinding review of budgets, property tax rates, and property tax levies as provided in this section. The role of the department of local government finance in the pilot program is to develop the framework for the continuation of a more thorough nonbinding review in all counties without the direct involvement of the department of local government finance.

(c) For a county to be eligible for designation as a pilot county participating in the pilot program:

(1) the county fiscal body must adopt a resolution approving the submission of an application to be designated as a pilot county; and

(2) the county fiscal body must submit to the department of local government finance before the date specified by the department:

(A) an application in the form and containing the information prescribed by the department; and

(B) a copy of the resolution adopted under subdivision (1).

(d) After reviewing applications submitted under subsection (c), the department of local government finance may designate not more than three (3) counties that submit an application under subsection (c) as pilot counties under this section. In determining which counties are designated as pilot counties, the department of local government finance shall attempt to achieve diversity among designated counties based on:

(1) the geographical location of the counties;

(2) the population of the counties; and

(3) whether the counties are primarily rural or urban.

(e) The department of local government finance shall notify each taxing unit in a pilot county of:

(1) the designation of the county as a pilot county; and

(2) the duties of the taxing unit under this section.

(f) The following apply in 2014 and thereafter:

(1) Each taxing unit in a pilot county shall, before September 2 of each year, file with the department of local government finance and with the county fiscal body:

(A) the taxing unit's proposed budgets, property tax rates, and property tax levies for the following calendar year;

(B) a statement of whether:

(i) a petition and remonstrance process has been initiated under IC 6-1.1-20 concerning a controlled project of the taxing unit;

(ii) a public question under IC 6-1.1-20 concerning a controlled project of the taxing unit has been certified and will be on the election ballot;

(iii) a referendum tax levy question under IC 20-46-1 has been certified and will be on the election ballot; or

(iv) the taxing unit anticipates that it will during the following eighteen (18) months either adopt a resolution or ordinance under IC 6-1.1-20 making a preliminary determination to issue bonds or enter into a lease concerning a controlled project of the taxing unit, or adopt a resolution under IC 20-46-1 to place a referendum tax levy question on the election ballot; and

(C) any additional information required by the department to prepare the analysis required under subdivision (4).

A school corporation providing information to the department of local government finance shall provide the information through the department's interactive and searchable Internet web site containing local government information (the Indiana gateway for governmental units). When formulating the taxing unit's estimated budget, property tax rate, and property tax levy under section 3 of this chapter, the proper officers of the taxing unit shall consider the estimated consequences of the property tax credits under IC 6-1.1-20.6 on the property taxes that will be collected by the taxing unit and the calculation of fund balances.

(2) A taxing unit in a pilot county that would otherwise be required to submit its proposed budgets, property tax rates, and property tax levies for nonbinding review under section 3.5 of this chapter is not required to do so, but the taxing unit must instead submit the information required by subdivision (1) to the department of local government finance.

(3) A taxing unit that is located in a pilot county and that is subject to binding review and approval of the taxing unit's budgets, property tax rates, and property tax levies under section 20 of this chapter or IC 36-3-6-9:

(A) remains subject to binding review and approval under those statutes and must submit the information required under those statutes to the appropriate fiscal body; and

(B) must also submit the information required by subdivision (1) to the department of local government finance.

(4) The department shall prepare an analysis of the proposed budgets, property tax rates, and property tax levies submitted by taxing units in each pilot county. The department of local government finance may establish appropriate procedures and conduct the appropriate analysis that meets the department's requirements for the review of a unit's budget under this chapter. The analysis prepared by the department must include at least the following:

(A) The estimated total property tax rate for each taxing district in the pilot county.

(B) The estimated total amount of property taxes to be levied in the pilot county.

(C) The estimated consequences of the property tax credits under IC 6-1.1-20.6 on:

(i) the property tax rates of each taxing unit and taxing district in the pilot county;

(ii) the expected total tax rate of each taxing district in the county; and

(iii) the property taxes that will be collected by each taxing unit in the pilot county.

(5) The department of local government finance shall, before October 2 of each year, provide the analysis prepared under subdivision (4) for a pilot county to the county fiscal body of the pilot county and to the fiscal body of each taxing unit in the pilot county. Upon request by the county fiscal body, representatives of the department of local government finance shall appear before the county fiscal body to review the analysis.

(6) The county fiscal body of a pilot county shall, on or before October 15 of each year:

(A) review the proposed budgets, property tax rates, and property tax levies of each taxing unit in the pilot county;

(B) review the expected total tax rate of each taxing district in the county; and

(C) issue a nonbinding recommendation to each taxing unit in the pilot county regarding the taxing unit's proposed budgets, property tax rates, and property tax levies.

The review and recommendation required to be carried out under this subdivision may be carried out by the full county fiscal body or by a committee appointed by the county fiscal body for that purpose.

(7) A recommendation by a county fiscal body must include a comparison of any increase in a taxing unit's budgets, property tax rates, and property tax levies to:

(A) the average increase in Indiana nonfarm personal income for the preceding six (6) calendar years and the average increase in nonfarm personal income for the county for the preceding six (6) calendar years; and

(B) increases in the budgets, property tax rates, and property tax levies of other taxing units in the county.

(8) After review under this section, a taxing unit must adopt its budget, property tax rates, and property tax levies by the date required under section 5 of this chapter.

(g) The county fiscal body of a pilot county may, before July 1 of a year, adopt a resolution discontinuing the county's participation in the pilot program. If a county fiscal body adopts such a resolution:

(1) the county fiscal body shall certify a copy of the resolution to the department of local government finance;

(2) the county's participation in the pilot program is terminated; and

(3) the department of local government finance shall attempt to replace the pilot county with another county that has applied to be designated as a pilot county.

(h) The department of local government finance shall, before November 1, 2014, and each year thereafter, report to the ~~commission on state tax and financing policy~~ **interim study committee on fiscal policy established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** concerning the pilot program and whether the nonbinding review under the pilot program is fostering cooperation among taxing units in the adoption of their budgets, property tax rates, and property tax levies.

(i) This section expires January 1, 2017.

SECTION 73. IC 7.1-5-12-14, AS ADDED BY P.L.141-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. Beginning in 2013, the commission shall present an annual report to the ~~health finance commission~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4** concerning the implementation and enforcement activities taken under this chapter. The report must include the number of smoking related inspections conducted and violations for the previous calendar year. The commission shall submit the report in electronic format under IC 5-14-6 to the legislative services agency not later than September 1 of each year.

SECTION 74. IC 8-1-1.1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) There is created the advisory council to the office of the utility consumer counselor. The council consists of ~~ten (10)~~ **nine (9)** members. Each Indiana congressional district must be represented by at least one (1) individual appointed under this section who is a resident of that congressional district. **However, the reduction in membership of the council from ten (10) members to nine (9) shall be accomplished as the terms of members end and new members are appointed. Until the expiration of the term of a member who is serving on the council on January 1, 2014, and resides in the same congressional district as another member, the council consists of ten (10) members.**

(b) Members of the council, including those filling vacancies occurring in the council membership, shall be appointed by the governor. All members shall be appointed to a term of four (4) years, except those who have been appointed to fill a vacancy in the council whose term will be the unexpired portion of the term. All members shall serve until their successor has been duly appointed and qualified.

(c) The membership shall be representative of the various sectors of Indiana economy, including, but not limited to: agriculture, business and industry, labor, and local government.

(d) The members shall annually elect of themselves a chairman.

(e) Members are entitled to receive per diem and travel expense reimbursement at the standard rates provided for state employees for expenses they incur in the performance of their duties under this chapter subject to the approval of the consumer counselor.

SECTION 75. IC 8-1-2.5-9, AS AMENDED BY P.L.256-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. **(a) As used in this section, "committee" means the interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4.**

~~(a)~~ **(b)** The ~~regulatory flexibility~~ committee ~~established under IC 8-1-2.6-4~~ shall ~~also~~ monitor changes and competition in the energy utility industry.

~~(b)~~ **(c)** The commission shall before August 15 of each year prepare for presentation to the ~~regulatory flexibility~~ committee an analysis of the effects of competition or changes in the energy utility industry on service and on the pricing of all energy utility services under the jurisdiction of the commission.

~~(c)~~ **(d)** In addition to reviewing the commission report prepared under subsection ~~(b),~~ **(c),** the ~~regulatory flexibility~~ committee shall also issue a report and recommendations to the legislative council before November 1 of each year that are based on a review of the following issues:

(1) The effects of competition or changes in the energy utility industry and the impact of the competition or changes on the residential rates.

(2) The status of modernization of the energy utility facilities in Indiana and the incentives required to further enhance this infrastructure.

(3) The effects on economic development of this modernization.

(4) The traditional method of regulating energy utilities and the method's effectiveness.

(5) The economic and social effectiveness of traditional energy utility service pricing.

(6) The effects of legislation enacted by the United States

Congress.

(7) All other energy utility issues the committee considers appropriate; however, it is not the intent of this section to provide for the review of the statutes cited in section 11 of this chapter.

The report and recommendations issued under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

~~(d)~~ **(e)** This section:

(1) does not give a party to a collective bargaining agreement any greater rights under the agreement than the party had before January 1, 1995;

(2) does not give the committee the authority to order a party to a collective bargaining agreement to cancel, terminate, amend, or otherwise modify the collective bargaining agreement; and

(3) may not be implemented by the committee in a way that would give a party to a collective bargaining agreement any greater rights under the agreement than the party had before January 1, 1995.

~~(c)~~ **(f)** ~~The regulatory flexibility committee shall meet on the call of the co-chairs to study energy utility issues described in subsection (c).~~ The committee shall, with the approval of the commission, retain independent consultants the committee considers appropriate to assist the committee in the review and study. The expenses for the consultants shall be paid with funds from the public utility fees assessed under IC 8-1-6.

~~(f) The legislative services agency shall provide staff support to the committee.~~

~~(g) Each member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals who serve as legislative members of interim study committees established by the legislative council.~~

SECTION 76. IC 8-1-2.6-4, AS AMENDED BY P.L.241-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. ~~(a) A regulatory flexibility committee is established to monitor competition in the telecommunications industry.~~

~~(b) The committee is composed of the members of a house standing committee selected by the speaker of the house of representatives and a senate standing committee selected by the president pro tempore of the senate. In selecting standing committees under this subsection, the speaker and president pro tempore shall determine which standing committee of the house of representatives and the senate, respectively, has subject matter jurisdiction that most closely relates to the electricity, gas, energy policy, and telecommunications jurisdiction of the regulatory flexibility committee. The chairpersons of the standing committees selected under this subsection shall co-chair the regulatory flexibility committee.~~

(a) As used in this section, "committee" means the interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4.

~~(c)~~ **(b)** Subject to subsection ~~(f),~~ **(e),** the commission shall, by July 1 of each year, report to the ~~regulatory flexibility~~ committee **in an electronic format under IC 5-14-6** on the following:

(1) The effects of competition and technological change on universal service and on pricing of all telecommunications services offered in Indiana.

(2) The status of competition and technological change in the provision of video service (as defined in IC 8-1-34-14) available to Indiana customers, as including the following information:

(A) The number of multichannel video programming distributors offering video service to Indiana customers.

(B) The technologies used to provide video service to Indiana customers.

(C) The advertised programming and pricing options offered by video service providers to Indiana customers.

~~(3) Beginning with the report due July 1, 2007, and in each report due in an odd-numbered year after July 1, 2007:~~

~~(A) an identification of all telecommunications rules and policies that are eliminated by the commission under section 4.1 of this chapter during the two (2) most recent state fiscal years; and~~

~~(B) an explanation why the telecommunications rules and policies identified under clause (A) are no longer in the public interest or necessary to protect consumers.~~

~~This subdivision expires June 30, 2013.~~

~~(4)~~ **(3)** Best practices concerning vertical location of underground facilities for purposes of IC 8-1-26. A report under this subdivision must address the viability and economic feasibility of technologies used to vertically locate underground facilities.

~~(d)~~ **(c)** In addition to reviewing the commission report prepared under subsection ~~(c),~~ **(b),** the ~~regulatory flexibility~~ committee may also issue a report and recommendations to the legislative council by November 1 of each year that is based on a review of the following issues:

(1) The effects of competition and technological change in the telecommunications industry and impact of competition on available subsidies used to maintain universal service.

(2) The status of modernization of the publicly available telecommunications infrastructure in Indiana and the incentives required to further enhance this infrastructure.

(3) The effects on economic development and educational opportunities of the modernization described in subdivision (2).

(4) The current methods of regulating providers, at both the federal and state levels, and the effectiveness of the methods.

(5) The economic and social effectiveness of current telecommunications service pricing.

(6) All other telecommunications issues the committee deems appropriate.

The report and recommendations issued under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

~~(e)~~ **(d)** ~~The regulatory flexibility committee shall meet on the call of the co-chairpersons to study telecommunications issues described in subsection (d).~~ The committee shall, with the approval of the commission, retain the independent consultants the committee considers appropriate to assist the committee in the review and study. The expenses for the consultants shall be paid by the commission.

~~(f)~~ **(e)** If the commission requests a communications service provider (as defined in section 13(b) of this chapter) to provide information for the commission to use in preparing a report under this section, the request must be limited to public information provided to the Federal Communications Commission and may be required to be provided only in the form in which it is provided to the Federal Communications Commission. However, the commission may request any public information from a communications service provider (as defined in section 13(b) of this chapter) upon a request from the committee's ~~co-chairpersons~~ **chairperson** that specifically enumerates the public information sought.

SECTION 77. IC 8-1-2.6-4.1, AS AMENDED BY P.L.256-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. (a) Not later than:

(1) July 1, 2007; and

(2) July 1 of each odd-numbered year after July 1, 2007;

the commission shall, through a rulemaking proceeding under IC 4-22-2 or another commission proceeding, identify and eliminate rules and policies concerning telecommunications service and telecommunications service providers if the rules or policies are no longer necessary in the public interest or for the

protection of consumers as the result of meaningful economic competition between providers of telecommunications services.

~~(b) Not later than July 1, 2007, the commission shall adopt rules under IC 4-22-2 to require a telecommunications service provider, at any time the provider communicates with a residential customer about changing the customer's basic telecommunications service to nonbasic telecommunications service, to notify the residential customer of:~~

~~(1) the option of basic telecommunications service; and~~

~~(2) any regulatory protections, including pricing or quality of service protections, that the residential customer would forego by switching to nonbasic telecommunications service.~~

~~This subsection expires June 30, 2013.~~

~~(c)~~ **(b)** A rule adopted under subsection (b) **(as subsection (b) was in effect** before its expiration on June 30, 2013) is void after June 30, 2013.

~~(d) In carrying out this section, the commission shall promote the policies and purposes set forth in this chapter. Beginning in 2007, and in each odd-numbered year after 2007, the commission's annual report to the regulatory flexibility committee under section 4 of this chapter must:~~

~~(1) identify any regulation or policy eliminated by the commission under this section during the two (2) most recent state fiscal years; and~~

~~(2) explain why the regulation or policy is no longer in the public interest or necessary to protect consumers.~~

~~This subsection expires June 30, 2013.~~

SECTION 78. IC 8-1-8.8-14, AS AMENDED BY P.L.150-2011, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. The group shall conduct an annual study on the use, availability, and economics of using in Indiana the clean energy resources listed in IC 8-1-37-4(a)(1) through IC 8-1-37-4(a)(6). The commission may direct the group to study additional clean energy resources as the commission considers appropriate. Each year, the group shall submit a report on the study to the commission for inclusion in the commission's annual report to the ~~regulatory flexibility committee described in IC 8-1-2.5-9 and IC 8-1-2.6-4.~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.** The commission shall direct the group concerning the appropriate level of detail for the report. The report must include suggestions from the group to encourage the development and use of clean energy resources and technologies appropriate for use in Indiana.

SECTION 79. IC 8-1-30.5-3, AS ADDED BY P.L.87-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) For each calendar year, beginning with the calendar year ending December 31, 2012, each water utility shall submit to the commission, on a form or in the manner prescribed by the commission, a report on the following:

(1) The types of use of the water resources used by the water utility in providing water service to the water utility's Indiana customers.

(2) The water utility's operations and maintenance costs in providing water service to the water utility's Indiana customers.

(b) The commission shall prescribe the form of the report and the process, deadlines, and other requirements for submitting the report required under this section. However, the commission shall collect the following information for each water utility with respect to the calendar year for which a particular report is submitted:

(1) The number of Indiana customers served by the water utility.

(2) A description of the water utility's service territory in Indiana.

(3) The total utility plant in service with respect to the water utility's Indiana customers.

(4) The amount and location of the water resources used by the water utility to provide water service to the water utility's Indiana customers.

(5) The availability and location of additional water resources that could be used, if necessary, by the water utility to provide water service to Indiana customers.

(6) The amount of funding received, including the purpose of the funding, from the following sources:

(A) A state revolving loan program under IC 13-18.

(B) The office of community and rural affairs established by IC 4-4-9.7-4.

(C) United States Department of Agriculture rural development loans and grants.

(D) The Indiana bond bank.

(E) The issuance of any debt instruments for the purpose of raising capital to fund infrastructure projects.

(c) Upon receiving the annual reports required under this section, the commission shall compile and organize the data and information contained in the reports. Subject to subsection (d)(1), the commission shall include a summary of the data and information contained in the reports, along with the recommendations described in subsection (d)(2), in:

(1) an annual report to be submitted by the commission to the legislative council not later than November 1 of each year; and

(2) the commission's annual report on the water and wastewater industries provided to the ~~regulatory flexibility committee~~ **interim study committee on energy, utilities, and telecommunications** established by ~~IC 8-1-2.6-4.~~ **IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

The annual report to the legislative council required by subdivision (1) must be in an electronic format under IC 5-14-6.

(d) In making the reports required under subsection (c), the commission shall:

(1) use aggregated data in a manner that:

(A) protects the confidential information of individual water utilities; and

(B) is consistent with IC 5-14-3-4; and

(2) include in the reports recommendations concerning:

(A) the efficient use of financial resources by water utilities;

(B) necessary infrastructure investments by water utilities; and

(C) actions designed to minimize impacts on the rates and charges imposed on water and wastewater customers.

SECTION 80. IC 8-1-32.5-6, AS AMENDED BY P.L.256-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Except as provided in subsection (c), before a communications service provider may offer communications service to customers in Indiana, the communications service provider must apply to the commission for a certificate of territorial authority. A communications service provider that seeks a certificate under this chapter shall submit an application on a form prescribed by the commission. Subject to subsection (e), the form prescribed by the commission must require the communications service provider to report the following information:

(1) The provider's legal name and any name under which the provider does or will do business in Indiana, as authorized by the secretary of state.

(2) The provider's address and telephone number, along with contact information for the person responsible for ongoing communications with the commission.

(3) The legal name, address, and telephone number of the provider's parent company, if any.

(4) A description of each service area in Indiana in which the provider proposes to offer communications service.

(5) For each service area identified under subdivision (4),

a description of each type of communications service that the provider proposes to offer in the service area.

(6) For each communications service identified under subdivision (5), whether the communications service will be offered to residential customers or business customers, or both.

(7) The expected date of deployment for each communications service identified under subdivision (5) in each service area identified in subdivision (4).

(8) A list of other states in which the provider offers communications service, including the type of communications service offered.

(9) Any other information the commission considers necessary to:

(A) monitor the type and availability of communications service provided to Indiana customers; and

(B) prepare, **under IC 8-1-2.6-4,** the commission's annual report to the ~~regulatory flexibility committee~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4** ~~under IC 8-1-2.6-4~~ **in an electronic format under IC 5-14-6**.

The commission may charge a fee for filing an application under this section. Any fee charged by the commission under this subsection may not exceed the commission's actual costs to process and review the application under section 8 of this chapter.

(b) A communications service provider shall also submit, along with the application required by subsection (a), the following documents:

(1) A certification from the secretary of state authorizing the provider to do business in Indiana.

(2) Information demonstrating the provider's financial, managerial, and technical ability to provide each communications service identified in the provider's application under subsection (a)(5) in each service area identified under subsection (a)(4).

(3) A statement, signed under penalty of perjury by an officer or another person authorized to bind the provider, that affirms the following:

(A) That the provider has filed or will timely file with the Federal Communications Commission all forms required by the Federal Communications Commission before offering communications service in Indiana.

(B) That the provider agrees to comply with any customer notification requirements imposed by the commission under section 11(b) of this chapter.

(C) That the provider agrees to update the information provided in the application submitted under subsection (a) on a regular basis, as may be required by the commission under section 12 of this chapter.

(D) That the provider agrees to notify the commission when the provider commences offering communications service in each service area identified in the provider's application under subsection (a)(4).

(E) That the provider agrees to pay any lawful rate or charge for switched and special access services, as required under any:

(i) applicable interconnection agreement; or

(ii) lawful tariff or order approved or issued by a regulatory body having jurisdiction.

(F) That the provider agrees to report, at the times required by the commission, any information required by the commission under IC 8-1-2.6-13(c)(9).

(c) If:

(1) a communications service provider has been issued a:

(A) certificate of territorial authority; or

(B) certificate of public convenience and necessity;

by the commission before July 1, 2009; and

(2) the certificate described in subdivision (1) is in effect on July 1, 2009;

the communications service provider is not required to submit an application under this section for as long as the certificate described in subdivision (1) remains in effect. For purposes of this subsection, if a corporation organized under IC 8-1-13 (or a corporation organized under IC 23-17-1 that is an electric cooperative and that has at least one (1) member that is a corporation organized under IC 8-1-13) holds a certificate of public convenience and necessity issued by the commission before, on, or after July 1, 2009, that certificate may serve as the certificate required under this chapter with respect to any communications service offered by the corporation, subject to the commission's right to require the corporation to provide any information that an applicant is otherwise required to submit under subsection (a) or that a holder is required to report under IC 8-1-2.6-13(c)(9).

(d) This section does not empower the commission to require an applicant for a certificate under this chapter to disclose confidential and proprietary business plans and other confidential information without adequate protection of the information. The commission shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

(e) The form prescribed for a communications service provider that offers only a service described in IC 8-1-2.6-1.1 must require the communications service provider to report and certify the accuracy of only the information required under subsection (a)(1) and (a)(2).

SECTION 81. IC 8-1-34-16, AS AMENDED BY P.L.219-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in section 21 of this chapter, after June 30, 2006:

(1) the commission is the sole franchising authority (as defined in 47 U.S.C. 522(10)) for the provision of video service in Indiana; and

(2) a unit may not:

(A) require a provider to obtain a separate franchise;

(B) impose any fee, gross receipt tax, licensing requirement, rate regulation, or build-out requirement on a provider;

(C) regulate a holder or provider; or

(D) establish, fund, or otherwise designate an agency, a board, or another subordinate entity to monitor, supervise, evaluate, or regulate the holder or provider;

except as authorized by this chapter.

(b) Except as provided in section 21 of this chapter, a person who seeks to provide video service in Indiana after June 30, 2006, shall file with the commission an application for a franchise. The application shall be made on a form prescribed by the commission and must include the following:

(1) A sworn affidavit, signed by an officer or another person authorized to bind the applicant, that affirms the following:

(A) That the applicant has filed or will timely file with the Federal Communications Commission all forms required by the Federal Communications Commission before offering video service in Indiana.

(B) That the applicant agrees to comply with all federal and state statutes, rules, and regulations applicable to the operation of the applicant's video service system.

(C) That the applicant agrees to:

(i) comply with any local ordinance or regulation governing the use of public rights-of-way in the delivery of video service; and

(ii) recognize the police powers of a unit to enforce the ordinance or regulation.

(D) If the applicant will terminate an existing local franchise under section 21 of this chapter, that the

applicant agrees to perform any obligations owed to any private person, as required by section 22 of this chapter.

(2) The applicant's legal name and any name under which the applicant does or will do business in Indiana, as authorized by the secretary of state.

(3) The address and telephone number of the applicant's principal place of business, along with contact information for the person responsible for ongoing communications with the commission.

(4) The names and titles of the applicant's principal officers.

(5) The legal name, address, and telephone number of the applicant's parent company, if any.

(6) A description of each service area in Indiana to be served by the applicant. A service area described under this subdivision may include an unincorporated area in Indiana.

(7) The expected date for the deployment of video service in each of the areas identified in subdivision (6).

(8) A list of other states in which the applicant provides video service.

(9) If the applicant will terminate an existing local franchise under section 21(b) of this chapter, a copy of the written notice sent to the municipality under section 21(c) of this chapter.

(10) Any other information the commission considers necessary to:

(A) monitor the provision of video service to Indiana customers; and

(B) prepare, **under IC 8-1-2.6-4,** the commission's annual report to the ~~regulatory flexibility committee~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4** ~~under IC 8-1-2.6-4~~ **in an electronic format under IC 5-14-6.**

(c) This section does not empower the commission to require:

(1) an applicant to disclose confidential and proprietary business plans and other confidential information without adequate protection of the information; or

(2) a provider to disclose more frequently than in each odd numbered year information regarding the areas in which an applicant has deployed, or plans to deploy, video services.

The commission shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

(d) The commission may charge a fee for filing an application under this section. Any fee charged by the commission under this subsection may not exceed the commission's actual costs to process and review the application under section 17 of this chapter.

(e) Nothing in this title may be construed to require an applicant or a provider to disclose information that identifies by census block, street address, or other similar level of specificity the areas in which the applicant or provider has deployed, or plans to deploy, video service in Indiana. The commission may not disclose, publish, or report by census block, street address, or other similar level of specificity any information identifying the areas in Indiana in which an applicant or a provider has deployed, or plans to deploy, video service.

SECTION 82. IC 8-1-34-24.5, AS ADDED BY P.L.152-2012, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24.5. (a) This section applies to any unit that receives franchise fees paid to the unit under:

(1) a certificate issued by the commission under this chapter; or

(2) an unexpired local franchise issued by the unit before July 1, 2006;

with respect to a particular calendar year.

(b) For each calendar year, beginning with the calendar year ending December 31, 2012, each unit to which this section applies shall submit to the commission, on a form or in the manner prescribed by the commission, a report that includes the following information for each certificate or local franchise in effect in the unit during the calendar year for which the report is submitted:

(1) The amount of franchise fees paid to the unit under the certificate or local franchise.

(2) The account of the unit into which the franchise fees identified under subdivision (1) were deposited.

(3) The purposes for which any franchise fees received by the unit during:

(A) the calendar year for which the report is submitted; or

(B) a previous calendar year;

were used or spent by the unit during the calendar year for which the report is submitted.

(4) Any other information or data concerning the receipt and use of franchise fees that the commission considers appropriate.

(c) The commission shall prescribe the form of the report and the process, deadlines, and other requirements for submitting the report required under this section.

(d) Upon receiving the annual reports required under this section, the commission shall compile and organize the data and information contained in the reports. The commission shall include a summary of the data and information contained in the reports in the commission's annual report on the communications industry provided, **under IC 8-1-2.6-4,** to the ~~regulatory flexibility committee established by~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4** ~~IC 8-1-2.6-4~~ **in an electronic format under IC 5-14-6.** However, this subsection does not empower the commission to disclose confidential and proprietary business plans and other confidential information without adequate protection of the information. The commission shall exercise all necessary caution to avoid disclosure of confidential information supplied under this section.

(e) The commission may adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this section. An emergency rule adopted by the commission under IC 4-22-2-37.1 expires on the date a rule that supersedes the emergency rule is adopted by the commission under IC 4-22-2-24 through IC 4-22-2-36 and not ninety (90) days after the rule is accepted for filing as provided in IC 4-22-2-37.1(g). However, any emergency rules adopted by the commission under this subsection must take effect by a date that enables a unit subject to this section to comply with this section with respect to the calendar year ending December 31, 2012.

SECTION 83. IC 8-1-37-14, AS ADDED BY P.L.150-2011, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Beginning in 2014, each participating electricity supplier shall report to the commission not later than March 1 of each year on the following:

(1) The participating electricity supplier's efforts, if any, during the most recently ended calendar year to meet the CPS goal applicable to the most recently ended calendar year.

(2) The total amount of renewable energy supplied to the participating electricity supplier's Indiana retail electric customers during the most recently ended calendar year, including a breakdown of the following:

(A) The amount of clean energy generated by facilities owned or operated by the participating electricity supplier. The participating electricity supplier shall identify each facility by:

(i) name and location;

(ii) total generating capacity;

(iii) total amount of electricity generated at the facility during the most recently ended calendar year, including the percentage of this amount that was supplied to the participating electricity supplier's Indiana retail electric customers; and

(iv) total amount of clean energy generated at the facility during the most recently ended calendar year, including the percentage of this amount that was supplied to the participating electricity supplier's Indiana retail electric customers.

(B) The amount of clean energy purchased from other suppliers of clean energy. The participating electricity supplier shall identify:

(i) each supplier from whom clean energy was purchased;

(ii) the amount of clean energy purchased from each supplier;

(iii) the price paid by the participating electricity supplier for the clean energy purchased from each supplier; and

(iv) to the extent known, the name and location of each facility at which the clean energy purchased from each supplier was generated.

(3) The number of CECs purchased by the participating electricity supplier during the most recently ended calendar year. The participating electricity supplier shall identify:

(A) each person from whom one (1) or more CECs was purchased;

(B) the price paid to each person identified in clause (A) for the CECs purchased;

(C) the number of CECs applied, if any, during the most recently ended calendar year to meet the CPS goal applicable to the most recently ended calendar year; and

(D) the number of CECs, if any, that the participating electricity supplier plans to carry over to the next succeeding CPS goal period, as permitted by section 12(f) of this chapter.

(4) The participating electricity supplier's plans for meeting the CPS goal applicable to the calendar year in which the report is submitted.

(5) Advances in clean energy technology that affect activities described in subdivisions (1) and (4).

(6) Any other information that the commission prescribes in rules adopted under IC 4-22-2.

For purposes of this subsection, amounts of clean energy and electricity shall be reported in megawatt hours. A participating electricity supplier's duty to submit a report under this subsection terminates after the participating electricity supplier has submitted the report that applies to the calendar year ending December 31, 2025.

(b) Beginning in 2014, the commission's annual report, **under IC 8-1-2.5-9(b),** to the ~~regulatory flexibility committee~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4** ~~under IC 8-1-2.5-9(b)~~ must include a summary of the information provided by participating electricity suppliers under subsection (a) with respect to the most recently ended calendar year. The commission's duty to include the information specified in this subsection in its annual report to the ~~regulatory flexibility committee~~ **interim study committee on energy, utilities, and technology established by IC 2-5-1.3-4** terminates after the commission has submitted the information that applies to the calendar year ending December 31, 2025.

SECTION 84. IC 8-15-2-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.3. (a) The authority shall establish a written procedure for allocating money to projects described in section 1(a)(3) and 1(a)(4) of this chapter.

(b) The procedure established under this section must include at least the following:

(1) An application procedure to identify projects that qualify for funding.

(2) Criteria for prioritizing projects.

(3) Procedures for selecting projects.

(4) Procedures for reporting the results of the selection process and the status of projects to the ~~commission on state tax and financing~~ **interim study committee on fiscal** policy **established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

(c) The prioritization and selection process under this section must give consideration to the following:

(1) The impact of the project on toll road usage.

(2) Consistency of the project with local transportation plans.

(3) The extent to which the project will have local financial participation relative to local available resources.

(4) The amount of vehicular traffic served.

(5) The potential local economic impact.

(6) Whether the project is deemed to be an emergency by the applicant and the authority.

SECTION 85. IC 8-23-2-5, AS AMENDED BY HEA 1286-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014]: Sec. 5. (a) The department, through the commissioner or the commissioner's designee, shall:

(1) develop, continuously update, and implement:

(A) long range comprehensive transportation plans;

(B) work programs; and

(C) budgets;

to assure the orderly development and maintenance of an efficient statewide system of transportation;

(2) implement the policies, plans, and work programs adopted by the department;

(3) organize by creating, merging, or abolishing divisions;

(4) evaluate and utilize whenever possible improved transportation facility maintenance and construction techniques;

(5) carry out public transportation responsibilities, including:

(A) developing and recommending public transportation policies, plans, and work programs;

(B) providing technical assistance and guidance in the area of public transportation to political subdivisions with public transportation responsibilities;

(C) developing work programs for the utilization of federal mass transportation funds;

(D) furnishing data from surveys, plans, specifications, and estimates required to qualify a state agency or political subdivision for federal mass transportation funds;

(E) conducting or participating in any public hearings to qualify urbanized areas for an allocation of federal mass transportation funding;

(F) serving, upon designation of the governor, as the state agency to receive and disburse any state or federal mass transportation funds that are not directly allocated to an urbanized area;

(G) entering into agreements with other states, regional agencies created in other states, and municipalities in other states for the purpose of improving public transportation service to the citizens; and

(H) developing and including in its own proposed transportation plan a specialized transportation services plan for the elderly and persons with disabilities;

(6) provide technical assistance to units of local government with road and street responsibilities;

(7) develop, undertake, and administer the program of

research and extension required under IC 8-17-7;

(8) allow public testimony in accordance with section 17 of this chapter whenever the department holds a public hearing (as defined in section 17 of this chapter); and

(9) adopt rules under IC 4-22-2 to reasonably and cost effectively manage the right-of-way of the state highway system by establishing a formal procedure for highway improvement projects that involve the relocation of utility facilities by providing for an exchange of information among the department, utilities, and the department's highway construction contractors.

(b) Rules adopted under subsection (a)(9):

(1) shall not unreasonably affect the cost, or impair the safety or reliability, of a utility service; and

(2) must require a utility to provide information concerning all authorized representatives of the utility for purposes of highway improvement projects and improvement projects undertaken by local units of government.

(c) A civil action may be prosecuted by or against the department, a department highway construction contractor, or a utility to recover costs and expenses directly resulting from willful violation of the rules. Nothing in this section or in subsection (a)(9) shall be construed as granting authority to the department to adopt rules establishing fines, assessments, or other penalties for or against utilities or the department's highway construction contractors.

(d) Based on information provided by utilities under rules described in subsection (b)(2), the department shall establish and publish on the department's Internet web site a searchable data base of authorized representatives of utilities for purposes of improvement projects that involve the relocation of utility facilities. A utility that provides information described in subsection (b)(2) shall:

(1) update the information provided to the department on an annual basis; and

(2) notify the department of any change in the information not more than thirty (30) days after the change occurs.

(e) Not later than August 1 of each year, the department, through the commissioner or the commissioner's designee, shall prepare for ~~presentation to~~ the ~~joint~~ **interim** study committee on **roads and** transportation ~~and infrastructure assessment and solutions established by IC 2-5-28.5-2~~ a report that includes updates on the following:

(1) Transportation and infrastructure funding.

(2) Public-private agreements under IC 8-15.5.

(3) Public-private partnerships under IC 8-15.7.

(4) Reports and supplements prepared under IC 8-23-12.

(5) Programs and projects conducted in cooperation with Purdue University under IC 8-23-9-56.

(6) Any other information requested by the ~~joint~~ study committee.

The report must be submitted in an electronic format under IC 5-14-6.

SECTION 86. IC 8-23-9-56, AS AMENDED BY HEA 1286-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014]: Sec. 56. (a) The department may cooperate with and assist Purdue University in developing the best methods of improving and maintaining the highways of the state and the respective counties. In so cooperating with Purdue University and for the purpose of developing and disseminating helpful information concerning road construction and improvement and the operation of the highways of the state and the counties, the department may expend money annually from the funds appropriated to the department's use for the use and benefit of Purdue University in carrying on programs of highway research and highway extension at or in connection with Purdue University and for the annual road school held at Purdue University. In addition, the money may be increased by federal funds, which may be made available to the department for the engineering and economic investigation of projects for future construction and for highway research necessary in connection therewith.

(b) For the purpose of disseminating knowledge of the highway maintenance methods that are best suited to the various sections of Indiana, the county and state highway officials, in cooperation with Purdue University, may hold joint road meetings in the various sections of Indiana.

(c) The aid authorized by this section shall be paid quarterly by the department to Purdue University upon proper voucher.

(d) Not later than August 1 of each year, a representative of Purdue University shall prepare, in cooperation with the department under IC 8-23-2-5(e)(5), for ~~presentation to~~ the ~~joint~~ **interim** study committee on **roads and** transportation ~~and infrastructure assessment and solutions established by IC 2-5-28.5-2~~ a report that includes updates on the following:

(1) Programs or projects conducted under this section.

(2) Any other information requested by the ~~joint~~ study committee.

The report must be submitted in an electronic format under IC 5-14-6.

SECTION 87. IC 8-23-29-4, AS ADDED BY HEA 1104-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014]: Sec. 4. Not later than July 1 of each year of the study, the department shall provide the results of the study to date ~~in an electronic format under IC 5-14-6~~ to the following:

~~(1) The joint study committee on transportation and infrastructure assessment and solutions established by IC 2-5-28.5-2.~~

~~(2)~~ **(1)** The legislative council, i**n an electronic format under IC 5-14-6.**

~~(3)~~ **(2)** The governor.

SECTION 88. IC 9-13-2-33.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 33.5. "Committee" for purposes of IC 9-18-25, has the meaning set forth in IC 9-18-25-0.5.**

SECTION 89. IC 9-13-2-93.3 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 93.3. "License plate committee", for purposes of IC 9-18-25, has the meaning set forth in IC 9-18-25-0.5.~~

SECTION 90. IC 9-14-2-1, AS AMENDED BY HEA 1286-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014]: Sec. 1. The commissioner shall do the following:

(1) Administer and enforce:

(A) this title and other statutes concerning the bureau; and

(B) the policies and procedures of the bureau.

(2) Organize the bureau in the manner necessary to carry out the duties of the bureau.

(3) Submit budget proposals for the bureau to the budget director before September 1 of each year.

(4) Perform other duties as required by the bureau.

(5) Not later than August 1 of each year, prepare for ~~presentation to~~ the ~~joint~~ **interim** study committee on **roads and** transportation ~~and infrastructure assessment and solutions established by IC 2-5-28.5-2~~ a report that includes updates on the following:

(A) Significant policy changes, including changes in implementation.

(B) Contracts with third parties for performance of department responsibilities and functions.

(C) Projects or other undertakings required by law.

(D) Any other information requested by the ~~joint~~ study committee.

The report must be submitted in an electronic format under IC 5-14-6.

SECTION 91. IC 9-18-25-0.5, AS ADDED BY

P.L.107-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. As used in this chapter, ~~"license plate~~ "committee" means the ~~special group recognition license plate committee established by IC 2-5-36.2-4.~~ **interim study committee on roads and transportation established by IC 2-5-1.3-4.**

SECTION 92. IC 9-18-25-2.3, AS ADDED BY P.L.107-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.3. (a) Effective August 1, 2013, a special group that seeks initial participation in the special group recognition license plate program must submit a completed application to the bureau not later than April 1 for potential issuance in the following year. The application must contain the following:

(1) The name and address of the resident agent of the special group.

(2) Evidence of governance by a board of directors consisting of at least five (5) members, a majority of whom are outside directors, who meet at least semiannually to establish policy for the special group and review the accomplishments of the special group.

(3) A copy of the:

(A) ethics statement;

(B) constitution and bylaws; and

(C) articles of incorporation as an entity that is exempt from federal income taxation under Section 501(c) of the Internal Revenue Code;

of the special group.

(4) Copies of the last three (3) consecutive:

(A) annual reports; and

(B) annual generally accepted auditing standards or government auditing standards audits;

of the special group.

(5) Evidence of appropriate use of resources and compliance with federal and state laws, including evidence of appropriate management and internal controls in order to ensure:

(A) compliance with law;

(B) that finances are used in compliance with the purpose statement of the special group; and

(C) maintenance as an entity that is exempt from taxation under Section 501(c) of the Internal Revenue Code.

(6) Evidence of transparency of financial and operational activities to include availability of current financial statements at any time upon the request of the bureau or a donor to the special group.

(7) Evidence of internal controls to prevent conflict of interest by board members and employees.

(8) A petition with the signatures of at least five hundred (500) residents of Indiana who pledge to purchase the special group recognition license plate.

(9) A statement of the designated use of any annual fee to be collected by the bureau.

(10) A copy of a certified motion passed by the board of directors of the special group requesting that the special group recognition license plate be issued by the bureau and stating the designated use of any annual fee to be collected by the bureau.

(11) Evidence of statewide public benefit from the special group.

(12) Evidence of statewide public benefit from the use of the annual fee collected by the bureau.

(13) Evidence that the special group's use of the annual fee to be collected by the bureau and the organizational purpose statement of the special group conform with at least one (1) of the following categories:

(A) Direct health care or medical research.

(B) Fraternal or service organizations.

(C) Government and quasi-government. For purposes of this clause, a special group that designates the use of the fees collected for deposit in the capital projects fund established by IC 9-18-49-5(a) is considered to have a quasi-government purpose.

(D) Military and veterans' affairs.

(E) Public and transportation safety.

(F) Universities located in Indiana for scholarships for Indiana residents.

(G) Agriculture, animals, and environment.

(14) Evidence that the organization has prohibitions and internal controls prohibiting advocacy of the following:

(A) Violation of federal or state law.

(B) Violation of generally accepted ethical standards or societal behavioral standards.

(C) Individual political candidates.

(b) The bureau shall review the application for a special group recognition license plate that has been submitted to the bureau under subsection (a). Upon satisfaction to the bureau of the completeness of the information in the application, the bureau shall forward the application to the ~~chairperson of the license plate committee for review by the license plate committee.~~ **executive director of the legislative services agency in an electronic format under IC 5-14-6 for review by the committee.**

SECTION 93. IC 9-18-25-2.5, AS ADDED BY P.L.107-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a) The ~~license plate~~ committee shall ~~meet at least two (2) times a year at the call of the chairperson to~~ review applications for special group recognition license plates that have been forwarded to the ~~license plate~~ committee by the bureau under section 2.3(b) of this chapter.

(b) After reviewing the applications, the ~~license plate~~ committee shall:

(1) compile a list recommending new special group recognition license plates; and

(2) forward to the bureau by written means the list of recommended special groups that meet the suitability for issuance of a special group recognition license plate.

The ~~license plate~~ committee may not recommend more than five (5) new special group recognition license plates to the bureau under this subsection in a calendar year.

(c) After receiving the list forwarded under subsection (b)(2), the bureau shall conduct an independent review of the applications, taking into consideration the recommendations of the ~~license plate~~ committee. The bureau may issue a special group recognition license plate in the absence of a positive recommendation from the ~~license plate~~ committee. However, the bureau may not issue a special group recognition license plate unless the license plate has first been reviewed by the ~~license plate~~ committee and has been given a positive or negative recommendation to the bureau regarding that special group.

(d) The bureau may not issue more than five (5) special group recognition license plates for the first time in a year.

SECTION 94. IC 9-18-25-2.7, AS ADDED BY P.L.107-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: ~~(a) The bureau shall determine the date of first issuance of all special group recognition license plates in production as of July 1, 2013, and prepare a list of the results. The bureau shall forward the list to the license plate committee before September 1, 2013.~~

~~(b) Upon receipt of the list prepared under subsection (a), the license plate committee shall review the special group recognition license plates that were issued initially in 2003 or earlier. In the review, the license plate committee shall consider the criteria set forth in section 2.3(a) of this chapter and may seek evidence of the criteria from a special group. The license plate committee shall recommend to the bureau that participation in the special group recognition license plate program be terminated for a special group that the license plate committee finds is not

~~suitable for inclusion in the program because the special group does not satisfy the criteria set forth in section 2.3(a) of this chapter.~~

~~(c)~~ **(a)** In 2014 and subsequent years, the bureau shall forward to the ~~license plate committee~~ **executive director of the legislative services agency in an electronic format under IC 5-14-6 for review by the committee** the name of a special group:

(1) that was awarded initially a special group recognition license plate by the bureau more than ten (10) years in the past; and

(2) whose special group recognition license plate has not been reviewed by the **special group recognition** license plate committee **established by IC 2-5-36.2-4 (repealed) or the committee** during the ten (10) year period following the initial or subsequent award of the special group recognition license plate.

Upon receipt of the name of a special group, the ~~license plate~~ committee shall require the special group to submit to the ~~license plate~~ committee evidence of the criteria set forth in section 2.3(a) of this chapter. Upon submission of the criteria, the ~~license plate~~ committee shall review ~~and recommend termination by the bureau as provided in subsection (b)~~ **the suitability of the special group to continue participating in the special group recognition license plate program. In the review, the committee shall consider the criteria set forth in section 2.3(a) of this chapter and may seek additional evidence of the criteria from a special group. The committee shall recommend to the bureau that participation in the special group recognition license plate program be terminated** if the ~~license plate~~ committee finds that termination is appropriate because the special group is not suitable for inclusion in the special group license plate program.

~~(d)~~ **(b)** Upon receiving a recommendation of termination for a special group under subsection ~~(b) or (c),~~ **(a),** the bureau may:

(1) terminate the special group from participation in the special group recognition license plate program; or

(2) allow the special group to continue participating in the special group recognition license plate program for a period of not more than eighteen (18) months.

~~(e)~~ **(c)** If the bureau terminates the participation of a special group under subsection ~~(d)(1).~~ **(b)(1):**

(1) the bureau may not issue additional special group recognition license plates **of the special group** to plateholders; and

(2) a plateholder may not renew a special group recognition license plate **of the special group.**

If the special group desires to continue participating in the special group recognition license plate program, the special group must submit an application to the bureau containing the criteria set forth in section 2.3(a) of this chapter. The bureau shall then follow the procedure set forth in section 2.3(b) of this chapter.

~~(f)~~ **(d)** If the bureau allows a special group to continue participating in the special group recognition license plate program for a period under subsection ~~(d)(2),~~ **(b)(2),** the bureau shall:

(1) establish the duration of the set period under subsection ~~(d)(2);~~ **(b)(2);** and

(2) require the special group to submit to the bureau:

(A) evidence of the criteria set forth in section 2.3(a) of this chapter; and

(B) any additional information the bureau determines is necessary.

~~(g)~~ **(e)** The bureau shall:

(1) review the evidence and additional information submitted by a special group under subsection ~~(f)(2);~~ **(d)(2);** and

(2) determine whether to terminate or continue the participation of the special group in the special group recognition license plate program.

~~(h)~~ **(f)** After the review under subsection ~~(g),~~ **(e),** if the bureau terminates the participation of the special group and the special group desires to continue participating, the special group must submit an application to the bureau containing the criteria set forth in section 2.3(a) of this chapter. The bureau shall then follow the procedure set forth in section 2.3(b) of this chapter.

~~(i)~~ **(g)** After the review under subsection ~~(g),~~ **(e),** if the bureau continues the participation of the special group in the special group recognition license plate program, the bureau may do one (1) or more of the following:

(1) Allow the special group to remedy the defect or the violation that caused the special group to not be suitable for inclusion in the special group recognition license plate program.

(2) Place restrictions on or temporarily suspend the sales of special group recognition license plates for the special group.

(3) Require the special group to appear before the commission for review or reinstatement, or both.

~~(j)~~ **(h)** The bureau may suspend the issuance of a special group recognition license plate for a special group if the bureau, upon investigation, has determined that the special group has advocated or committed a violation of federal or state law.

SECTION 95. IC 9-20-16-1, AS AMENDED BY HEA 1286-2014, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014]: Sec. 1. Before August 1 of each year, the Civil Engineering School at Purdue University shall report in an electronic format under IC 5-14-6 to the ~~joint~~ **interim** study committee on **roads and** transportation ~~and infrastructure assessment and solutions established by IC 2-5-28.5-2~~ the results of a continuing study of the condition of Indiana's roads and streets as the condition may be affected by trucks and tractor-semitrailer combinations.

SECTION 96. IC 12-7-2-34, AS AMENDED BY P.L.6-2012, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. "Commission" means the following:

(1) For purposes of IC 12-10-2, the meaning set forth in IC 12-10-2-1.

~~(2) For purposes of IC 12-11-7, the meaning set forth in IC 12-11-7-1.~~

~~(3)~~ **(2)** For purposes of IC 12-12-2, the meaning set forth in IC 12-12-2-1.

~~(4)~~ **(3)** For purposes of IC 12-13-14, the meaning set forth in IC 12-13-14-1.

~~(5)~~ **(4)** For purposes of IC 12-15-46-2, the meaning set forth in IC 12-15-46-2(a).

~~(6) For purposes of IC 12-21-6.5, the meaning set forth in IC 12-21-6.5-1.~~

~~(7)~~ **(5)** For purposes of IC 12-28-1, the meaning set forth in IC 12-28-1-3.

SECTION 97. IC 12-7-2-35, AS AMENDED BY SEA 24-2014, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 35. "Committee" means the following:

(1) For purposes of IC 12-15-33, the meaning set forth in IC 12-15-33-1.

~~(2) For purposes of IC 12-17.2-3.3, the meaning set forth in IC 12-17.2-3.3-1.~~

~~(3)~~ **(2)** For ~~the~~ purposes of ~~IC 12-17.2-3.7, has~~ **IC 12-17.2-3.6,** the meaning set forth in ~~IC 12-17.2-3.7-1.~~ **IC 12-17.2-3.6-1.**

SECTION 98. IC 12-10-11.5-6, AS AMENDED BY P.L.205-2013, SECTION 182, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The office of the secretary of family and social services shall annually determine any state savings generated by home and community based services under this chapter by reducing the use of institutional care.

(b) The secretary shall annually report to the governor, the budget agency, the budget committee, the ~~health finance commission,~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4,** and the executive director of the legislative services agency the savings determined under subsection (a). A report under this subsection to the executive director of the legislative services agency must be in an electronic format under IC 5-14-6.

(c) Savings determined under subsection (a) may be used to fund the state's share of additional home and community based Medicaid waiver slots.

SECTION 99. IC 12-11-7 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Indiana Commission on Autism).

SECTION 100. IC 12-11-13-13, AS AMENDED BY P.L.3-2009, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The ombudsman shall prepare a report each year on the operations of the program.

(b) A copy of the report required under subsection (a) shall be provided to the following:

(1) The governor.

(2) The legislative council. The report must be in an electronic format under IC 5-14-6.

(3) The division.

(4) The ~~members of the commission on developmental disabilities established by IC 2-5-27.2-2.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

SECTION 101. IC 12-11-13-14, AS AMENDED BY P.L.3-2009, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. The ombudsman shall report:

(1) annually; or

(2) upon request;

to the ~~commission on developmental disabilities established by IC 2-5-27.2-2.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

SECTION 102. IC 12-12.7-2-19, AS AMENDED BY P.L.3-2009, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. The budget agency shall annually report to ~~the health finance commission,~~ the budget committee and the ~~commission on developmental disabilities~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4** the following information concerning the funding of the program under this chapter:

(1) The total amount billed to a federal or state program each state fiscal year for services provided under this chapter, including the following programs:

(A) Medicaid.

(B) The children's health insurance program.

(C) The federal Temporary Assistance for Needy Families (TANF) program (45 CFR 265).

(D) Any other state or federal program.

(2) The total amount billed each state fiscal year to an insurance company for services provided under this chapter and the total amount reimbursed by the insurance company.

(3) The total copayments collected under this chapter each state fiscal year.

(4) The total administrative expenditures.

The report must be submitted before September 1 for the preceding state fiscal year in an electronic format under IC 5-14-6.

SECTION 103. IC 12-13-5-14, AS AMENDED BY P.L.205-2013, SECTION 183, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) As used in this section, ~~"commission"~~ **"committee"** refers to the ~~health finance commission (IC 2-5-23).~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4.**

(b) A contractor for the division, office, or secretary that has responsibility for processing eligibility intake for the federal Supplemental Nutrition Assistance program (SNAP), the Temporary Assistance for Needy Families (TANF) program, and the Medicaid program shall do the following:

(1) Review the eligibility intake process for:

(A) document management issues, including:

(i) unattached documents;

(ii) number of documents received by facsimile;

(iii) number of documents received by mail;

(iv) number of documents incorrectly classified;

(v) number of documents that are not indexed or not correctly attached to cases;

(vi) number of complaints from clients regarding lost documents; and

(vii) number of complaints from clients resolved regarding lost documents;

(B) direct client assistance at county offices, including the:

(i) number of clients helped directly in completing eligibility application forms;

(ii) wait times at local offices;

(iii) amount of time an applicant is given as notice before a scheduled applicant appointment;

(iv) amount of time an applicant waits for a scheduled appointment; and

(v) timeliness of the tasks sent by the contractor to the state for further action, as specified through contracted performance standards; and

(C) call wait times and abandonment rates.

(2) Provide an update on employee training programs.

(3) Provide a copy of the monthly key performance indicator report.

(4) Provide information on error reports and contractor compliance with the contract.

(5) Provide oral and written reports to the ~~commission~~ **committee** concerning matters described in subdivision (1):

(A) in a manner and format to be agreed upon with the ~~commission;~~ **committee;** and

(B) whenever the ~~commission~~ **committee** requests.

However, written reports shall be provided in an electronic format under IC 5-14-6.

(6) Report on information concerning assistance provided by voluntary community assistance networks (V-CANs).

(7) Report on the independent performance audit conducted on the contract.

(c) Solely referring an individual to a computer or telephone does not constitute the direct client assistance referred to in subsection (b)(1)(B).

SECTION 104. IC 12-15-12-19, AS AMENDED BY P.L.205-2013, SECTION 189, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) This section applies to an individual who is a Medicaid recipient.

(b) Subject to subsection (c), the office shall develop the following programs regarding individuals described in subsection (a):

(1) A disease management program for recipients with any of the following chronic diseases:

(A) Asthma.

(B) Diabetes.

(C) Congestive heart failure or coronary heart disease.

(D) Hypertension.

(E) Kidney disease.

(2) A case management program for recipients described in subsection (a) who are at high risk of chronic disease, that

is based on a combination of cost measures, clinical measures, and health outcomes identified and developed by the office with input and guidance from the state department of health and other experts in health care case management or disease management programs.

(c) The office shall implement:

(1) a pilot program for at least two (2) of the diseases listed in subsection (b) not later than July 1, 2003; and

(2) a statewide chronic disease program as soon as practicable after the office has done the following:

(A) Evaluated a pilot program described in subdivision (1).

(B) Made any necessary changes in the program based on the evaluation performed under clause (A).

(d) The office shall develop and implement a program required under this section in cooperation with the state department of health and shall use the following persons to the extent possible:

(1) Community health centers.

(2) Federally qualified health centers (as defined in 42 U.S.C. 1396d(l)(2)(B)).

(3) Rural health clinics (as defined in 42 U.S.C. 1396d(l)(1)).

(4) Local health departments.

(5) Hospitals.

(6) Public and private third party payers.

(e) The office may contract with an outside vendor or vendors to assist in the development and implementation of the programs required under this section.

(f) The office and the state department of health shall provide the ~~health finance commission established by IC 2-5-23-3~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** with an evaluation and recommendations on the costs, benefits, and health outcomes of the pilot programs required under this section. The evaluations required under this subsection must be provided not more than twelve (12) months after the implementation date of the pilot programs.

(g) The office and the state department of health shall report to the ~~health finance commission established by IC 2-5-23-3~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** not later than November 1 of each year regarding the programs developed under this section.

(h) The disease management program services for a recipient diagnosed with diabetes or hypertension must include education for the recipient on kidney disease and the benefits of having evaluations and treatment for chronic kidney disease according to accepted practice guidelines.

SECTION 105. IC 12-15-35-28, AS AMENDED BY P.L.205-2013, SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) The board has the following duties:

(1) The adoption of rules to carry out this chapter, in accordance with the provisions of IC 4-22-2 and subject to any office approval that is required by the federal Omnibus Budget Reconciliation Act of 1990 under Public Law 101-508 and its implementing regulations.

(2) The implementation of a Medicaid retrospective and prospective DUR program as outlined in this chapter, including the approval of software programs to be used by the pharmacist for prospective DUR and recommendations concerning the provisions of the contractual agreement between the state and any other entity that will be processing and reviewing Medicaid drug claims and profiles for the DUR program under this chapter.

(3) The development and application of the predetermined criteria and standards for appropriate prescribing to be used in retrospective and prospective DUR to ensure that such criteria and standards for appropriate prescribing are based on the compendia and developed with professional input with provisions for timely revisions and assessments as necessary.

(4) The development, selection, application, and assessment of interventions for physicians, pharmacists, and patients that are educational and not punitive in nature.

(5) The publication of an annual report that must be subject to public comment before issuance to the federal Department of Health and Human Services and to the Indiana legislative council by December 1 of each year. The report issued to the legislative council must be in an electronic format under IC 5-14-6.

(6) The development of a working agreement for the board to clarify the areas of responsibility with related boards or agencies, including the following:

(A) The Indiana board of pharmacy.

(B) The medical licensing board of Indiana.

(C) The SURS staff.

(7) The establishment of a grievance and appeals process for physicians or pharmacists under this chapter.

(8) The publication and dissemination of educational information to physicians and pharmacists regarding the board and the DUR program, including information on the following:

(A) Identifying and reducing the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and recipients.

(B) Potential or actual severe or adverse reactions to drugs.

(C) Therapeutic appropriateness.

(D) Overutilization or underutilization.

(E) Appropriate use of generic drugs.

(F) Therapeutic duplication.

(G) Drug-disease contraindications.

(H) Drug-drug interactions.

(I) Incorrect drug dosage and duration of drug treatment.

(J) Drug allergy interactions.

(K) Clinical abuse and misuse.

(9) The adoption and implementation of procedures designed to ensure the confidentiality of any information collected, stored, retrieved, assessed, or analyzed by the board, staff to the board, or contractors to the DUR program that identifies individual physicians, pharmacists, or recipients.

(10) The implementation of additional drug utilization review with respect to drugs dispensed to residents of nursing facilities shall not be required if the nursing facility is in compliance with the drug regimen procedures under 410 IAC 16.2-3.1 and 42 CFR 483.60.

(11) The research, development, and approval of a preferred drug list for:

(A) Medicaid's fee for service program;

(B) Medicaid's primary care case management program;

(C) Medicaid's risk based managed care program, if the office provides a prescription drug benefit and subject to IC 12-15-5; and

(D) the children's health insurance program under IC 12-17.6;

in consultation with the therapeutics committee.

(12) The approval of the review and maintenance of the preferred drug list at least two (2) times per year.

(13) The preparation and submission of a report concerning the preferred drug list at least one (1) time per year to the ~~health finance commission established by IC 2-5-23-3.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4**

in an electronic format under IC 5-14-6.

(14) The collection of data reflecting prescribing patterns related to treatment of children diagnosed with attention deficit disorder or attention deficit hyperactivity disorder.

(15) Advising the Indiana comprehensive health insurance association established by IC 27-8-10-2.1 concerning implementation of chronic disease management and pharmaceutical management programs under IC 27-8-10-3.5.

(b) The board shall use the clinical expertise of the therapeutics committee in developing a preferred drug list. The board shall also consider expert testimony in the development of a preferred drug list.

(c) In researching and developing a preferred drug list under subsection (a)(11), the board shall do the following:

(1) Use literature abstracting technology.

(2) Use commonly accepted guidance principles of disease management.

(3) Develop therapeutic classifications for the preferred drug list.

(4) Give primary consideration to the clinical efficacy or appropriateness of a particular drug in treating a specific medical condition.

(5) Include in any cost effectiveness considerations the cost implications of other components of the state's Medicaid program and other state funded programs.

(d) Prior authorization is required for coverage under a program described in subsection (a)(11) of a drug that is not included on the preferred drug list.

(e) The board shall determine whether to include a single source covered outpatient drug that is newly approved by the federal Food and Drug Administration on the preferred drug list not later than sixty (60) days after the date on which the manufacturer notifies the board in writing of the drug's approval. However, if the board determines that there is inadequate information about the drug available to the board to make a determination, the board may have an additional sixty (60) days to make a determination from the date that the board receives adequate information to perform the board's review. Prior authorization may not be automatically required for a single source drug that is newly approved by the federal Food and Drug Administration, and that is:

(1) in a therapeutic classification:

(A) that has not been reviewed by the board; and

(B) for which prior authorization is not required; or

(2) the sole drug in a new therapeutic classification that has not been reviewed by the board.

(f) The board may not exclude a drug from the preferred drug list based solely on price.

(g) The following requirements apply to a preferred drug list developed under subsection (a)(11):

(1) Except as provided by IC 12-15-35.5-3(b) and IC 12-15-35.5-3(c), the office or the board may require prior authorization for a drug that is included on the preferred drug list under the following circumstances:

(A) To override a prospective drug utilization review alert.

(B) To permit reimbursement for a medically necessary brand name drug that is subject to generic substitution under IC 16-42-22-10.

(C) To prevent fraud, abuse, waste, overutilization, or inappropriate utilization.

(D) To permit implementation of a disease management program.

(E) To implement other initiatives permitted by state or federal law.

(2) All drugs described in IC 12-15-35.5-3(b) must be included on the preferred drug list.

(3) The office may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list without prior approval from the board.

(4) The board may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list.

(h) At least one (1) time each year, the board shall provide a report to the ~~health finance commission established by IC 2-5-23-3.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.** The report must contain the following information:

(1) The cost of administering the preferred drug list.

(2) Any increase in Medicaid physician, laboratory, or hospital costs or in other state funded programs as a result of the preferred drug list.

(3) The impact of the preferred drug list on the ability of a Medicaid recipient to obtain prescription drugs.

(4) The number of times prior authorization was requested, and the number of times prior authorization was:

(A) approved; and

(B) disapproved.

(i) The board shall provide the first report required under subsection (h) not later than six (6) months after the board submits an initial preferred drug list to the office.

SECTION 106. IC 12-15-35-48, AS AMENDED BY P.L.205-2013, SECTION 206, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) The board shall review the prescription drug program of a managed care organization that participates in the state's risk-based managed care program at least one (1) time per year. The board's review of a prescription drug program must include the following:

(1) An analysis of the single source drugs requiring prior authorization, including the number of drugs requiring prior authorization in comparison to other managed care organizations' prescription drug programs that participate in the state's Medicaid program.

(2) A determination and analysis of the number and the type of drugs subject to a restriction.

(3) A review of the rationale for:

(A) the prior authorization of a drug described in subdivision (1); and

(B) a restriction on a drug.

(4) A review of the number of requests a managed care organization received for prior authorization, including the number of times prior authorization was approved and the number of times prior authorization was disapproved.

(5) A review of:

(A) patient and provider satisfaction survey reports; and

(B) pharmacy-related grievance data for a twelve (12) month period.

(b) A managed care organization described in subsection (a) shall provide the board with the information necessary for the board to conduct its review under subsection (a).

(c) The board shall report to the ~~health finance commission established by IC 2-5-23-3~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** at least one (1) time per year on the board's review under subsection (a).

SECTION 107. IC 12-15-35-51, AS AMENDED BY SEA 24-2014, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 51. (a) As used in this section, "advisory committee" refers to the mental health Medicaid quality advisory committee established by subsection (b).

(b) The mental health Medicaid quality advisory committee is established. The advisory committee consists of the following members:

(1) The director of the office or the director's designee, who shall serve as chairperson of the advisory committee.

(2) The director of the division of mental health and

addiction or the director's designee.

(3) A representative of a statewide mental health advocacy organization.

(4) A representative of a statewide mental health provider organization.

(5) A representative from a managed care organization that participates in the state's Medicaid program.

(6) A member with expertise in psychiatric research representing an academic institution.

(7) A pharmacist licensed under IC 25-26.

(8) The commissioner of the department of correction or the commissioner's designee.

The governor shall make the appointments for a term of four (4) years under subdivisions (3) through (7) and fill any vacancy on the advisory committee.

(c) The office shall staff the advisory committee. The expenses of the advisory committee shall be paid by the office.

(d) Each member of the advisory committee who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(e) Each member of the advisory committee who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(f) The affirmative votes of a majority of the voting members appointed to the advisory committee are required by the advisory committee to take action on any measure.

(g) The advisory committee shall advise the office and make recommendations concerning the clinical use of mental health and addiction medications, including the implementation of IC 12-15-35.5-7(c), and consider the following:

(1) Peer reviewed medical literature.

(2) Observational studies.

(3) Health economic studies.

(4) Input from physicians and patients.

(5) Any other information determined by the advisory committee to be appropriate.

(h) The office shall report recommendations made by the advisory committee to the drug utilization review board established by section 19 of this chapter.

(i) The office shall report the following information to the ~~*select joint commission on Medicaid oversight established by IC 2-5-26-3: health finance commission established by IC 2-5-23-3:*~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6:**

(1) The advisory committee's advice and recommendations made under this section.

(2) The number of restrictions implemented under IC 12-15-35.5-7(c) and the outcome of each restriction.

(3) The transition of individuals who are aged, blind, or disabled to the risk based managed care program. ~~*This information shall also be reported to the health finance commission established by IC 2-5-23-3.*~~

(4) Any decision by the office to change the health care delivery system in which Medicaid is provided to recipients.

~~(j) Notwithstanding subsection (b), the initial members appointed to the advisory committee under this section are appointed for the following terms:~~

~~(1) Individuals appointed under subsection (b)(3) and (b)(4) are appointed for a term of four (4) years.~~

~~(2) An individual appointed under subsection (b)(5) is appointed for a term of three (3) years.~~

~~(3) An individual appointed under subsection (b)(6) is appointed for a term of two (2) years.~~

~~(4) An individual appointed under subsection (b)(7) is appointed for a term of one (1) year.~~

~~This subsection expires December 31, 2013.~~

SECTION 108. IC 12-16.5-3-1, AS ADDED BY P.L.150-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The governor may enter into the compact on behalf of the state with any other state only after the following occur:

(1) The budget committee reviews the compact and any plan developed under subdivision (2).

(2) The budget agency prepares a plan showing how Indiana will provide access to health care for Indiana residents under the compact.

(3) The budget agency presents the plan described in subdivision (2) to the ~~health finance commission established by IC 2-5-23-3.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4.**

(b) The member states shall take joint and separate action to secure the consent of the United States Congress for the compact in order to return the authority to regulate health care to the member states that is consistent with the goals and principles articulated in the compact.

(c) The member states shall improve health care policy within the states' jurisdictions and according to the judgment and discretion of each member state.

SECTION 109. IC 12-17.2-2.5-6, AS ADDED BY P.L.126-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Each committee shall annually report to the **interim study** committee on ~~child care established by IC 12-17.2-3.3-2~~ **public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** concerning the committee's activities during the previous year.

SECTION 110. IC 12-17.2-3.3 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Committee on Child Care).

SECTION 111. IC 12-17.6-2-7, AS AMENDED BY P.L.205-2013, SECTION 212, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The office shall contract with an independent organization to evaluate the program.

(b) The office shall report the results of each evaluation to the:

(1) children's health policy board established by IC 4-23-27-2; and

(2) ~~health finance commission established by IC 2-5-23-3.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

(c) This section does not modify the requirements of other statutes relating to the confidentiality of medical records.

SECTION 112. IC 12-17.6-2-12, AS AMENDED BY P.L.205-2013, SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. Not later than April 1, the office shall provide a report describing the program's activities during the preceding calendar year to the:

(1) budget committee;

(2) legislative council;

(3) children's health policy board established by IC 4-23-27-2; and

(4) ~~health finance commission established by IC 2-5-23-3.~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

A report provided under this section to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 113. IC 12-21-6.5 IS REPEALED [EFFECTIVE

UPON PASSAGE]. (Commission on Mental Health and Addiction).

SECTION 114. IC 13-11-2-46 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 46. "Council", for purposes of IC 13-13-7, refers to the environmental quality service council established by IC 13-13-7-1, unless the specific reference is to the legislative council.~~

SECTION 115. IC 13-11-2-149.5, AS AMENDED BY P.L.78-2009, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 149.5. "Outstanding national resource water", for purposes of section 50.5 of this chapter and IC 13-18-3, means a water designated as such by the general assembly after recommendations by the ~~water pollution control~~ **environmental rules** board and the ~~environmental quality service council~~ **interim study committee on environmental affairs (established by IC 2-5-1.3-4)** under IC 13-18-3-2(n) and IC 13-18-3-2(o). The designation must describe the quality of the outstanding national resource water to serve as the benchmark of the water quality that shall be maintained and protected. Waters that may be considered for designation as outstanding national resource waters include water bodies that are recognized as:

(1) important because of protection through official action, such as:
  (A) federal or state law;
  (B) presidential or secretarial action;
  (C) international treaty; or
  (D) interstate compact;
(2) having exceptional recreational significance;
(3) having exceptional ecological significance;
(4) having other special environmental, recreational, or ecological attributes; or
(5) waters with respect to which designation as an outstanding national resource water is reasonably necessary for protection of other water bodies designated as outstanding national resource waters.

SECTION 116. IC 13-11-2-151.6, AS ADDED BY P.L.12-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 151.6. "Panel", for purposes of ~~IC 13-13-7,~~ **IC 13-13-7.1,** refers to the compliance advisory panel established by ~~IC 13-13-7-2.~~ **IC 13-13-7.1-1.**

SECTION 117. IC 13-11-2-204.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 204.2. "Small business stationary source", for the purposes of IC 13-13-7.1, has the meaning set forth in 42 U.S.C. 7661f.**

SECTION 118. IC 13-13-7 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Environmental Quality Service Council and Compliance Advisory Panel).

SECTION 119. IC 13-13-7.1 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 7.1. Compliance Advisory Panel

Sec. 1. The compliance advisory panel is established.

Sec. 2. The panel consists of the following members:

(1) Two (2) members appointed by the president pro tempore of the senate who are members of the senate and who are owners of, or who have an interest in, a small business stationary source. Not more than one (1) of the members appointed under this subdivision may be members of the same political party.

(2) Two (2) members appointed by the speaker of the house of representatives who are members of the house of representatives and who are owners of, or who have an interest in, a small business stationary source. Not more than one (1) of the members appointed under this subdivision may be affiliated with the same political party.

(3) Two (2) members appointed by the governor to represent the public who are not members of the general assembly, owners of a small business stationary source, or representatives of owners of small business stationary sources. Not more than one (1) member appointed under this subdivision may be a solid waste management district director and not more than one (1) member appointed under this subdivision may be affiliated with the same political party.

(4) The commissioner or the commissioner's designee.

Sec. 3. The term of a member appointed to the panel is two (2) years. However, an appointing authority may replace a member at any time during the member's term. Notwithstanding this section, the initial members of the panel are the members serving on the advisory compliance panel established by IC 13-13-7-2 (before its repeal) on March 15, 2014. The terms of the initial legislative members of the panel appointed under IC 13-13-7-3(b)(1) (before its repeal) and IC 13-13-7-3(b)(2) (before its repeal) expire on the earlier of the following:

(1) The date the two (2) year appointment would have expired under IC 13-13-7-4 (before its repeal).

(2) December 31, 2014.

If subdivision (1) applies, a legislative member appointed under section 2(1) or 2(2) of this chapter before January 1, 2015, to succeed the initial legislative member expires December 31, 2014.

Sec. 4. If a vacancy occurs on the panel, the appointing authority for the vacating member shall appoint an individual to fill the unexpired term of the vacating member. A member appointed to fill a vacancy must meet the same qualifications specified under section 2 of this chapter for the vacating member.

Sec. 5. The individual serving on the panel under section 2(4) of this chapter is a nonvoting member.

Sec. 6. The chairman of the legislative council shall appoint the chair of the panel from the members appointed under section 2(1) or 2(2) of this chapter. The chair of the panel serves at the pleasure of the chairman of the legislative council.

Sec. 7. Each member of the panel who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member also is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 8. Each member of the panel who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 9. Each member of the panel who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this section shall be paid from appropriations made to the legislative council or the legislative services agency.

Sec. 10. The affirmative votes of a majority of the voting members appointed to the panel are required for the panel to take action on any measure, including final reports.

Sec. 11. The panel shall carry out the duties required of a compliance advisory panel under Section 507 of the federal Clean Air Act (42 U.S.C. 7661f).

Sec. 12. The department shall provide administrative and technical support to the panel as provided in IC 13-28-3-2,

including duties related to the development and dissemination of reports and advisory opinions.

Sec. 13. Except as provided in section 9 of this chapter, the expenses of the panel shall be paid from appropriations to the department.

Sec. 14. The panel shall submit an annual report to the legislative council in an electronic format under IC 5-14-6.

SECTION 120. IC 13-15-4-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. Before July 15 of each year, the commissioner shall provide to the ~~environmental quality service council~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** a list, current through July 1 of the year, of National Pollutant Discharge Elimination System (NPDES) permits that have been administratively extended that includes for each permit:

(1) the number of months that the permit has been administratively extended;

(2) the number of months that the department has extended a period under section 8 of this chapter or suspended processing of a permit application under section 10 of this chapter;

(3) the type of permit according to the types identified in IC 13-18-20-2 through IC 13-18-20-11; and

(4) the dates when public notice of a draft permit was given.

SECTION 121. IC 13-15-11-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The auditor of state shall make a report on the fund every four (4) months. The report:

(1) shall be issued not later than ten (10) working days following the last day of each four (4) month period;

(2) must include the beginning and ending balance, disbursements, and receipts;

(3) must comply with accounting standards under IC 4-13-2-7(a)(1); and

(4) must be available to the public.

(b) The auditor of state shall forward copies of the report to the following:

(1) The commissioner.

(2) The standing committees of the house of representatives and the senate concerned with the environment.

(3) The budget committee.

(4) The ~~environmental quality service council.~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

SECTION 122. IC 13-15-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Before September 1 of each even-numbered year, the department shall report to the ~~environmental quality service council:~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6:**

(1) the department's proposed distribution of funds among the programs referred to in section 1 of this chapter for the current state fiscal year;

(2) the department's rationale for the proposed distribution;

(3) any difference between:

(A) the proposed distribution; and

(B) the distribution made by the department in the immediately preceding state fiscal year; and

(4) the results of an independent audit of the correlation between:

(A) the distribution made by the department with respect to; and

(B) the department's actual expenses related to;

each program referred to in section 1 of this chapter in the immediately preceding state fiscal year.

SECTION 123. IC 13-17-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The department shall provide an annual report to the following:

(1) The board.

(2) The ~~environmental quality service council.~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

(b) The report must include a summary of the:

(1) reviews conducted; and

(2) agreements approved;

in the preceding year under this chapter.

SECTION 124. IC 13-18-3-2, AS AMENDED BY P.L.81-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The board may adopt rules under IC 4-22-2 that are necessary to the implementation of:

(1) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as in effect January 1, 1988; and

(2) the federal Safe Drinking Water Act (42 U.S.C. 300f through 300j), as in effect January 1, 1988;

except as provided in IC 14-37.

(b) "Degradation" has the meaning set forth in IC 13-11-2-50.5.

(c) "Outstanding national resource water" has the meaning set forth in IC 13-11-2-149.5.

(d) "Outstanding state resource water" has the meaning set forth in IC 13-11-2-149.6.

(e) "Watershed" has the meaning set forth in IC 14-8-2-310.

(f) The board may designate a water body as an outstanding state resource water by rule if the board determines that the water body has a unique or special ecological, recreational, or aesthetic significance.

(g) Before the board may adopt a rule designating a water body as an outstanding state resource water, the board must consider the following:

(1) Economic impact analyses, presented by any interested party, taking into account future population and economic development growth.

(2) The biological criteria scores for the water body, using factors that consider fish communities, macro invertebrate communities, and chemical quality criteria using representative biological data from the water body under consideration.

(3) The level of current urban and agricultural development in the watershed.

(4) Whether the designation of the water body as an outstanding state resource water will have a significant adverse effect on future population, development, and economic growth in the watershed, if the water body is in a watershed that has more than three percent (3%) of its land in urban land uses or serves a municipality with a population greater than five thousand (5,000).

(5) Whether the designation of the water body as an outstanding state resource water is necessary to protect the unique or special ecological, recreational, or aesthetic significance of the water body.

(h) Before the board may adopt a rule designating a water body as an outstanding state resource water, the board must make available to the public a written summary of the information considered by the board under subsections (f) and (g), including the board's conclusions concerning that information.

(i) The commissioner shall present a summary of the comments received from the comment period and information that supports a water body designation as an outstanding state resource water to the ~~environmental quality service council~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** not later than one hundred twenty (120) days after the rule regarding the designation is finally adopted by the board.

(j) Notwithstanding any other provision of this section, the designation of an outstanding state resource water in effect on January 1, 2000, remains in effect.

(k) For a water body designated as an outstanding state resource water, the board shall provide by rule procedures that will:

(1) prevent degradation; and

(2) allow for increases and additions in pollutant loadings from an existing or new discharge if:

(A) there will be an overall improvement in water quality for the outstanding state resource water as described in this section; and

(B) the applicable requirements of 327 IAC 2-1-2(1) and 327 IAC 2-1-2(2) and 327 IAC 2-1.5-4(a) and 327 IAC 2-1.5-4(b) are met.

(l) The procedures provided by rule under subsection (k) must include the following:

(1) A definition of significant lowering of water quality that includes a de minimis quantity of additional pollutant load:

(A) for which a new or increased permit limit is required; and

(B) below which antidegradation implementation procedures do not apply.

(2) Provisions allowing the permittee to choose application of one (1) of the following for each activity undertaken by the permittee that will result in a significant lowering of water quality in the outstanding state resource water:

(A) Implementation of a water quality project in the watershed of the outstanding state resource water that will result in an overall improvement of the water quality of the outstanding state resource water.

(B) Payment of a fee, not to exceed five hundred thousand dollars ($500,000), based on the type and quantity of increased pollutant loadings, to the department for deposit in the outstanding state resource water improvement fund established under section 14 of this chapter for use as permitted under that section.

(3) Criteria for the submission and timely approval of projects described in subdivision (2)(A).

(4) A process for public input in the approval process.

(5) Use of water quality data that is less than seven (7) years old and specific to the outstanding state resource water.

(6) Criteria for using the watershed improvement fees to fund projects in the watershed that result in improvement in water quality in the outstanding state resource water.

(m) For a water body designated as an outstanding state resource water after June 30, 2000, the board shall provide by rule antidegradation implementation procedures before the water body is designated in accordance with this section.

(n) A water body may be designated as an outstanding national resource water only by the general assembly after recommendations for designation are made by the board and the ~~environmental quality service council.~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4.**

(o) Before recommending the designation of an outstanding national resource water, the department shall provide for an adequate public notice and comment period regarding the designation. The commissioner shall present a summary of the comments and information received during the comment period and the department's recommendation concerning designation to the ~~environmental quality service council~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** not later than ninety (90) days after the end of the comment period. The ~~council~~ **committee** shall consider the comments, information, and recommendation received from the department, and shall convey its recommendation concerning designation to the general assembly within six (6) months after receipt.

(p) This subsection applies to all surface waters of the state. The department shall complete an antidegradation review of all NPDES general permits. The department may modify the general permits for purposes of antidegradation compliance. After an antidegradation review of a permit is conducted under this subsection, activities covered by an NPDES general permit are not required to undergo an additional antidegradation review. An NPDES general permit may not be used to authorize a discharge into an outstanding national resource water or an outstanding state resource water, except that a short term, temporary storm water discharge to an outstanding national resource water or to an outstanding state resource water may be permitted under an NPDES general permit if the commissioner determines that the discharge will not significantly lower the water quality downstream of the discharge.

(q) Subsection (r) applies to an application for:

(1) an NPDES permit subject to IC 13-15-4-1(a)(2)(B), IC 13-15-4-1(a)(3)(B), or IC 13-15-4-1(a)(4); or

(2) a modification or renewal of a permit referred to in one (1) of the sections referred to in subdivision (1) that proposes new or increased discharge that would result in a significant lowering of water quality as defined in subsection (l)(1).

(r) For purposes of an antidegradation review with respect to an application referred to in subsection (q), the applicant shall demonstrate at the time the application is submitted to the department, and the commissioner shall review:

(1) an analysis of alternatives to the proposed discharge; and

(2) subject to subsection (s), social or economic factors indicating the importance of the proposed discharge if alternatives to the proposed discharge are not practicable.

(s) Subject to subsection (t), the commissioner shall consider the following factors in determining whether a proposed discharge is necessary to accommodate important economic or social development in the area in which the waters are located under antidegradation standards and implementation procedures:

(1) Creation, expansion, or maintenance of employment.

(2) The unemployment rate.

(3) The median household income.

(4) The number of households below the poverty level.

(5) Community housing needs.

(6) Change in population.

(7) The impact on the community tax base.

(8) Provision of fire departments, schools, infrastructure, and other necessary public services.

(9) Correction of a public health, safety, or environmental problem.

(10) Production of goods and services that protect, enhance, or improve the overall quality of life and related research and development.

(11) The impact on the quality of life for residents in the area.

(12) The impact on the fishing, recreation, and tourism industries.

(13) The impact on threatened and endangered species.

(14) The impact on economic competitiveness.

(15) Demonstration by the permit applicant that the factors identified and reviewed under subdivisions (1) through (14) are necessary to accommodate important social or economic development despite the proposed significant lowering of water quality.

(16) Inclusion by the applicant of additional factors that may enhance the social or economic importance associated with the proposed discharge, such as an approval that:

(A) recognizes social or economic importance; and

(B) is given to the applicant by:

(i) a legislative body; or
(ii) other government officials.

(17) Any other action or recommendation relevant to the antidegradation demonstration made by a:
(A) state;
(B) county;
(C) township; or
(D) municipality;
potentially affected by the proposed discharge.

(18) Any other action or recommendation relevant to the antidegradation demonstration received during the public participation process.

(19) Any other factors that the commissioner:
(A) finds relevant; or
(B) is required to consider under the Clean Water Act.

(t) In determining whether a proposed discharge is necessary to accommodate important economic or social development in the area in which the waters are located under antidegradation standards and implementation procedures, the commissioner:

(1) must give substantial weight to any applicable determinations by governmental entities; and

(2) may rely on consideration of any one (1) or a combination of the factors listed in subsection (s).

(u) Each exceptional use water (as defined in IC 13-11-2-72.5, before its repeal) designated by the board before June 1, 2009, becomes an outstanding state resource water on June 1, 2009, by operation of law.

(v) Beginning June 1, 2009, all waters of the state are classified in the following categories:

(1) Outstanding national resource waters.

(2) Outstanding state resource waters.

(3) Waters of the state as described in 327 IAC 2-1-2(1), as in effect on January 1, 2009.

(4) High quality waters as described in 327 IAC 2-1-2(2), as in effect on January 1, 2009.

(5) Waters of the state as described in 327 IAC 2-1.5-4(a), as in effect on January 1, 2009.

(6) High quality waters as described in 327 IAC 2-1.5-4(b), as in effect on January 1, 2009.

SECTION 125. IC 13-18-3-14, AS AMENDED BY P.L.78-2009, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) The outstanding state resource water improvement fund is established. All money collected under section 2 of this chapter and any money accruing to the fund are continuously appropriated to the fund to carry out the purposes of section 2 of this chapter. Money in the fund at the end of a state fiscal year does not revert to the state general fund, unless the outstanding state resource water improvement fund is abolished.

(b) The outstanding state resource water improvement fund shall be administered as follows:

(1) The fund may be used by the department of environmental management to fund projects that will lead to overall improvement to the water quality of the affected outstanding state resource water.

(2) The treasurer of state may invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(3) Any interest received accrues to the fund.

(4) The expenses of administering the fund shall be paid from the fund.

(c) The commissioner shall annually report to the ~~environmental quality service council:~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6:**

(1) plans for the use and implementation of the outstanding state resource water improvement fund; and

(2) the balance in the fund.

SECTION 126. IC 13-20-17.7-2, AS ADDED BY P.L.170-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A plan described in section 1 of this chapter must include the following:

(1) An education program concerning the purposes of the mercury switch collection program and how to participate in the program, including the following:
(A) Educational materials about the program.
(B) Information identifying which end of life vehicles might contain mercury switches by make, model, and year of manufacture.
(C) Instructions on safe and environmentally sound methods to remove mercury switches.

(2) The provision of containers for collecting and storing mercury switches.

(3) Procedures for the transportation of mercury switches to recycling, storage, or disposal facilities.

(4) Procedures for the recycling, storage, and disposal of mercury.

(5) Procedures to track the progress of the program, including a description of performance measures to be used and reported to demonstrate that the program is meeting measures of the effectiveness of the program, including the following:
(A) The number of mercury switches collected from end of life vehicles.
(B) The amount of mercury collected.

(6) Procedures for implementing the plan.

(b) The department shall:

(1) prepare an annual report that includes the information tracked under subsection (a)(5); and

(2) provide the report to:
(A) the legislative council in an electronic format under IC 5-14-6; and
(B) the ~~environmental quality service council.~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

SECTION 127. IC 13-20.5-7-4, AS ADDED BY P.L.178-2009, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Before August 1, 2013, and before August 1 of each year thereafter, the department shall submit a report concerning the implementation of this article to:

(1) the general assembly in an electronic format under IC 5-14-6;

(2) the governor;

(3) the ~~environmental quality service council established by IC 13-13-7-1;~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6;** and

(4) the Indiana recycling market development board established by IC 4-23-5.5-2.

(b) For each state fiscal year, the report submitted under subsection (a):

(1) must discuss the total weight of covered electronic devices recycled in the state fiscal year and a summary of information in the reports submitted by manufacturers and recyclers under IC 13-20.5-3;

(2) must discuss the various collection programs used by manufacturers to collect covered electronic devices, information regarding covered electronic devices that are being collected by persons other than registered manufacturers, collectors, and recyclers, and information about covered electronic devices, if any, being disposed of in landfills in Indiana;

(3) must include a description of enforcement actions under this article during the state fiscal year; and

(4) may include other information received by the department regarding the implementation of this article.

SECTION 128. IC 13-28-3-2, AS AMENDED BY P.L.12-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The assistance program established under this chapter shall do the following:

(1) Designate an individual to serve as a liaison and ombudsman to the regulated community to assist the regulated community with specific regulatory or permit matters pending with the department.

(2) Provide assistance to new and existing businesses and small municipalities in identifying:

(A) applicable environmental rules and regulations; and

(B) permit requirements;

that apply to new and existing businesses and small municipalities.

(3) Develop and distribute educational materials regarding:

(A) environmental requirements;

(B) compliance methods;

(C) voluntary environmental audits;

(D) pollution control technologies; and

(E) other compliance issues;

including standardized forms and procedures for completing permit applications.

(4) Provide public outreach and training sessions in cooperation with representatives of the business and municipal communities regarding existing and future state and federal environmental requirements.

(5) Develop and operate a clearinghouse to respond to inquiries from businesses and municipalities concerning applicable environmental rules, regulations, and requirements.

(6) Provide technical assistance concerning pollution control techniques to local and state governmental entities and businesses and distribute educational materials regarding pollution prevention developed by the pollution prevention division established by IC 13-27-2-1.

(7) Provide administrative and technical support for the compliance advisory panel established by ~~IC 13-13-7-2.~~ **IC 13-13-7.1-1.**

(8) Conduct other activities as required to:

(A) improve regulatory compliance; and

(B) promote cooperation and assistance in meeting environmental requirements.

(b) The assistance program may establish limited onsite assistance to provide compliance information to a small business or small municipality, subject to the confidentiality provisions of section 4 of this chapter. The assistance program may use money from the environmental management special fund to implement this subsection. The assistance program may limit the number of inspections per year and restrict onsite assistance to specific programs.

SECTION 129. IC 13-28-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The department shall prepare an annual report of the activities conducted under this chapter.

(b) The annual report must include the following:

(1) The number and types of inquiries the program received.

(2) The services provided by the program.

(c) The annual report shall be distributed to the following:

(1) The governor.

(2) The ~~environmental quality service council.~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.**

SECTION 130. IC 13-28-4-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The department shall maintain statistics on the use of environmental audit reports in department compliance and enforcement activities, including statistics on:

(1) the number of times the reports are disclosed to the department;

(2) the number and types of violations disclosed to the department through the reports;

(3) the civil penalties collected for the violations; and

(4) the time necessary for the violations to be corrected.

The department shall report annually to the ~~environmental quality service council~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** on the use of environmental audit reports.

(b) The department shall propose an enforcement policy, pursuant to IC 13-14-1-11.5, that provides relief from civil penalties for a voluntary disclosure that results from an internal environmental audit. In developing this enforcement policy, the department shall consider similar policies implemented by:

(1) the United States Environmental Protection Agency; and

(2) states contiguous to Indiana.

(c) The department shall report annually to the ~~environmental quality service council~~ **interim study committee on environmental affairs established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** on the use and effectiveness of the enforcement policy.

SECTION 131. IC 14-25-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. The ~~natural resources study committee created by IC 2-5-5-1~~ **interim study committee on agriculture and natural resources established by IC-2-5-1.3-4** shall do the following:

(1) Oversee the water resource management program of this chapter and the needs of the people of Indiana.

(2) Report the findings and recommendations in an electronic format under IC 5-14-6 to the ~~general assembly through the~~ legislative council **under IC 2-5-1.2-15.**

SECTION 132. IC 15-13-6-5, AS ADDED BY P.L.2-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) As requested by the advisory committee, the:

(1) commission;

(2) board; or

(3) board of trustees of the barn;

shall provide to the advisory committee information relating to the operation of each, respectively.

(b) The ~~legislative services agency~~ **department of agriculture** shall provide staff for the advisory committee.

SECTION 133. IC 15-16-10-4, AS ADDED BY P.L.23-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The council has the following duties:

(1) Recommend:

(A) priorities for projects;

(B) funding; and

(C) rules and laws;

concerning invasive species to the appropriate governmental agencies and legislative committees.

(2) Recommend a lead state agency to:

(A) develop an invasive species inventory for each invasive species taxon; and

(B) develop and maintain a data management system for invasive species in Indiana.

(3) Communicate with other states, federal agencies, and state and regional organizations to enhance consistency and effectiveness in:

(A) preventing the spread of;

(B) early detection of;

(C) response to; and

(D) management of;

invasive species.

(4) Coordinate invasive species education and outreach

programs.

(5) Convene or support an invasive species meeting at least once per biennium to provide information on best practices and pertinent research findings.

(6) Assist governmental agencies in:

(A) reviewing current invasive species policies and procedures; and

(B) addressing any deficiencies or inconsistencies concerning invasive species policies and procedures.

(7) Assist state agencies in reviewing the agencies' performance measures for accountability concerning the agencies' invasive species actions.

(8) Receive reports from any governmental agency regarding actions taken on recommendations of the council.

(9) Apply for grants.

(10) Provide grants for education concerning or management of invasive species.

(b) The council does not have any regulatory authority over invasive species or the authority to hear appeals of grievances.

(c) The council may create advisory committees to provide information and recommendations to the council.

(d) Beginning July 1, 2011, the council shall issue a ~~written~~ report to the ~~natural resources study committee (IC 2-5-5-1)~~ **interim study committee on agriculture and natural resources established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** in every odd-numbered year. The report must include a summary of:

(1) the council's activities;

(2) the performance of the council's duties; and

(3) efforts in the state to identify and manage invasive species.

The report may include recommendations of the council.

SECTION 134. IC 16-28-15-13, AS AMENDED BY P.L.205-2013, SECTION 216, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The ~~health finance commission established by IC 2-5-23-3~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4** shall review the implementation of this chapter.

SECTION 135. IC 16-29-6-8 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 8. Not later than October 31, 2013, the office of the secretary of family and social services shall report to the health finance commission established by IC 2-5-23-3 with a five (5) year plan to steadily reduce the number of Medicaid certified comprehensive care beds and health facility patients.~~

SECTION 136. IC 20-24.2-6-1 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 1. The commission on education study committee established by IC 2-5-38.1, as added by SEA 409-2013, SECTION 1, shall:~~

~~(1) monitor the effectiveness of the performance qualified school district and high school program;~~

~~(2) study and make recommendations to the general assembly concerning the issue of the length of the school year and the use of time equivalents to one hundred eighty (180) days by qualified districts and qualified high schools; and~~

~~(3) study and make recommendations to the general assembly concerning the expansion of the performance qualified schools program to middle schools and elementary schools.~~

SECTION 137. IC 22-2-15-4 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 4. The department shall make a presentation to the pension management oversight commission not later than October 1, 2010, outlining the proposed guidelines and procedures.~~

SECTION 138. IC 22-2-15-6 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 6. After considering any recommendations by the pension management oversight commission, the department shall convert the guidelines and procedures to rules by adopting rules under IC 4-22-2 before August 1, 2011. The department shall implement the rules before August 1, 2011.~~

SECTION 139. IC 24-4.7-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The division shall, after June 30 and before October 1 of each year, report to the ~~regulatory flexibility committee established by IC 8-1-2.6-4~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6** on the following:

~~(1) For the state fiscal year ending June 30, 2002, the expenses incurred by the division in establishing the listing.~~

~~(2)~~ **(1)** The total amount of fees deposited in the fund during the most recent state fiscal year.

~~(3)~~ **(2)** The expenses incurred by the division in maintaining and promoting the listing during the most recent state fiscal year.

~~(4)~~ **(3)**The projected budget required by the division to comply with this article during the current state fiscal year.

~~(5)~~ **(4)** Any other expenses incurred by the division in complying with this article during the most recent state fiscal year.

~~(6)~~ **(5)** The total number of subscribers on the listing at the end of the most recent state fiscal year.

~~(7)~~ **(6)** The number of new subscribers added to the listing during the most recent state fiscal year.

~~(8)~~ **(7)** The number of subscribers removed from the listing for any reason during the most recent state fiscal year.

(b) The ~~regulatory flexibility committee~~ **interim study committee on energy, utilities, and telecommunications established by IC 2-5-1.3-4** shall, before November 1 of each year, issue in an electronic format under IC 5-14-6 a report and recommendations to the legislative council concerning the information received under subsection (a).

SECTION 140. IC 25-1-16-13, AS ADDED BY P.L.84-2010, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The committee shall submit a report to the:

(1) governor;

(2) ~~health finance commission;~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6;** and

(3) legislative services agency;

not later than July 1 of each year. The report submitted to the legislative services agency must be in an electronic format under IC 5-14-6.

SECTION 141. IC 27-1-29-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The Indiana political subdivision risk management commission is created as a separate body corporate and politic, constituting an instrumentality of the state for the public purposes set out in this chapter, but not a state agency. The commission is separate from the state in its corporate and sovereign capacity. The purpose of the commission is aiding political subdivisions in protecting themselves against liabilities. The commission is not subject to IC 27-6-8, and the Indiana guaranty association created by IC 27-6-8-5 has no obligation to insureds or claimants of the commission.

(b) The commission consists of the insurance commissioner, who shall serve as chairman, and ~~ten (10)~~ **nine (9)** other commission members. **However, the reduction in membership of the commission from ten (10) appointed members to nine (9) appointed members shall be accomplished as the terms of members end and new members are appointed. Until the expiration of the term of a member who is serving on the commission on January 1, 2014, and resides in the same congressional district as another member, the commission consists of ten (10) appointed members.** Except for the

commissioner, the members of the commission shall be appointed by the governor for a term of four (4) years. No more than five (5) commission members appointed by the governor under this section may be members of the same political party. The commission members appointed by the governor under this section must include one (1) resident of each congressional district in Indiana. The commission shall elect one (1) of the appointed commission members as secretary of the commission.

(c) ~~The initial appointments of commission members are for the following terms:~~

~~(1) Three (3) members appointed for a term of one (1) year.~~

~~(2) Three (3) members appointed for a term of two (2) years.~~

~~(3) Two (2) members appointed for a term of three (3) years.~~

~~(4) Two (2) members appointed for a term of four (4) years.~~

A commission member may be reappointed to the commission.

(d) In appointing commission members under this section, the governor shall consider the qualifications, expertise, and background that would provide the proper talent to administer this chapter. To the degree possible, the members must have backgrounds in educational administration, risk management, and governance of a political subdivision and must include persons with knowledge of insurance matters.

(e) A vacancy occurring on the commission shall be filled through the appointment of a resident of the same congressional district as the vacating commission member for the unexpired term of the commission member leaving the commission.

(f) Each member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). Such a commission member is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

(g) Each member of the commission who is a state employee is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the commission member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the state budget agency.

(h) All property of the commission is public property devoted to an essential public and governmental function and purpose and is exempt from all taxes and special assessments of the state or a political subdivision of the state.

SECTION 142. IC 29-1-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The report of the probate code study commission **established by IC 2-5-16 (before its repeal)** made pursuant to Acts 1949, c. 302, s. 5 and Acts 1951, c. 347, s. 2 may be consulted by the courts to determine the underlying reasons, purposes, and policies of this article, and may be used as a guide in its construction and application.

SECTION 143. IC 31-25-4-13.1, AS AMENDED BY P.L.210-2011, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.1. (a) This section applies after December 31, 2006.

(b) The bureau shall make the agreements necessary for the effective administration of the plan with local governmental officials within Indiana. The bureau shall contract with:

(1) a prosecuting attorney;

(2) a private attorney or private entity if the bureau determines that a reasonable contract cannot be entered into with a prosecuting attorney and the determination is approved by at least two-thirds (2/3) of the ~~Indiana child custody and support advisory committee (established by IC 33-24-11-1);~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4;** or

(3) a collection agency licensed under IC 25-11 to collect arrearages on child support orders under which collections have not been made on arrearages for at least two (2) years;

in each judicial circuit to undertake activities required to be performed under Title IV-D of the federal Social Security Act (42 U.S.C. 651), including establishment of paternity, establishment, enforcement, and modification of child support orders, activities under the Uniform Reciprocal Enforcement of Support Act (IC 31-2-1, before its repeal) or the Uniform Interstate Family Support Act (IC 31-18, or IC 31-1.5 before its repeal), and if the contract is with a prosecuting attorney, prosecutions of welfare fraud.

(c) The hiring of a private attorney or private entity by an agreement or a contract made under this section is not subject to the approval of the attorney general under IC 4-6-5-3. An agreement or a contract made under this section is not subject to IC 4-13-2-14.3 or IC 5-22.

(d) Subject to section 14.1 of this chapter, a prosecuting attorney with which the bureau contracts under subsection (b):

(1) may contract with a collection agency licensed under IC 25-11 to provide child support enforcement services; and

(2) shall contract with a collection agency licensed under IC 25-11 to collect arrearages on child support orders under which collections have not been made on arrearages for at least two (2) years.

(e) A prosecuting attorney or private attorney entering into an agreement or a contract with the bureau under this section enters into an attorney-client relationship with the state to represent the interests of the state in the effective administration of the plan and not the interests of any other person. An attorney-client relationship is not created with any other person by reason of an agreement or contract with the bureau.

(f) At the time that an application for child support services is made, the applicant must be informed that:

(1) an attorney who provides services for the child support bureau is the attorney for the state and is not providing legal representation to the applicant; and

(2) communications made by the applicant to the attorney and the advice given by the attorney to the applicant are not confidential communications protected by the privilege provided under IC 34-46-3-1.

(g) A prosecuting attorney or private attorney who contracts or agrees under this section to undertake activities required to be performed under Title IV-D is not required to mediate, resolve, or litigate a dispute between the parties relating to:

(1) the amount of parenting time or parenting time credit; or

(2) the assignment of the right to claim a child as a dependent for federal and state tax purposes.

(h) An agreement made under subsection (b) must contain requirements stipulating service levels a prosecuting attorney or private entity is expected to meet. The bureau shall disburse incentive money based on whether a prosecuting attorney or private entity meets service levels stipulated in an agreement made under subsection (b).

SECTION 144. IC 31-25-4-27, AS ADDED BY P.L.145-2006, SECTION 271, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27. The director of the department shall adopt rules necessary to implement Title IV-D of the federal Social Security Act and this chapter. The department shall send a copy of each proposed or adopted rule to ~~each member of the Indiana child custody and support advisory committee established by IC 33-24-11-1~~ **the interim public health, behavioral health, and human services established by IC 2-5-1.3-4** not later than ten (10) days after proposal or adoption.

SECTION 145. IC 33-23-10 IS REPEALED [EFFECTIVE

UPON PASSAGE]. (Commission on Courts).

SECTION 146. IC 33-24-11 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Indiana Child Custody and Support Advisory Committee).

SECTION 147. IC 33-38-9-10 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 10. (a) Beginning in 2011, the Indiana judicial center shall submit a report to the commission on courts established by IC 33-23-10-1 by July 1 of each year concerning the status of problem solving courts. Each report must contain the following information:~~

~~(1) The number of problem solving courts certified by the Indiana judicial center.~~

~~(2) The number of courts that have notified the Indiana judicial center of their intention to establish a problem solving court.~~

~~(3) The number of each type of problem solving court, as set forth in IC 33-23-16-11, that have been established, including courts certified under IC 33-23-16-11(8).~~

~~(4) The success rates of problem solving courts with specific examples of successes and failures.~~

~~(5) Legislative suggestions to improve the certification or operation of problem solving courts.~~

~~(b) The first report required by this section must be submitted not later than July 1, 2011.~~

~~(c) This section expires June 30, 2014.~~

SECTION 148. IC 36-7-14-44.2 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 44.2. On a quadrennial basis, the general assembly shall provide for an evaluation of the provisions of this chapter, giving first priority to using the Indiana economic development corporation established under IC 5-28-3. The evaluation shall be a fiscal analysis, including an assessment of the effectiveness of the provisions of this chapter to:~~

~~(1) create new jobs;~~

~~(2) increase income; and~~

~~(3) increase the tax base;~~

~~in the jurisdiction of the unit. The fiscal analysis may also consider impacts on tax burdens borne by property owners. The fiscal analysis may also include a review of the practices and experiences of other states or political subdivisions with laws similar to the provisions of this chapter. The Indiana economic development corporation established under IC 5-28-3 or another person or entity designated by the general assembly shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives before December 1, 1999, and every fourth year thereafter. The report submitted to the president pro tempore of the senate and the speaker of the house of representatives must be in an electronic format under IC 5-14-6.~~

SECTION 149. IC 36-7-15.1-36.2 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 36.2. On a quadrennial basis, the general assembly shall provide for an evaluation of the provisions of this chapter, giving first priority to using the Indiana economic development corporation established under IC 5-28-3. The evaluation must be a fiscal analysis, including an assessment of the effectiveness of the provisions of this chapter to:~~

~~(1) create new jobs;~~

~~(2) increase income; and~~

~~(3) increase the tax base;~~

~~in the jurisdiction of the county. The fiscal analysis may also consider impacts on tax burdens borne by property owners. The fiscal analysis may also include a review of the practices and experiences of other states or political subdivisions with laws similar to the provisions of this chapter. The Indiana economic development corporation established under IC 5-28-3 or another person or entity designated by the general assembly shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives before December 1, 2007, and every fourth year thereafter.~~

SECTION 150. IC 36-7.5-5-1, AS ADDED BY P.L.230-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The development authority shall investigate and study the following:

(1) Whether the statistical profile of injuries annually sustained by the population of northwestern Indiana justifies the placement of one (1) or more trauma centers in northwestern Indiana and, if so, what the appropriate levels of the trauma centers should be to care for those injuries, in terms of the trauma center rating system of the American College of Surgeons.

(2) The feasibility of developing an academic medical center in northwestern Indiana.

(b) The development authority shall report its findings to the budget committee and, **in an electronic format under IC 5-14-6,** the ~~health finance commission~~ **interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4** not later than November 1, 2014.

(c) This section expires June 30, 2015.

SECTION 151. P.L.101-2009, SECTION 21, IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~SECTION 21. (a) As used in this section, "committee" refers to the interim study committee on driver education established by this SECTION.~~

~~(b) There is established the interim study committee on driver education. The committee shall study:~~

~~(1) the administration of driver education by the bureau of motor vehicles and the department of education;~~

~~(2) standards for an Internet component of driver instruction;~~

~~(3) standards for a classroom component of driver instruction;~~

~~(4) penalties for instructional providers that fail to follow the standards for instruction driving experience;~~

~~(5) statistics for moving violations accrued by individuals less than eighteen (18) years of age who had:~~

~~(A) taken driver education with a classroom component of driver instruction;~~

~~(B) taken an Internet component of driver instruction; and~~

~~(C) no formal driver education;~~

~~(6) the effectiveness of driver education courses on the accident rates of young drivers; and~~

~~(7) the standards and curriculum content for an effective driver education program.~~

~~(c) Not later than November 1 in the years 2009 through 2014, the state police department shall make a written report to the:~~

~~(1) legislative council; and~~

~~(2) governor;~~

~~concerning motor vehicle accidents and fatalities resulting from motor vehicle accidents in the preceding year involving operators of a motor vehicle who were at least fifteen (15) years and one hundred eighty (180) days of age and less than twenty (20) years of age. The report to the legislative council must be in an electronic format under IC 5-14-6.~~

~~(d) The committee shall operate under the policies governing study committees adopted by the legislative council.~~

~~(e) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.~~

~~(f) This SECTION expires December 31, 2014.~~

SECTION 152. P.L.191-2013, SECTION 7, IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~SECTION 7. (a) The health finance commission (IC 2-5-23) shall study the appropriateness of the implementation time line for the required reporting of immunization data as described in IC 16-38-5-2, as amended by this act, considering:~~

~~(1) necessary improvements to the immunization registry system for providers who manually enter immunization~~

~~data into the immunization registry portal, and ways to identify and reduce errors and inaccuracies between the immunization registry system and interfaced electronic medical record systems; and~~

~~(2) the progress in improving the interoperability of the immunization registry system and electronic medical record systems.~~

~~(b) The commission shall submit a report to the legislative council in a format required under IC 2-5-23-14 that includes the commission's findings and recommendations of topics studied under subsection (a).~~

~~(c) This SECTION expires January 1, 2015.~~

SECTION 153. P.L.232-2013, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 29. (a) As used in this SECTION, "commission" refers to the health finance commission established by IC 2-5-23-3 **(before its repeal).**

(b) As used in this SECTION, "committee" refers to the midwifery committee established by IC 25-23.4-2-1, as added by ~~this act.~~ **P.L.232-2013.**

(c) The medical licensing board shall report ~~to the commission~~ as follows:

(1) **To the commission,** before October 1, 2013, actions taken under IC 25-23.4, as added by ~~this act,~~ **P.L.232-2013,** including the following:

(A) Appointments made to the committee.

(B) Any proposed rules, including the status of the rules.

(2) **To the interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6,** before October 1, 2014, actions taken under IC 25-23.4, as added by ~~this act,~~ **P.L.232-2013,** including the following:

(A) Any proposed rules, including the status of the rules.

(B) The number of applications submitted for a certificate.

(C) The number of certificates issued.

(D) The names of physicians who have registered under IC 25-23.4-5-2, as added by ~~this act.~~ **P.L.232-2013.**

(d) This SECTION expires December 31, 2014.

SECTION 154. HEA 1215-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 15, 2014] ~~(a) As used in this SECTION, "commission" refers to the commission on state tax and financing policy. established by IC 2-5-3-2.~~

~~(b)~~ **(a)** The ~~commission shall compare~~ **legislative council is urged to assign the study topic of comparing** the effectiveness of tax credits to the effectiveness of grant programs in encouraging the preservation and commercial redevelopment of historic properties **to an appropriate interim study committee.**

~~(c) The commission shall submit its findings and recommendations, if any, to the legislative council in an electronic format under IC 5-14-6 before November 1, 2014.~~

~~(d)~~ **(b)** This SECTION expires January 1, 2015.

SECTION 155. **An emergency is declared for this act.**

(Reference is to ESB 80 as reprinted February 27, 2014.)

LONG	BOSMA
LANANE	HARRIS
Senate Conferees	House Conferees

Roll Call 507: yeas 100, nays 0. Report adopted.

The Deputy Speaker Pro Tempore yielded the gavel to the Speaker.

CONFERENCE COMMITTEE REPORT
ESB 249–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 249 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-25-2, AS AMENDED BY SEA 422-2014, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) The total amount of money required for the redemption of real property equals:

(1) the sum of the amounts prescribed in subsections (b) through (f); or

(2) the amount prescribed in subsection (g);

reduced by any amounts held in the name of the taxpayer or the purchaser in the tax sale surplus fund.

(b) Except as provided in subsection (g), the total amount required for redemption includes:

(1) one hundred ten percent (110%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if the tract or item of real property is redeemed not more than six (6) months after the date of sale; or

(2) one hundred fifteen percent (115%) of the minimum bid for which the tract or real property was offered at the time of sale, as required by IC 6-1.1-24-5, if: the tract or item of real property is redeemed more than six (6) months but not more than one (1) year after the date of sale.

(c) Except as provided in subsection (g), in addition to the amount required under subsection (b), the total amount required for redemption includes the amount by which the purchase price exceeds the minimum bid on the real property plus:

(1) five percent (5%) per annum on the amount by which the purchase price exceeds the minimum bid on the property, **if the date of sale occurs after June 30, 2014; or**

(2) ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid on the property, if the date of sale occurs before July 1, 2014.

(d) Except as provided in subsection (g), in addition to the amount required under subsections (b) and (c), the total amount required for redemption includes all taxes and special assessments upon the property paid by the purchaser after the sale plus:

(1) five percent (5%) per annum on those taxes and special assessments, if the date of sale occurs after June 30, 2014; or

(2) ten percent (10%) interest per annum on those taxes and special assessments**, if the date of sale occurs before July 1, 2014.**

(e) Except as provided in subsection (g), in addition to the amounts required under subsections (b), (c), and (d), the total amount required for redemption includes the following costs, if certified before redemption and not earlier than thirty (30) days after the date of sale of the property being redeemed by the payor to the county auditor on a form prescribed by the state board of accounts, that were incurred and paid by the purchaser, the purchaser's assignee, or the county, before redemption:

(1) The attorney's fees and costs of giving notice under section 4.5 of this chapter.

(2) The costs of a title search or of examining and updating the abstract of title for the tract or item of real property.

(f) The total amount required for redemption includes, in addition to the amounts required under subsections (b) and (e), all taxes, special assessments, interest, penalties, and fees on the property that accrued after the sale.

(g) With respect to a tract or item of real property redeemed under section 4(c) of this chapter, instead of the amounts stated in subsections (b) through (f), the total amount required for redemption is the amount determined under IC 6-1.1-24-6.1(b)(4).

SECTION 2. IC 6-1.1-25-4, AS AMENDED BY SEA 422-2014, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The period for redemption of real property sold under IC 6-1.1-24 except for IC 6-1.1-24-1.5 is:

(1) one (1) year after the date of sale; or

(2) one hundred twenty (120) days after the date of sale to a purchasing agency qualified under IC 36-7-17 or IC 36-7-17.1.

(b) Subject to subsection (l) and IC 6-1.1-24-9(d), the period for redemption of real property:

(1) on which the county executive acquires a lien under IC 6-1.1-24-6; and

(2) for which the certificate of sale is not sold under IC 6-1.1-24-6.1;

is one hundred twenty (120) days after the date the county executive acquires the lien under IC 6-1.1-24-6.

(c) The period for redemption of real property:

(1) on which the county executive acquires a lien under IC 6-1.1-24-6; and

(2) for which the certificate of sale is sold under IC 6-1.1-24;

is one hundred twenty (120) days after the date of sale of the certificate of sale under IC 6-1.1-24.

(d) When a deed for real property is executed under this chapter, the county auditor shall cancel the certificate of sale and file the canceled certificate in the office of the county auditor. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5 is not received, the county auditor shall issue a deed to the real property, subject to this chapter.

(e) When a deed is issued to a county executive under this chapter, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(f) A tax deed executed under this chapter vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law and the lien of the state or a political subdivision for taxes and special assessments which accrue subsequent to the sale and which are not removed under subsection (e). However, subject to subsection (g), the estate is subject to:

(1) all easements, covenants, declarations, and other deed restrictions shown by public records;

(2) laws, ordinances, and regulations concerning governmental police powers, including zoning, building, land use, improvements on the land, land division, and environmental protection; and

(3) liens and encumbrances created or suffered by the grantee.

(g) A tax deed executed under this chapter for real property sold in a tax sale:

(1) does not operate to extinguish an easement recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located, regardless of whether the easement was taxed under this article separately from the real property; and

(2) conveys title subject to all easements recorded before the date of the tax sale in the office of the recorder of the county in which the real property is located.

(h) A tax deed executed under this chapter is prima facie evidence of:

(1) the regularity of the sale of the real property described in the deed;

(2) the regularity of all proper proceedings; and

(3) valid title in fee simple in the grantee of the deed.

(i) A county auditor is not required to execute a deed to the county executive under this chapter if the county executive determines that the property involved contains hazardous waste or another environmental hazard for which the cost of abatement or alleviation will exceed the fair market value of the property. The county executive may enter the property to conduct environmental investigations.

(j) If the county executive makes the determination under subsection (i) as to any interest in an oil or gas lease or separate mineral rights, the county treasurer shall certify all delinquent taxes, interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk, following the procedures in IC 6-1.1-23-9. After the date of the county treasurer's certification, the certified amount is subject to collection as delinquent personal property taxes under IC 6-1.1-23. Notwithstanding IC 6-1.1-4-12.4 and IC 6-1.1-4-12.6, the assessed value of such an interest shall be zero (0) until production commences.

(k) When a deed is issued to a purchaser of a certificate of sale sold under IC 6-1.1-24-6.1, the county auditor shall, in the same manner that taxes are removed by certificate of error, remove from the tax duplicate the taxes, special assessments, interest, penalties, and costs remaining due as the difference between:

(1) the amount of:

(A) the last minimum bid under IC 6-1.1-24-5; plus

(B) any penalty associated with a delinquency that was not due until after the date of the sale under IC 6-1.1-24-5 but is due before the issuance of the certificate of sale, with respect to taxes included in the minimum bid that were not due at the time of the sale under IC 6-1.1-24-5; **and**

(2) the amount paid for the certificate of sale.

(l) If a tract or item of real property did not sell at a tax sale and the county treasurer and the owner of real property agree before the expiration of the period for redemption under subsection (b) to a mutually satisfactory arrangement for the payment of the entire amount required for redemption under section 2 of this chapter before the expiration of a period for redemption extended under this subsection:

(1) the county treasurer may extend the period for redemption; and

(2) except as provided in subsection (m), the extended period for redemption expires one (1) year after the date of the agreement.

(m) If the owner of real property fails to meet the terms of an agreement entered into with the county treasurer under subsection (l), the county treasurer may terminate the agreement after providing thirty (30) days written notice to the owner. If the county treasurer gives notice under this subsection, the extended period for redemption established under subsection (l) expires thirty (30) days after the date of the notice.

SECTION 3. IC 6-1.1-36-17, AS AMENDED BY P.L.257-2013, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (c).

(b) Each county auditor that makes a determination that

property was not eligible for a standard deduction under IC 6-1.1-12-37 ~~or a homestead credit under IC 6-1.1-20.9 (repealed)~~ in a particular year shall:

(1) notify the county treasurer of the determination; **and**

(2) do one (1) or more of the following:

(A) Make a notation on the tax duplicate that the property is ineligible for the standard deduction and indicate the date the notation is made.

(B) Record a notice of an ineligible homestead lien under subsection (d)(2).

The county auditor shall issue a notice of taxes, interest, and penalties due to the owner **that improperly received the standard deduction** and include a statement that the payment is to be made payable to the county auditor. The notice must require full payment of the amount owed within thirty (30) days. **The additional taxes and civil penalties that result from the removal of the deduction, if any, are imposed for property taxes first due and payable for an assessment date occurring before the earlier of the date of the notation made under subdivision (2)(A) or the date a notice of an ineligible homestead lien is recorded under subsection (d)(2) in the office of the county recorder. With respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.**

(c) Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

(1) in the nonreverting fund, if the county contains a consolidated city; or

(2) if the county does not contain a consolidated city:

(A) in the nonreverting fund, to the extent that the amount collected, after deducting the direct cost of any contract, including contract related expenses, under which the contractor is required to identify homestead deduction eligibility, does not cause the total amount deposited in the nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars ($100,000); or

(B) in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).

(d) Any part of the amount **due under subsection (b)** that is not collected by the due date ~~shall be~~ **is subject to collection under one (1) or more of the following:**

(1) After being placed on the tax duplicate for the affected property and collected in the same manner as other property taxes.

(2) Through a notice of an ineligible homestead lien recorded in the county recorder's office without charge.

The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited as specified in ~~this~~ subsection **(c)** only in the first year in which that amount is collected. **Upon the collection of the amount due under subsection (b) or the release of a lien recorded under subdivision (2), the county auditor shall submit the appropriate documentation to the county recorder, who shall amend the information recorded under subdivision (2) without charge to indicate that the lien has been released or the amount has been paid in full.**

~~(d)~~ **(e)** The amount to be deposited in the nonreverting fund or the county general fund under subsection (c) includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37, ~~or a homestead credit under IC 6-1.1-20.9 (repealed),~~ including the following:

(1) Supplemental deductions under IC 6-1.1-12-37.5.

(2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26, IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26, or any other law.

(3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited under subsection (c)(1) or (c)(2) shall be distributed as property taxes.

~~(c)~~ **(f)** Money deposited under subsection (c)(1) or (c)(2) shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

(1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37. ~~or a homestead credit under IC 6-1.1-20.9 (repealed).~~

(2) Other expenses of the office of the county auditor.

(3) The cost of preparing, sending, and processing notices described in IC 6-1.1-22-8.1(b)(9).

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor.

SECTION 4. IC 32-17-4-2.5, AS ADDED BY P.L.41-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.5. (a) Not later than forty-five (45) days after the court has acquired jurisdiction over all the parties who have an interest in the property that is the subject of the action, the court shall refer the matter to mediation in accordance with the Indiana rules of alternative dispute resolution.

(b) Except as provided in subsection (c), mediation of the case may not begin until an appraiser files an appraisal report with the court.

(c) If each party waives the appraisal of the property, the case may move to mediation without the filing of an appraisal report.

(d) In its order referring the matter for mediation, the court shall advise the parties:

(1) that the real or personal property will be sold if the parties are unable to reach an agreement not later than sixty (60) days after the order is issued; and

(2) that the parties may agree upon a method of the sale of the property, and if the parties do not agree upon a method of the sale of the property, the property may be sold at public auction or by the sheriff under subsection (g).

(e) Except if the parties agree to waive the appraisal of the property, not later than thirty (30) days after the court acquires jurisdiction under subsection (a), the court shall appoint a licensed real estate appraiser to appraise the property. The appraiser shall file the appraisal with the court.

(f) After receiving the appraisal, the court shall notify the parties of the appraised value of the property.

(g) If an agreed settlement is not reached in mediation or if the parties agree upon a method of sale, the court shall not later than thirty (30) days after the date the mediator files a report with the court that the mediation was not successful, or the parties file their agreement establishing the method of sale:

(1) order the property to be sold using the method that all the parties agree upon; or

(2) order the parties to select an auctioneer to sell the property. If the parties fail to select an auctioneer not later than thirty (30) days after the court's order to select an auctioneer, the court shall order the sheriff to sell the property in the same manner that property is sold at

execution under IC 34-55-6. **The manner of appraising property described in this section satisfies the appraisal requirement under IC 34-55-4 or any other statute. However, if the parties waive appraisal of the property:**

(A) the court shall order the sale to proceed without relief from valuation or appraisement under IC 34-55-4 or any other statute; and

(B) IC 34-55-4-1 does not apply to the sale.

(h) At the time the court orders the property to be sold, the court shall notify all lienholders and other persons with an interest in the lien or property, as identified in the title search or lien search required under IC 29-1-17-11 or section 2 of this chapter, of the sale. The property must be sold free and clear of all liens and special assessments except prescriptive easements, easements of record, and irrevocable licenses, with any sum secured by a lien or special assessment to be satisfied from the proceeds of the sale.

(i) The person who causes a title search to be conducted under section 2 of this chapter or a title or lien search to be conducted under IC 29-1-17-11 is entitled to reimbursement from the proceeds of the sale.

(j) Any person who has paid a tax or special assessment on the property is entitled to pro rata reimbursement from the proceeds of the sale.

(k) Any person may advertise a sale under this section at the person's own expense, but is not entitled to reimbursement for these expenses.

(l) After deduction of the amounts described in subsections (h), (i), and (j) and the reasonable expenses of the sale, the court shall divide the proceeds of the sale among the remaining property owners in proportion to their ownership interest.

(m) If a party having an ownership interest in the property becomes the successful purchaser of the property either through agreed settlement or through auction, that person shall be given a full credit based on the percentage of the person's interest in the property before the purchase.

(n) As used in this subsection, "real estate professional" has the meaning set forth in IC 23-1.5-1-13.5. If the court has ordered that some or all of the property be sold at auction and, at any time before the property is sold at auction, all parties inform the court in writing that they:

(1) wish to sell some or all of the property through a real estate professional;

(2) have jointly selected a real estate professional; and

(3) have agreed upon a listing price for the property;

the court shall rescind its order that the property, or a part of the property, be sold at auction and permit the property to be sold through a real estate professional. If some or all of the property has not been sold at the expiration of the listing agreement with the real estate professional, upon petition by any party, the court shall order the property to be sold at auction in accordance with subsection (h).

SECTION 5. IC 32-21-4-1, AS AMENDED BY P.L.129-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) The following must be recorded in the recorder's office of the county where the land is situated:

(1) A conveyance or mortgage of land or of any interest in land.

(2) A lease for more than three (3) years.

(b) A conveyance, mortgage, or lease takes priority according to the time of its filing. The conveyance, mortgage, or lease is fraudulent and void as against any subsequent purchaser, lessee, or mortgagee in good faith and for a valuable consideration if the purchaser's, lessee's, or mortgagee's deed, mortgage, or lease is first recorded.

(c) ~~This subsection applies only to a mortgage. This subsection applies regardless of when a mortgage was recorded.~~ If:

(1) an instrument referred to in subsection (a) is recorded; and

(2) the instrument does not comply with the:

(A) requirements of:

(i) IC 32-21-2-3; or

(ii) IC 32-21-2-7; or

(B) technical requirements of IC 36-2-11-16(c);

the instrument is validly recorded and provides constructive notice of the contents of the instrument as of the date of filing.

SECTION 6. IC 32-21-7-1, AS AMENDED BY P.L.171-2006, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a) Except as provided in subsection (b),** in ~~any suit~~ **an action** to establish title to ~~land or~~ real ~~estate~~ **property,** possession of the ~~land or~~ real ~~estate~~ **property** is not adverse to the owner in a manner as to establish title ~~or rights in and~~ to the ~~land or~~ real ~~estate~~ **property** unless the adverse possessor ~~or claimant~~ pays ~~and discharges~~ all taxes and special assessments that the adverse possessor ~~or claimant~~ reasonably believes in good faith to be due on the ~~land or~~ real ~~estate~~ **property** during the period the adverse possessor ~~or claimant~~ claims to have **adversely** possessed the ~~land or~~ real ~~estate~~ **property.** ~~adversely.~~ However, this section does not relieve any adverse possessor ~~or claimant~~ from proving all the elements of title by adverse possession required by law.

(b) A governmental entity may claim title to real property by adverse possession without having paid all taxes and special assessments due on the real property during the period of adverse possession if the governmental entity was exempt from the payment of property taxes and special assessments during the period of adverse possession.

SECTION 7. IC 32-25-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Except as provided in subsection (b) **or (d),** in a voluntary conveyance, the grantee of a condominium unit is jointly and severally liable with the grantor for all unpaid assessments against the grantor for the grantor's share of the common expenses incurred before the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts of common expenses paid by the grantee.

(b) The grantee:

(1) is entitled to a statement from the **association,** manager, or board of directors setting forth the amount of the unpaid assessments against the grantor; and

(2) is not liable for, nor shall the condominium unit conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount set forth in the statement.

(c) The grantee may obtain the statement of unpaid assessments described in subsection (b) by making a written request to the association, manager, or board of directors at:

(1) the last address at which the grantor made a payment of the assessments; or

(2) the address for the association, manager, or board of directors as listed in the records of the secretary of state.

(d) If the association, manager, or board of directors does not provide, by first class or certified mail, a statement of unpaid assessments not later than ten (10) business days after receipt of the written request, the:

(1) grantee is not liable for; and

(2) condominium unit conveyed is not subject to a lien for;

any unpaid assessments against the grantor.

SECTION 8. IC 34-55-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Upon prior petition of the debtor, ~~or~~ any creditor involved in the execution proceedings, **or, in the case of a partition action, any party having an interest in the property,** the court in its order of execution shall order the property sold by the sheriff through the services of an auctioneer if the court determines that:

(1) a sale is economically feasible; or

(2) all the creditors in the proceedings agree to both that method of sale and the compensation to be paid the auctioneer.

SECTION 9. IC 34-55-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) The auctioneer's fee shall be a reasonable amount stated in the court's order.

(b) This subsection does not apply to a partition action. ~~However,~~ If the sale by use of an auctioneer has not been agreed to by the creditors in the proceedings and the sale price is less than the ~~amount set out in section 3 of this chapter,~~ **sale price described in IC 34-6-2-35,** the auctioneer is entitled only to the auctioneer's advertising expenses plus one hundred dollars ($100).

~~(b)~~ **(c)** The amount due the auctioneer for the auctioneer's expenses and fee, if any, shall be paid as a cost of the sale from the sale proceeds before the payment of any other payment from the sale proceeds.

(Reference is to ESB 249 as reprinted February 28, 2014.)

BUCK	VANNATTER
TALLIAN	PRYOR
Senate Conferees	House Conferees

Roll Call 508: yeas 98, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 406–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 406 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-11-5.5-2, AS ADDED BY P.L.222-2005, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section does not apply to:

(1) a claim, record, or statement concerning income tax (IC 6-3); **or**

(2) a claim, request, demand, statement, record, act, or omission made or submitted after June 30, 2014, in relation to the Medicaid program described in IC 12-15.

(b) A person who knowingly or intentionally:

(1) presents a false claim to the state for payment or approval;

(2) makes or uses a false record or statement to obtain payment or approval of a false claim from the state;

(3) with intent to defraud the state, delivers less money or property to the state than the amount recorded on the certificate or receipt the person receives from the state;

(4) with intent to defraud the state, authorizes issuance of a receipt without knowing that the information on the receipt is true;

(5) receives public property as a pledge of an obligation on a debt from an employee who is not lawfully authorized to sell or pledge the property;

(6) makes or uses a false record or statement to avoid an obligation to pay or transmit property to the state;

(7) conspires with another person to perform an act described in subdivisions (1) through (6); or

(8) causes or induces another person to perform an act described in subdivisions (1) through (6);

is, except as provided in subsection (c), liable to the state for a civil penalty of at least five thousand dollars ($5,000) and for up to three (3) times the amount of damages sustained by the state. In addition, a person who violates this section is liable to the state for the costs of a civil action brought to recover a penalty or damages.

(c) If the factfinder determines that the person who violated this section:

(1) furnished state officials with all information known to the person about the violation not later than thirty (30) days after the date on which the person obtained the information;

(2) fully cooperated with the investigation of the violation; and

(3) did not have knowledge of the existence of an investigation, a criminal prosecution, a civil action, or an administrative action concerning the violation at the time the person provided information to state officials;

the person is liable for a penalty of not less than two (2) times the amount of damages that the state sustained because of the violation. A person who violates this section is also liable to the state for the costs of a civil action brought to recover a penalty or damages.

SECTION 2. IC 5-11-5.7-1, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) This chapter applies only to claims, requests, demands, statements, records, acts, and omissions made or submitted in relation to the Medicaid program described in IC 12-15. **Sections 3 through 18 of this chapter apply to claims, requests, demands, statements, records, acts, and omissions made or submitted in relation to the Medicaid program described in IC 12-15 in violation of IC 5-11-5.5-2 or IC 5-11-5.7-2.**

(b) The following definitions apply throughout this chapter:

(1) "Claim" means a request or demand for money or property, whether under a contract or otherwise, and whether or not the state has title to the money or property, that:

(A) is presented to an officer, employee, or agent of the state; or

(B) is made to a contractor, grantee, or other recipient, if the money or property is to be spent or used on the state's behalf or to advance a state program or interest, and if the state:

(i) provides or has provided any part of the money or property that is requested or demanded; or

(ii) will reimburse the contractor, grantee, or other recipient for any part of the money or property that is requested or demanded.

(2) ~~"Documentary material"~~ **"Document", "electronically stored information", or "tangible thing" includes:** ~~means:~~

(A) ~~the original or a copy of a book, record, report, memorandum, paper, communication, tabulation, chart, or other document;~~ **a writing, a drawing, a graph, a chart, a photograph, a sound recording, or an image;**

(B) **other data or** a data compilation stored in **any medium from which information can be obtained either directly** or ~~accessible through computer or other information retrieval systems, together with instructions and all other materials necessary to use or interpret the data compilations;~~ **after translation by the responding party into a reasonably usable form;** ~~and~~

(C) any tangible thing; and

~~(C)~~ **(D)** a product of discovery.

(3) "Investigation" means an inquiry conducted by an investigator to ascertain whether a person is or has been engaged in a violation of this chapter.

(4) "Knowing", "knowingly", or "known" means that a

person, regarding information:

(A) has actual knowledge of the information;

(B) acts in deliberate ignorance of the truth or falsity of the information; or

(C) acts in reckless disregard of the truth or falsity of the information;

and requires no proof of specific intent to defraud.

(5) "Material" means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property.

(6) "Obligation" means an established duty, whether or not the duty is fixed, arising from:

(A) an express or implied contractual relationship;

(B) a grantor-grantee relationship;

(C) a licensor-licensee relationship;

(D) a fee-based or similar relationship;

(E) a statute;

(F) a rule or regulation; or

(G) the retention of an overpayment.

(7) "Person" includes a natural person, a corporation, a firm, an association, an organization, a partnership, a limited liability company, a business, or a trust.

(8) "Product of discovery" means the original or duplicate of:

(A) a deposition;

(B) an interrogatory;

(C) a document;

(D) a thing;

(E) a result of the inspection of land or other property; or

(F) an examination or admission;

that is obtained by any method of discovery in a judicial or an administrative proceeding of an adversarial nature. The term includes a digest, an analysis, a selection, a compilation, a derivation, an index, or another method of accessing an item listed in this subdivision. **The term also includes electronically stored information.**

(9) "State" means Indiana or any agency of state government. The term does not include a political subdivision.

SECTION 3. IC 5-11-5.7-2, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. ~~(a) This section does not apply to a claim, record, or statement concerning income tax (IC 6-3).~~

~~(b)~~ **(a)** A person who:

(1) knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

(2) knowingly makes, uses, or causes to be made or used, a false record or statement that is material to a false or fraudulent claim;

(3) has possession, custody, or control of property or money used, or to be used, by the state, and knowingly delivers, or causes to be delivered, less than all of the money or property;

(4) is authorized to make or deliver a document certifying receipt of property used, or to be used, by the state and, with intent to defraud the state, authorizes issuance of a receipt without knowing that the information on the receipt is true;

(5) knowingly buys or receives, as a pledge of an obligation or debt, public property from an employee who is not lawfully authorized to sell or pledge the property;

(6) knowingly:

(A) makes, uses, or causes to be made or used, a false record or statement concerning an obligation to pay or transmit money or property to the state; or

(B) conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the state;

(7) conspires with another person to perform an act described in subdivisions (1) through (6); or

(8) causes or induces another person to perform an act described in subdivisions (1) through (6);

is, except as provided in subsection ~~(c)~~ **(b),** liable to the state for a civil penalty of at least five thousand five hundred dollars ($5,500) and not more than eleven thousand dollars ($11,000), as adjusted by the federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note, Public Law 101-410), and for up to three (3) times the amount of damages sustained by the state. In addition, a person who violates this section is liable to the state for the costs of a civil action brought to recover a penalty or damages.

~~(c)~~ **(b)** If the factfinder determines that the person who violated this section:

(1) furnished state officials with all information known to the person about the violation not later than thirty (30) days after the date on which the person obtained the information;

(2) fully cooperated with the investigation of the violation; and

(3) did not have knowledge of the existence of an investigation, a criminal prosecution, a civil action, or an administrative action concerning the violation at the time the person provided information to state officials;

the person is liable for a penalty of not less than two (2) times the amount of damages that the state sustained because of the violation. A person who violates this section is also liable to the state for the costs of a civil action brought to recover a penalty or damages.

SECTION 4. IC 5-11-5.7-3, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The:

(1) attorney general; and

(2) inspector general;

have concurrent jurisdiction to investigate a violation of section 2 of this chapter.

(b) If the attorney general discovers a violation of section 2 of this chapter, the attorney general may bring a civil action under this chapter against a person who may be liable for the violation.

(c) If the inspector general discovers a violation of section 2 of this chapter, the inspector general shall certify this finding to the attorney general. The attorney general may bring a civil action under this chapter against a person who may be liable for the violation.

(d) If the attorney general or the inspector general is served by a person who has filed a civil action under section 4 of this chapter, the attorney general has the authority to intervene in that action as set forth in section 4 of this chapter.

(e) If the attorney general:

(1) is disqualified from investigating a possible violation of section 2 of this chapter;

(2) is disqualified from bringing a civil action concerning a possible violation of section 2 of this chapter;

(3) is disqualified from intervening in a civil action brought under section 4 of this chapter concerning a possible violation of section 2 of this chapter;

(4) elects not to bring a civil action concerning a possible violation of section 2 of this chapter; or

(5) elects not to intervene under section 4 of this chapter;

the attorney general shall certify the attorney general's disqualification or election to the inspector general.

(f) If the attorney general has certified the attorney general's disqualification or election not to bring a civil action or intervene in a case under subsection (e), the inspector general has authority to:

(1) bring a civil action concerning a possible violation of section 2 of this chapter; or

(2) intervene in a case under section 4 of this chapter.

(g) The attorney general shall certify to the inspector general the attorney general's disqualification or election under

subsection (e) in a timely fashion, and in any event not later than:

(1) sixty (60) days after being served, if the attorney general has been served by a person who has filed a civil action under section 4 of this chapter; or

(2) one hundred eighty (180) days before the expiration of the statute of limitations, if the attorney general has not been served by a person who has filed a civil action under section 4 of this chapter.

~~(h) A civil action brought under section 4 of this chapter may be filed in:~~

~~(1) a circuit or superior court in Marion County; or~~

~~(2) a circuit or superior court in the county in which a defendant or plaintiff resides.~~

~~(i)~~ **(h)** The state is not required to file a bond under this chapter.

SECTION 5. IC 5-11-5.7-4, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) A person may bring a civil action for a violation of section 2 of this chapter on behalf of the person and on behalf of the state. The action:

(1) must be brought in the name of the state; and

(2) may be filed in **any court with jurisdiction.** ~~a circuit or superior court in:~~

~~(A) the county in which the person resides;~~

~~(B) the county in which a defendant resides; or~~

~~(C) Marion County.~~

(b) ~~Except as provided in section 5 of this chapter,~~ An action brought under this section may be dismissed **voluntarily by the person bringing the action** only if:

(1) **the person obtains the prior written consent of** the attorney general or the inspector general, if applicable; ~~files a written motion to dismiss explaining why dismissal is appropriate;~~ and

(2) the court issues an order:

(A) granting the motion; and

(B) explaining the court's reasons for granting the motion.

(c) A person who brings an action under this section shall serve:

(1) a copy of the complaint; and

(2) a written disclosure that describes all relevant material evidence and information the person possesses;

on both the attorney general and the inspector general. The person shall file the complaint under seal, and the complaint shall remain under seal for at least sixty (60) days. The complaint shall not be served on the defendant until the court orders the complaint served on the defendant following the intervention or the election not to intervene of the attorney general or the inspector general. The state may elect to intervene and proceed with the action not later than sixty (60) days after it receives both the complaint and the written disclosure.

(d) For good cause shown, the attorney general or the inspector general may move the court to extend the time during which the complaint must remain under seal. A motion for extension may be supported by an affidavit or other evidence. The affidavit or other evidence may be submitted in camera.

(e) Before the expiration of the time during which the complaint is sealed, the attorney general or the inspector general may:

(1) intervene in the case and proceed with the action, in which case the attorney general or the inspector general shall conduct the action; or

(2) elect not to proceed with the action, in which case the person who initially filed the complaint may proceed with the action.

(f) The defendant in an action filed under this section is not required to answer the complaint until twenty-one (21) days after the complaint has been unsealed and served on the defendant.

(g) After a person has filed a complaint under this section, no person other than the attorney general or the inspector general may:

(1) intervene; or

(2) bring another action based on the same facts.

(h) If the person who initially filed the complaint:

(1) planned and initiated the violation of section 2 of this chapter; or

(2) has been convicted of a crime related to the person's violation of section 2 of this chapter;

upon motion of the attorney general or the inspector general, the court shall dismiss the person as a plaintiff.

SECTION 6. IC 5-11-5.7-5, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) If the attorney general or the inspector general intervenes in an action under section 4 of this chapter, the attorney general or the inspector general is responsible for prosecuting the action and is not bound by an act of the person who initially filed the complaint. The attorney general or the inspector general may do the following:

(1) File a complaint.

(2) Amend the complaint of a person who has brought an action under section 4 of this chapter, to:

(A) clarify or add detail to the claims in which the state is intervening; or

(B) add additional claims to which the state contends the state is entitled to relief.

(3) Move for a change of venue to Marion County if the attorney general or the inspector general files a motion for change of venue not later than ten (10) days after the attorney general or the inspector general intervenes.

For statute of limitation purposes, a pleading filed by the attorney general or the inspector general relates back to the filing date of the complaint of the person who originally brought the action, to the extent that the claim of the state arises out of the conduct, transactions, or occurrences set forth, or attempted to be set forth, in the original filed complaint. Except as provided in this section, the person who initially filed the complaint may continue as a party to the action.

(b) With the approval of the court, the attorney general or the inspector general may dismiss the action after:

(1) notifying the person who initially filed the complaint; and

(2) the court has conducted a hearing at which the person who initially filed the complaint was provided the opportunity to be heard on the motion.

The court may consider a request by the attorney general or the inspector general to dismiss the action but is not bound by the request. Additionally, the court may permit the attorney general or inspector general to ~~be dismissed from~~ **withdraw his or her appearance in** the case and may permit the person who initially filed the complaint to continue to prosecute the action **in the name of the state.**

(c) The attorney general or the inspector general may settle the action if a court determines, after a hearing, that the proposed settlement is fair, adequate, and reasonable in light of the circumstances. Upon a showing of good cause, the court may:

(1) conduct the settlement hearing in camera; or

(2) lift all or part of the seal to facilitate the investigative process or settlement.

The court may consider an objection to the settlement brought by the person who initially filed the complaint, but is not bound by this objection.

(d) Upon a showing by the attorney general, the inspector general, or the defendant that unrestricted participation by the person who initially filed the complaint:

(1) will interfere with or unduly delay the prosecution of the case by the attorney general or the inspector general;

(2) will involve the presentation of repetitious or irrelevant

evidence, or evidence introduced for purposes of harassment; or

(3) will cause the defendant to suffer undue burden or unnecessary expense;

the court may impose reasonable limitations on the person's participation, including a limit on the number of witnesses that the person may call, a limit to the length of testimony that the person's witness may present, a limit to the person's cross-examination of a witness, or otherwise limit the participation by the person in the litigation.

(e) If the attorney general or the inspector general elects not to intervene in the action, the person who initially filed the complaint has the right to prosecute the action. Upon request, the attorney general or the inspector general shall be served with copies of all documents filed in the action and may obtain a copy of depositions and other transcripts at the state's expense.

(f) If the attorney general and the inspector general have elected not to intervene in an action in accordance with section 4 of this chapter, upon a showing of good cause, a court may permit either the attorney general or the inspector general to intervene at a later time. The attorney general may move to intervene at any time. If the attorney general has not moved to intervene, the inspector general may move to intervene by providing written notice to the attorney general of the inspector general's intent to intervene. If the attorney general does not move to intervene earlier than fifteen (15) days after receipt of the notice of intent to intervene, the inspector general may move to intervene. If the attorney general or the inspector general intervenes under this subsection, the attorney general or the inspector general is responsible for prosecuting the action as if the attorney general or the inspector general had intervened in accordance with section 4 of this chapter.

(g) If the attorney general or inspector general shows that a specific discovery action by the person who initially filed the complaint will interfere with the investigation or prosecution of a civil or criminal matter arising out of the same facts, the court may, following a hearing in camera, stay discovery for not more than sixty (60) days. After the court has granted a sixty (60) day stay, the court may extend the stay, following a hearing in camera, if it determines that the state has pursued the civil or criminal investigation with reasonable diligence and that a specific discovery action by the person who initially filed the complaint will interfere with the state's investigation or prosecution of the civil or criminal matter.

(h) A court may dismiss an action brought under this chapter to permit the attorney general or the inspector general to pursue its claim through an alternative proceeding, including an administrative proceeding or a proceeding brought in another jurisdiction. The person who initially filed the complaint has the same rights in the alternative proceedings as the person would have had in the original proceedings. A finding of fact or conclusion of law made in the alternative proceeding is binding on all parties to an action under this section once the determination made in the alternative proceeding is final under the rules, regulations, statutes, or law governing the alternative proceeding, or if the time for seeking an appeal or review of the determination made in the alternative proceeding has elapsed.

SECTION 7. IC 5-11-5.7-6, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) The person who initially filed the complaint is entitled to the following amounts if the state prevails in the action:

(1) Except as provided in subdivision (2), if the attorney general or the inspector general intervened in the action, the person is entitled to receive at least fifteen percent (15%) and not more than twenty-five percent (25%) of the proceeds of the action or settlement, plus reasonable attorney's fees and an amount to cover the expenses and costs of bringing the action.

(2) If the attorney general or the inspector general intervened in the action and the court finds that the evidence used to prosecute the action consisted primarily of specific information, other than information provided by the person bringing the action, contained in:

(A) a transcript of a criminal, a civil, or an administrative hearing;

(B) a legislative, an administrative, or another public **state** report, hearing, audit, or investigation; or

(C) a news media report;

the person is entitled to receive not more than ten percent (10%) of the proceeds of the action or settlement, taking into account the significance of the information and the role of the person bringing the action in advancing the case to litigation, plus reasonable attorney's fees and an amount to cover the expenses and costs of bringing the action.

(3) If the attorney general or the inspector general did not intervene in the action, the person is entitled to receive at least twenty-five percent (25%) and not more than thirty percent (30%) of the proceeds of the action or settlement, plus reasonable attorney's fees and an amount to cover the expenses and costs of bringing the action.

(4) If the person who initially filed the complaint:

(A) planned and initiated the violation of section 2 of this chapter; or

(B) has been convicted of a crime related to the person's violation of section 2 of this chapter;

the person is not entitled to an amount under this section. After conducting a hearing at which the attorney general or the inspector general and the person who initially filed the complaint may be heard, the court shall determine the specific amount to be awarded under this section to the person who initially filed the complaint. The award of reasonable attorney's fees plus an amount to cover the expenses and costs of bringing the action is an additional cost assessed against the defendant and may not be paid from the proceeds of the civil action.

(b) If:

(1) the attorney general or the inspector general did not intervene in the action; and

(2) the defendant prevails;

the court may award the defendant reasonable attorney's fees plus an amount to cover the expenses and costs of defending the action, if the court finds that the action is frivolous, vexatious, or brought primarily for purposes of harassment.

(c) The state is not liable for the expenses, costs, or attorney's fees of a party to an action brought under this chapter.

SECTION 8. IC 5-11-5.7-7, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) This section does not apply to an action brought by:

(1) the attorney general;

(2) the inspector general;

(3) a prosecuting attorney; or

(4) a state employee in the employee's official capacity.

(b) A court does not have jurisdiction over an action brought under section 4 of this chapter if the action is brought by an incarcerated offender, including an offender incarcerated in another jurisdiction.

(c) A court does not have jurisdiction over an action brought under section 4 of this chapter against the state, a state officer, a judge (as defined in IC 33-23-11-7), a justice, a member of the general assembly, a state employee, or an employee of a political subdivision, if the action is based on information known to the state at the time the action was brought.

(d) A court does not have jurisdiction over an action brought under section 4 of this chapter if the action is based upon an act that is the subject of a civil suit, a criminal prosecution, or an administrative proceeding in which the state is a party.

(e) A court does not have jurisdiction over an action **or claim** brought under section 4 of this chapter if the action **or claim** is

based upon information contained in:

(1) a transcript of a criminal, a civil, or an administrative hearing in which the state or the state's agent is a party;

(2) a legislative, an administrative, or another public state report, hearing, audit, or investigation; or

(3) a news media report;

unless the person bringing the action either, before a public disclosure under this section voluntarily discloses to the state the information on which the allegations or transactions in a claim are based, or has knowledge that is independent of and materially adds to the publicly disclosed allegations or transactions, and the person bringing the action has voluntarily provided this information to the state before an action is filed under section 4 of this chapter.

(f) In determining whether a prior public disclosure bars a court from exercising jurisdiction over an action brought under section 4 of this chapter, the court shall consider, but is not bound by, any objection brought by the attorney general or the inspector general.

SECTION 9. IC 5-11-5.7-8, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) An employee, contractor, or agent who has been discharged, demoted, suspended, threatened, harassed, or otherwise discriminated against in the terms and conditions of employment because of lawful acts done by the employee, contractor, agent, or associated others to:

(1) object to or otherwise stop an act or omission described in section 2 of this chapter; ~~or~~

(2) initiate, testify, assist, or participate in an investigation, an action, or a hearing; ~~under this chapter;~~ **or**

(3) perform any other lawful act in furtherance of other efforts to stop one (1) or more violations under this chapter;

is entitled to all relief necessary to make the employee, contractor, or agent whole.

(b) Relief under this section must include:

(1) reinstatement with the same seniority status the employee, contractor, or agent would have had but for the act described in subsection (a);

(2) two (2) times the amount of back pay;

(3) interest on the back pay; and

(4) compensation for any special damages sustained as a result of the act described in subsection (a), including costs and expenses of litigation and reasonable attorney's fees.

(c) An employee, **contractor, or agent** may bring an action for the relief provided in this section in any court with jurisdiction.

(d) A civil action under this section may not be brought more than three (3) years after the date the retaliation occurred.

SECTION 10. IC 5-11-5.7-9, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) A subpoena requiring the attendance of a witness at a trial or hearing conducted under this chapter may be served at any place in Indiana.

(b) A civil action under section 4 of this chapter is barred unless it is commenced:

(1) not later than six (6) years after the date on which the violation is committed; or

(2) not later than three (3) years after the date when facts material to the cause of action are known or reasonably should have been known by a state officer or employee who is responsible for addressing the false claim, ~~However, an action is barred unless it is commenced not~~ **but in no event** later than ten (10) years after the date on which the violation is committed, **whichever occurs later.**

(c) In a civil action brought under this chapter, the state is required to establish:

(1) the essential elements of the offense; and

(2) damages;

by a preponderance of the evidence.

(d) If a defendant has been convicted (including a plea of guilty or nolo contendere) of a crime involving fraud or a false statement, the defendant is estopped from denying the elements of the offense in a civil action brought under section 4 of this chapter that involves the same transaction as the criminal prosecution.

SECTION 11. IC 5-11-5.7-10, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) Whenever the attorney general, the inspector general, or the designee of the attorney general or the inspector general has reason to believe that a person may be in possession, custody, or control of documentary material, **electronically stored information, a tangible thing,** or information relevant to an investigation under this chapter involving a false claim, the attorney general, the inspector general, or the designee of the attorney general or inspector general may, before commencing a civil proceeding under this chapter, issue and serve a civil investigative demand requiring the person to do one (1) or more of the following:

(1) Produce the documentary material, **electronically stored information, or tangible thing** for inspection and copying.

(2) Answer an interrogatory in writing concerning the documentary material, **electronically stored information, tangible thing,** or information.

(3) Give oral testimony concerning the documentary material, **electronically stored information, tangible thing,** or information.

(4) Furnish any combination of material, other evidence, answers, or testimony.

(b) If a civil investigative demand is a specific demand for a product of discovery, the official issuing the civil investigative demand shall:

(1) serve a copy of the civil investigative demand on the person from whom the discovery was obtained; and

(2) notify the person to whom the civil investigative demand is issued of the date of service.

SECTION 12. IC 5-11-5.7-14, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) The production of documentary material in response to a civil investigative demand served under this chapter shall be made in accordance with ~~Trial Rule 34~~ **the rules of civil procedure concerning the production of documents, electronically stored information, and tangible things.**

(b) Each interrogatory in a civil investigative demand served under this chapter shall be answered in accordance with ~~Trial Rule 33.~~ **the rules of civil procedure concerning interrogatories.**

(c) The examination of a person under a civil investigative demand for oral testimony served under this chapter shall be conducted in accordance with ~~Trial Rule 30.~~ **the rules of civil procedure concerning oral depositions.**

SECTION 13. IC 5-11-5.7-16, AS ADDED BY P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A person who has failed to comply with a civil investigative demand is subject to sanctions under ~~Trial Rule 37~~ **the rules of civil procedure** to the same extent as a person who has failed to cooperate in discovery.

(b) A person who objects to a civil investigative demand issued under this chapter may seek a protective order in accordance with ~~Trial Rule 26(C).~~ **the rules of civil procedure.**

SECTION 14. IC 5-11-5.7-18, AS ADDED BY

P.L.197-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. Proceedings under this chapter are governed by the Indiana Rules of Trial Procedure **if the proceedings are held in state court, and by the Federal Rules of Civil Procedure if the proceedings are held in federal court.** ~~unless the Indiana Rules of Trial Procedure are inconsistent with this chapter.~~

SECTION 15. IC 12-8-1.5-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10.5. (a) The office of the secretary is designated as the single state agency for administration of the state Medicaid program under IC 12-15.**

(b) The office of the secretary shall develop and coordinate Medicaid policy for the state.

SECTION 16. IC 12-8-6.5-3 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 3. The office is designated as the single state agency for administration of the state Medicaid program under IC 12-15.~~

SECTION 17. IC 12-8-6.5-4, AS ADDED BY P.L.160-2012, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. **Under the direction of the secretary,** the office shall develop and coordinate Medicaid policy for the state.

SECTION 18. IC 12-15-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The office ~~of Medicaid policy and planning~~ **of the secretary** shall administer the Medicaid program under 42 U.S.C. 1396 et seq.

SECTION 19. IC 12-15-13-0.4, AS ADDED BY P.L.117-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.4. As used in this chapter, "office" includes the following:

(1) The office of ~~Medicaid policy and planning.~~ **the secretary of family and social services.**

(2) A managed care organization that has contracted with the office of Medicaid policy and planning under this article.

(3) A person that has contracted with a managed care organization described in subdivision (2).

SECTION 20. **An emergency is declared for this act.**

(Reference is to ESB 406 as reprinted February 28, 2014.)

MISHLER	CLERE
MRVAN	C. BROWN
Senate Conferees	House Conferees

Roll Call 509: yeas 98, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 1–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 1 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-3-7.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7.2. (a) This section applies in a county in which an exemption ordinance adopted under this section is in effect in the county for those assessment dates occurring:**

(1) after the later of:

(A) December 31, 2015; or

(B) the date on which the ordinance is adopted; and

(2) before the ordinance is rescinded.

(b) As used in this section, "affiliate" means an entity that effectively controls or is controlled by a taxpayer or is associated with a taxpayer under common ownership or control, whether by shareholdings or other means.

(c) As used in this section, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article;

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income; and

(3) was:

(A) acquired by the taxpayer in an arms length transaction from an entity that is not an affiliate of the taxpayer, if the personal property has been previously used in Indiana before being placed in service in the county; or

(B) acquired in any manner, if the personal property has never been previously used in Indiana before being placed in service in the county.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (3), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

(d) As used in this section, "county income tax council" refers to the county income tax council established by IC 6-3.5-6-2 for a county.

(e) As used in this section, "exemption ordinance" refers to an ordinance adopted under subsection (f) by a county income tax council.

(f) The county income tax council may by a majority vote of the total votes allocated to the county income tax council adopt an ordinance to have the exemption under this section apply throughout the county.

(g) For purposes of adopting an exemption ordinance under this section, a county income tax council is comprised of the same members as the county income tax council that is established by IC 6-3.5-6-2 for the county, regardless of whether a county income tax is in effect in the county and regardless of which county income tax is in effect in the county. Except as otherwise provided in this section, the county income tax council shall use the same procedures that apply under IC 6-3.5-6 when acting under this section.

(h) Before adopting an exemption ordinance under this section, a county income tax council must conduct a public hearing on the proposed exemption ordinance. The county income tax council must publish notice of the public hearing in accordance with IC 5-3-1.

(i) The county income tax council shall provide a certified copy of an adopted exemption ordinance to the department of local government finance and the county auditor.

(j) Notwithstanding section 7 of this chapter, if:

(1) a county income tax council has adopted an exemption ordinance and this section applies to a county for a particular assessment date; and

(2) the acquisition cost of a taxpayer's business personal property in a county is less than twenty thousand dollars ($20,000) for that assessment date;

the taxpayer's business personal property in the county for that assessment date is exempt from taxation.

(k) A taxpayer that is eligible for the exemption under this section is not required to file a personal property return for the taxpayer's business personal property in the county for

that assessment date. However, the taxpayer must, before May 15 of the calendar year in which the assessment date occurs, file with the county assessor an annual certification stating that the taxpayer's business personal property in the county is exempt from taxation under this section for that assessment date.

SECTION 2. IC 6-1.1-10.3 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 10.3. County Option Exemption of Business Personal Property

Sec. 1. As used in this chapter, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article; and

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (2), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

Sec. 2. As used in this chapter, "county income tax council" refers to the county income tax council established by IC 6-3.5-6-2 for a county.

Sec. 3. As used in this chapter, "exemption ordinance" refers to an ordinance adopted under section 5 of this chapter by a county income tax council.

Sec. 4. As used in this chapter, "new personal property" means business personal property that:

(1) a taxpayer places in service after the later of the date the exemption ordinance is adopted or a date specified in the exemption ordinance; and

(2) has not previously been used in Indiana before the taxpayer acquires the business personal property.

Sec. 5. (a) A county income tax council may adopt an exemption ordinance that exempts new personal property located in the county from property taxation as provided in section 6 of this chapter.

(b) For purposes of adopting an exemption ordinance under this chapter, a county income tax council is comprised of the same members as the county income tax council that is established by IC 6-3.5-6-2 for the county, regardless of whether a county income tax is in effect in the county and regardless of which county income tax is in effect in the county. Except as provided in this chapter, the county income tax council shall use the same procedures that apply under IC 6-3.5-6 when acting under this chapter.

(c) Before adopting an exemption ordinance under this section, a county income tax council must conduct a public hearing on the proposed exemption ordinance. The county income tax council must publish notice of the public hearing in accordance with IC 5-3-1.

(d) The county income tax council shall provide a certified copy of an adopted exemption ordinance to the department of local government finance and the county auditor.

Sec. 6. An exemption ordinance adopted under this chapter must exempt all new personal property.

Sec. 7. A county income tax council may repeal or amend an exemption ordinance. However, if a county income tax council repeals or amends an exemption ordinance, any new personal property that was exempt under the exemption ordinance on the date the new personal property was placed into service by a taxpayer remains exempt from property taxation, regardless of whether or not the ownership of the new personal property changes after the date the exemption ordinance is amended or repealed.

Sec. 8. A taxpayer is not required to file an application or a personal property tax return to qualify for an exemption under this chapter.

SECTION 3. IC 6-1.1-12.1-4.5, AS AMENDED BY P.L.288-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4.5. (a) An applicant must provide a statement of benefits to the designating body. The applicant must provide the completed statement of benefits form to the designating body before the hearing specified in section 2.5(c) of this chapter or before the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment for which the person desires to claim a deduction under this chapter. The department of local government finance shall prescribe a form for the statement of benefits. The statement of benefits must include the following information:

(1) A description of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that the person proposes to acquire.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

an estimate of the number of individuals who will be employed or whose employment will be retained by the person as a result of the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment and an estimate of the annual salaries of these individuals.

(3) An estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, an estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products by the new manufacturing equipment.

The statement of benefits may be incorporated in a designation application. Notwithstanding any other law, a statement of benefits is a public record that may be inspected and copied under IC 5-14-3-3.

(b) The designating body must review the statement of benefits required under subsection (a). The designating body shall determine whether an area should be designated an economic revitalization area or whether the deduction shall be allowed, based on (and after it has made) the following findings:

(1) Whether the estimate of the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is reasonable for equipment of that type.

(2) With respect to:

(A) new manufacturing equipment not used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products; and

(B) new research and development equipment, new logistical distribution equipment, or new information technology equipment;

whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(3) Whether the estimate of the annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(4) With respect to new manufacturing equipment used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products, whether the estimate of the amount of solid waste or hazardous waste that will be converted into energy or other useful products can be reasonably expected to result from the installation of the new manufacturing equipment.

(5) Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the proposed installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment.

(6) Whether the totality of benefits is sufficient to justify the deduction.

The designating body may not designate an area an economic revitalization area or approve the deduction unless it makes the findings required by this subsection in the affirmative.

(c) Except as provided in subsection (f), and subject to subsection (g) and section 15 of this chapter, an owner of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment whose statement of benefits is approved is entitled to a deduction from the assessed value of that equipment for the number of years determined by the designating body under section 17 **or 18** of this chapter. Except as provided in subsection (d) and in section 2(i)(3) of this chapter, and subject to subsection (g) and section 15 of this chapter, the amount of the deduction that an owner is entitled to for a particular year equals the product of:

(1) the assessed value of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment in the year of deduction under the abatement schedule established under section 17 **or 18** of this chapter; multiplied by

(2) the percentage prescribed by the designating body under section 17 **or 18** of this chapter.

(d) With respect to new manufacturing equipment and new research and development equipment installed before March 2, 2001, the deduction under this section is the amount that causes the net assessed value of the property after the application of the deduction under this section to equal the net assessed value after the application of the deduction under this section that results from computing:

(1) the deduction under this section as in effect on March 1, 2001; and

(2) the assessed value of the property under 50 IAC 4.2, as in effect on March 1, 2001, or, in the case of property subject to IC 6-1.1-8, 50 IAC 5.1, as in effect on March 1, 2001.

(e) The designating body shall determine the number of years the deduction is allowed under section 17 **or 18** of this chapter. ~~However,~~ **Except as provided by section 18 of this chapter,** the deduction may not be allowed for more than ten (10) years. This determination shall be made:

(1) as part of the resolution adopted under section 2.5 of this chapter; or

(2) by resolution adopted within sixty (60) days after receiving a copy of a property owner's certified deduction application from the county auditor. A certified copy of the resolution shall be sent to the county auditor.

A determination about the number of years the deduction is allowed that is made under subdivision (1) is final and may not be changed by following the procedure under subdivision (2).

(f) The owner of new manufacturing equipment that is directly used to dispose of hazardous waste is not entitled to the deduction provided by this section for a particular assessment year if during that assessment year the owner:

(1) is convicted of a criminal violation under IC 13, including IC 13-7-13-3 (repealed) or IC 13-7-13-4 (repealed); or

(2) is subject to an order or a consent decree with respect to property located in Indiana based on a violation of a federal or state rule, regulation, or statute governing the treatment, storage, or disposal of hazardous wastes that had a major or moderate potential for harm.

(g) For purposes of subsection (c), the assessed value of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment that is part of an owner's assessable depreciable personal property in a single taxing district subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 is the product of:

(1) the assessed value of the equipment determined without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9; multiplied by

(2) the quotient of:

(A) the amount of the valuation limitation determined under 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 for all of the owner's depreciable personal property in the taxing district; divided by

(B) the total true tax value of all of the owner's depreciable personal property in the taxing district that is subject to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9 determined:

(i) under the depreciation schedules in the rules of the department of local government finance before any adjustment for abnormal obsolescence; and

(ii) without regard to the valuation limitation in 50 IAC 4.2-4-9 or 50 IAC 5.1-6-9.

SECTION 4. IC 6-1.1-12.1-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 12.5. Except as provided in section 12(f) of this chapter, if a county or municipality receives a reimbursement, repayment, or penalty from a taxpayer on account of the taxpayer's failure to comply with the statement of benefits provided by the taxpayer or on account of the taxpayer's failure to comply with any other requirement to receive a deduction under this chapter, the county or municipal fiscal officer shall distribute the amount of the reimbursement, repayment, or penalty on a pro rata basis to each taxing unit that contains the property that was subject to the deduction. The amount to be distributed to each taxing unit that contains the property that was subject to the deduction shall be determined according to the following formula:**

STEP ONE: Determine the total aggregate property tax rate imposed in the preceding year by the taxing unit.

STEP TWO: Determine the sum of the STEP ONE amounts for all taxing units that contain the property that was subject to the deduction.

STEP THREE: Divide the STEP ONE amount by the

sum determined under STEP TWO.

STEP FOUR: Multiply the amount of the reimbursement, repayment, or penalty by the STEP THREE quotient.

SECTION 5. IC 6-1.1-12.1-17, AS AMENDED BY P.L.288-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

(1) The total amount of the taxpayer's investment in real and personal property.

(2) The number of new full-time equivalent jobs created.

(3) The average wage of the new employees compared to the state minimum wage.

(4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. **Except as provided in section 18 of this chapter,** an abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

SECTION 6. IC 6-1.1-12.1-18 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 18. (a) This section applies to a deduction provided under section 4.5 of this chapter for new personal property with respect to a statement of benefits approved after June 30, 2015.**

(b) As used in this section, "business personal property" means personal property that:

(1) is otherwise subject to assessment and taxation under this article; and

(2) is used in a trade or business or otherwise held, used, or consumed in connection with the production of income.

The term does not include mobile homes assessed under IC 6-1.1-7, personal property held as an investment, or personal property that is assessed under IC 6-1.1-8 and is owned by a public utility subject to regulation by the Indiana utility regulatory commission. However, the term does include the personal property of a telephone company or a communications service provider if that personal property meets the requirements of subdivisions (1) through (2), regardless of whether that personal property is assessed under IC 6-1.1-8 and regardless of whether the telephone company or communications service provider is subject to regulation by the Indiana utility regulatory commission.

(c) As used in this section, "new personal property" means business personal property that:

(1) a taxpayer places in service after the date the taxpayer's statement of benefits is approved by the designating body; and

(2) has not previously been used in Indiana before the taxpayer acquires the business personal property.

(d) A designating body may establish an enhanced abatement schedule for a deduction described in subsection (a). An enhanced abatement schedule established under this subsection:

(1) must specify the percentage amount of the deduction for each year of the deduction; and

(2) may not exceed twenty (20) years.

(e) If a taxpayer is granted a deduction under section 4.5 of this chapter on an abatement schedule that exceeds ten (10) years through an enhanced abatement schedule established under subsection (d), the designating body shall conduct a public hearing to review the taxpayer's compliance with the statement of benefits provided to the designating body under this chapter after the tenth year of the abatement.

SECTION 7. IC 6-1.1-37-7, AS AMENDED BY P.L.146-2008, SECTION 292, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) If a person fails to file a required personal property return on or before the due date, the county auditor shall add a penalty of twenty-five dollars ($25) to the person's next property tax installment. The county auditor shall also add an additional penalty to the taxes payable by the person if the person fails to file the personal property return within thirty (30) days after the due date. The amount of the additional penalty is twenty percent (20%) of the taxes finally determined to be due with respect to the personal property which should have been reported on the return.

(b) For purposes of this section, a personal property return is not due until the expiration of any extension period granted by the township or county assessor under IC 6-1.1-3-7(b).

(c) The penalties prescribed under this section do not apply to an individual or the individual's dependents if the individual:

(1) is in the military or naval forces of the United States on the assessment date; and

(2) is covered by the federal Soldiers' and Sailors' Civil Relief Act.

(d) If a person subject to IC 6-1.1-3-7(d) fails to include on a personal property return the information, if any, that the department of local government finance requires under IC 6-1.1-3-9 or IC 6-1.1-5-13, the county auditor shall add a penalty to the property tax installment next due for the return. The amount of the penalty is twenty-five dollars ($25).

(e) If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation. The penalty shall be added to the property tax installment next due for the return on which the property was undervalued. If a person has complied with all of the requirements for claiming a deduction, an exemption, or an adjustment for abnormal obsolescence, then the increase in assessed value that results from a denial of the deduction, exemption, or adjustment for abnormal obsolescence is not considered to result from an undervaluation for purposes of this subsection.

(f) If a person required by IC 6-1.1-3-7.2(k) to file an annual certification with the county assessor fails to timely file the annual certification, the county auditor shall impose a penalty of twenty-five dollars ($25) that must be paid by the person with the next property tax installment that is collected.

~~(f)~~ **(g)** A penalty is due with an installment under subsection (a), (d), ~~or~~ (e), **or (f)** whether or not an appeal is filed under IC 6-1.1-15-5 with respect to the tax due on that installment.

SECTION 8. IC 6-2.5-5-49.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 49.5. (a) This section applies to a retail merchant engaged in selling bulk propane at retail in Indiana.**

(b) A retail merchant shall claim a credit against the state gross retail or use tax on a return filed by the retail merchant under IC 6-2.5-6-1 before June 30, 2014.

(c) The amount of the credit is equal to the result determined under the following STEPS:

STEP ONE: Determine (for each customer to whom the retail merchant sold bulk propane after December 31,

2013, and before April 1, 2014) the greater of zero (0) or the result of:

(A) the amount of state gross retail tax collected by the retail merchant after December 31, 2013, and before April 1, 2014, on the retail sale of bulk propane to the customer; minus

(B) the amount of state gross retail tax that would have been collected by the retail merchant after December 31, 2013, and before April 1, 2014, on the retail sale of bulk propane to the customer if the cost of that bulk propane had been two dollars and fifty cents ($2.50) per gallon.

STEP TWO: Determine the sum of the STEP ONE amounts for all customers of the retail merchant.

(d) A retail merchant that claims a credit under subsection (c) shall provide a credit to each customer of the retail merchant for whom an amount was determined under STEP ONE of subsection (c). The credit is equal to the amount determined under STEP ONE of subsection (c) for that customer. The credit under this subsection shall be applied to the next purchase of bulk propane by the customer from the retail merchant occurring after the retail merchant claims the credit under subsection (b).

(e) In order to compensate retail merchants for administering the credits provided to customers under this section, a retail merchant is entitled to deduct and retain an additional collection allowance from the amount of taxes otherwise required to be remitted by the retail merchant under IC 6-2.5. The amount of the additional collection allowance is equal to:

(1) the amount of the credit claimed by the retail merchant as calculated under subsection (c); multiplied by

(2) one percent (1%).

(f) The department may audit credits claimed by a retail merchant under subsection (c) and the credits provided by a retail merchant under subsection (d).

(g) This section expires December 31, 2017.

SECTION 9. IC 6-3-2-1, AS AMENDED BY P.L.205-2013, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Each taxable year, a tax at the following rate of adjusted gross income is imposed upon the adjusted gross income of every resident person, and on that part of the adjusted gross income derived from sources within Indiana of every nonresident person:

(1) For taxable years beginning before January 1, 2015, three and four-tenths percent (3.4%).

(2) For taxable years beginning after December 31, 2014, and before January 1, 2017, three and three-tenths percent (3.3%).

(3) For taxable years beginning after December 31, 2016, three and twenty-three hundredths percent (3.23%).

(b) Except as provided in section 1.5 of this chapter, each taxable year, a tax at the following rate of adjusted gross income is imposed on that part of the adjusted gross income derived from sources within Indiana of every corporation:

(1) Before July 1, 2012, eight and five-tenths percent (8.5%).

(2) After June 30, 2012, and before July 1, 2013, eight percent (8.0%).

(3) After June 30, 2013, and before July 1, 2014, seven and five-tenths percent (7.5%).

(4) After June 30, 2014, and before July 1, 2015, seven percent (7.0%).

(5) After June 30, 2015, **and before July 1, 2016,** six and five-tenths percent (6.5%).

(6) After June 30, 2016, and before July 1, 2017, six and twenty-five hundredths percent (6.25%).

(7) After June 30, 2017, and before July 1, 2018, six percent (6.0%).

(8) After June 30, 2018, and before July 1, 2019, five and seventy-five hundredths percent (5.75%).

(9) After June 30, 2019, and before July 1, 2020, five and five-tenths percent (5.5%).

(10) After June 30, 2020, and before July 1, 2021, five and twenty-five hundredths percent (5.25%).

(11) After June 30, 2021, four and nine-tenths percent (4.9%).

(c) If for any taxable year a taxpayer is subject to different tax rates under subsection (b), the taxpayer's tax rate for that taxable year is the rate determined in the last STEP of the following STEPS:

STEP ONE: Multiply the number of months in the taxpayer's taxable year that precede the month the rate changed by the rate in effect before the rate change.

STEP TWO: Multiply the number of months in the taxpayer's taxable year that follow the month before the rate changed by the rate in effect after the rate change.

STEP THREE: Divide the sum of the amounts determined under STEPS ONE and TWO by twelve (12).

However, the rate determined under this subsection shall be rounded to the nearest one-hundredth of one percent (0.01%).

SECTION 10. IC 6-5.5-2-1, AS AMENDED BY P.L.93-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) There is imposed on each taxpayer a franchise tax measured by the taxpayer's apportioned income for the privilege of exercising its franchise or the corporate privilege of transacting the business of a financial institution in Indiana. The amount of the tax for a taxable year shall be determined by multiplying the applicable rate under subsection (b) times the remainder of:

(1) the taxpayer's apportioned income; minus

(2) the taxpayer's deductible Indiana net operating losses as determined under this section; minus

(3) the taxpayer's net capital losses minus the taxpayer's net capital gains computed under the Internal Revenue Code for each taxable year or part of a taxable year beginning after December 31, 1989, multiplied by the apportionment percentage applicable to the taxpayer under this chapter for the taxable year of the loss.

A net capital loss for a taxable year is a net capital loss carryover to each of the five (5) taxable years that follow the taxable year in which the loss occurred.

(b) The following are the applicable tax rates to be used under subsection (a):

(1) For taxable years beginning before January 1, 2014, eight and five-tenths percent (8.5%).

(2) For taxable years beginning after December 31, 2013, and before January 1, 2015, eight percent (8.0%).

(3) For taxable years beginning after December 31, 2014, and before January 1, 2016, seven and five-tenths percent (7.5%).

(4) For taxable years beginning after December 31, 2015, and before January 1, 2017, seven percent (7.0%).

(5) For taxable years beginning after December 31, 2016, **and before January 1, 2019,** six and five-tenths percent (6.5%).

(6) For taxable years beginning after December 31, 2018, and before January 1, 2020, six and twenty-five hundredths percent (6.25%).

(7) For taxable years beginning after December 31, 2019, and before January 1, 2021, six percent (6.0%).

(8) For taxable years beginning after December 31, 2020, and before January 1, 2022, five and five-tenths percent (5.5%).

(9) For taxable years beginning after December 31, 2021, and before January 1, 2023, five percent (5.0%).

(10) For taxable years beginning after December 31, 2022, four and nine-tenths percent (4.9%).

(c) The amount of net operating losses deductible under

subsection (a) is an amount equal to the net operating losses computed under the Internal Revenue Code, adjusted for the items set forth in IC 6-5.5-1-2, that are:

(1) incurred in each taxable year, or part of a year, beginning after December 31, 1989; and

(2) attributable to Indiana.

(d) The following apply to determining the amount of net operating losses that may be deducted under subsection (a):

(1) The amount of net operating losses that is attributable to Indiana is the taxpayer's total net operating losses under the Internal Revenue Code for the taxable year of the loss, adjusted for the items set forth in IC 6-5.5-1-2, multiplied by the apportionment percentage applicable to the taxpayer under this chapter for the taxable year of the loss.

(2) A net operating loss for any taxable year is a net operating loss carryover to each of the fifteen (15) taxable years that follow the taxable year in which the loss occurred.

(e) The following provisions apply to a combined return computing the tax on the basis of the income of the unitary group when the return is filed for more than one (1) taxpayer member of the unitary group for any taxable year:

(1) Any net capital loss or net operating loss attributable to Indiana in the combined return shall be prorated between each taxpayer member of the unitary group by the quotient of:

(A) the receipts of that taxpayer member attributable to Indiana under section 4 of this chapter; divided by

(B) the receipts of all taxpayer members of the unitary group attributable to Indiana.

(2) The net capital loss or net operating loss for that year, if any, to be carried forward to any subsequent year shall be limited to the capital gains or apportioned income for the subsequent year of that taxpayer, determined by the same receipts formula set out in subdivision (1).

SECTION 11. IC 36-7-14.2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 14.2. Tax Rate Limitation

Sec. 1. As used in this chapter, "property taxes" means:

(1) property taxes, as described in:

(A) IC 6-1.1-39-5(g);

(B) IC 36-7-14-39(a);

(C) IC 36-7-14-39.2;

(D) IC 36-7-14-39.3(c);

(E) IC 36-7-14.5-12.5;

(F) IC 36-7-15.1-26(a);

(G) IC 36-7-15.1-26.2(c);

(H) IC 36-7-15.1-53(a);

(I) IC 36-7-15.1-55(c);

(J) IC 36-7-30-25(a)(3);

(K) IC 36-7-30-26(c);

(L) IC 36-7-30.5-30; or

(M) IC 36-7-30.5-31; and

(2) for allocation areas created under IC 8-22-3.5, the taxes assessed on taxable tangible property in the allocation area.

Sec. 2. Notwithstanding any other law, for assessment dates for which an exemption under IC 6-1.1-3-7.2 applies in a county, a tax rate for property taxes described in section 1 of this chapter must be calculated by including in the base assessed value (for purposes of this section only) the amount of the assessed value that would otherwise have been included in the base assessed value if the exemption under IC 6-1.1-3-7.2 were not in effect for the assessment date.

SECTION 12. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "commission" refers to the commission on business personal property and business taxation established by subsection (b).**

(b) The commission on business personal property and business taxation is established.

(c) The commission consists of the following members:

(1) Two (2) members of the senate appointed by the president pro tempore of the senate.

(2) One (1) member of the senate appointed by the minority leader of the senate.

(3) Two (2) members of the house of representatives appointed by the speaker of the house of representatives.

(4) One (1) member of the house of representatives appointed by the minority leader of the house of representatives.

(5) The governor or the governor's designee. An individual designated by the governor under this subdivision must be a state employee.

(6) One (1) member who is nominated by the Association of Indiana Counties and is appointed jointly by the chairman and the vice chairman of the legislative council.

(7) One (1) member who is nominated by the Indiana Association of Cities and Towns and is appointed jointly by the chairman and the vice chairman of the legislative council.

(8) One (1) member who is nominated by the Indiana State Chamber of Commerce and is appointed jointly by the chairman and the vice chairman of the legislative council.

(9) One (1) member who is nominated by the Indiana Manufacturers Association and is appointed jointly by the chairman and the vice chairman of the legislative council.

(10) One (1) member who is nominated by the Indiana Association of School Business Officials and is appointed jointly by the chairman and the vice chairman of the legislative council.

(11) One (1) member to represent agriculture who is appointed jointly by the chairman and the vice chairman of the legislative council.

(12) One (1) member who is nominated by the Indiana Association of Realtors and is appointed jointly by the chairman and the vice chairman of the legislative council.

(d) The president pro tempore of the senate shall appoint a legislative member of the commission to serve as chairperson of the commission. The speaker of the house of representatives shall appoint a legislative member of the commission to serve as vice chairperson of the commission.

(e) If a vacancy occurs on the commission, the appointing authority who appointed the member whose position is vacant shall appoint an individual to fill the vacancy.

(f) The commission shall do the following:

(1) Study issues concerning the taxation of business personal property in Indiana and business taxation in general in Indiana.

(2) Study issues related to the share of the overall tax burden borne by businesses in Indiana.

(3) Study the competitive advantages and disadvantages for businesses in Indiana that result from the structure of state and local taxation of business.

(4) Study any special elements of the taxation of business personal property.

(5) Study issues related to property taxes paid by taxpayers (including individual taxpayers) other than business taxpayers, and the relative share of the overall tax burden borne by these taxpayers.

(6) Study the impact on local government of reducing business personal property taxes.

(7) Study the existing mechanisms and tools that may be used by local governments to address the effects of the

circuit breaker credits under IC 6-1.1-20.6, and the extent to which these mechanisms and tools have been or have not been adopted and used.

(8) Study the impact of tax increment financing, including the impact of tax increment financing on local government.

(9) Study the issue of what number or percentage of votes by a county option income tax council should be required to eliminate property taxes on new business personal property in a county, if the county option income tax councils are given the authority to eliminate property taxes on such property.

(10) Study any other topics assigned by the legislative council or as directed by the chair of the commission.

(g) The commission shall submit a final report of the results of its study and any recommendations to the legislative council before November 1, 2014. The report must be in an electronic format under IC 5-14-6.

(h) The legislative services agency shall provide staff support to the commission.

(i) The affirmative votes of a majority of the members appointed to the commission are required for the commission to take action on any measure, including a final report.

(j) Except as otherwise specifically provided in this SECTION, the commission shall operate under the rules of the legislative council.

(k) This SECTION expires January 1, 2015.

SECTION 13. **An emergency is declared for this act.**

(Reference is to ESB 1 as reprinted February 28, 2014.)

HERSHMAN	TURNER
KENLEY	T. BROWN
Senate Conferees	House Conferees

Roll Call 510: yeas 63, nays 27. Report adopted.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1008-2014 because it conflicts with SEA 52 -2014, SEA 233-2014, SEA 236-2014, HEA 1005-2014, HEA 1237-2014, HEA 1279-2014, HEA 1332-2014, and HEA 1342-2014 without properly recognizing the existence of SEA 52 -2014, SEA 233-2014, SEA 236-2014, HEA 1005-2014, HEA 1237-2014, HEA 1279-2014, HEA 1332-2014, and HEA 1342-2014, has had Engrossed House Bill 1008-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1008-2014 be corrected as follows:

Page 4, delete lines 6 through 7.

Page 8, delete lines 19 through 42.

Page 9, delete lines 1 through 5, begin a new paragraph and insert:

"**Sec. 2. IC 7.1-3-26-5 defines a crime concerning direct wine seller's permits.**

Sec. 3. IC 7.1-3-26-6 defines a crime concerning direct wine seller's permits.

Sec. 4. IC 7.1-3-26-10 defines a crime concerning farm winery brandy distiller's permits.

Sec. 5. IC 7.1-3-27-3 defines a crime concerning artisan distiller's permits.

Sec. 6. IC 7.1-3-27-8 defines a crime concerning artisan distiller's permits.

Sec. 7. IC 7.1-3-27-9 defines a crime concerning artisan distiller's permits.

Sec. 8. IC 7.1-3-27-10 defines a crime concerning artisan distiller's permits.

Sec. 9. IC 7.1-3-27-11 defines a crime concerning artisan distiller's permits.

Sec. 10. IC 7.1-3-27-12 defines a crime concerning artisan distiller's permits.

Sec. 11. IC 7.1-3-27-13 defines a crime concerning artisan distiller's permits.

Sec. 12. IC 7.1-3-27-14 defines a crime concerning artisan distiller's permits.

Sec. 13. IC 7.1-3-27-15 defines a crime concerning artisan distiller's permits.

Sec. 14. IC 7.1-5-1-1 defines a crime concerning alcohol.

Sec. 15. IC 7.1-5-1-3 defines a crime concerning public intoxication.

Sec. 16. IC 7.1-5-1-6 defines a crime concerning public intoxication.

Sec. 17. IC 7.1-5-1-12 defines a crime concerning alcohol.

Sec. 18. IC 7.1-5-2-3 defines a crime concerning signs.

Sec. 19. IC 7.1-5-2-7 defines a crime concerning signs.

Sec. 20. IC 7.1-5-3-1 defines a crime concerning containers.

Sec. 21. IC 7.1-5-3-2 defines a crime concerning containers.

Sec. 22. IC 7.1-5-3-4 defines a crime concerning containers.

Sec. 23. IC 7.1-5-4-1 defines a crime concerning alcohol.

Sec. 24. IC 7.1-5-4-3 define a crime concerning alcohol.

Sec. 25. IC 7.1-5-4-5 defines a crime concerning permits.

Sec. 26. IC 7.1.5-4-6 defines a crime concerning alcohol.

Sec. 27. IC 7.1-5-5-2 defines a crime concerning permits.

Sec. 28. IC 7.1-5-5-3 defines a crime concerning permits.

Sec. 29. IC 7.1-5-5-7 defines a crime concerning discounts.

Sec. 30. IC 7.1-5-5-9 defines a crime concerning agreements.

Sec. 31. IC 7.1-5-5-10 defines a crime concerning gifts.

Sec. 32. IC 7.1-5-5-11 defines a crime concerning rebates.

Sec. 33. IC 7.1-5-5-12 defines a crime concerning athletics.

Sec. 34. IC 7.1-5-6-1 defines a crime concerning alcohol.

Sec. 35. IC 7.1-5-6-2 defines a crime concerning sales.

Sec. 36. IC 7.1-5-6-3 defines a crime concerning sales.

Sec. 37. IC 7.1-5-6-4 defines a crime concerning permits.

Sec. 37.5. IC 7.1-5-7-1 defines a crime concerning alcohol.

Sec. 38. IC 7.1-5-7-2 defines a crime concerning alcohol.

Sec. 39. IC 7.1-5-7-7 defines a crime concerning alcohol.

Sec. 40. IC 7.1-5-7-8 defines a crime concerning alcohol.

Sec. 41. IC 7.1-5-7-10 defines a crime concerning alcohol.

Sec. 42. IC 7.1-5-7-12 defines a crime concerning alcohol.

Sec. 43. IC 7.1-5-7-14 defines a crime concerning alcohol.

Sec. 44. IC 7.1-5-8-1 defines a crime concerning alcohol and tobacco.

Sec. 45. IC 7.1-5-8-3 defines a crime concerning alcohol.

Sec. 46. IC 7.1-5-8-4 defines a crime concerning sales.

Sec. 47. IC 7.1-5-8-5 defines a crime concerning alcohol.

Sec. 48. IC 7.1-5-8-6 defines a crime concerning alcohol.

Sec. 49. IC 7.1-5-8-9 defines a crime concerning sales.

Sec. 50. IC 7.1-5-9-1 defines a crime concerning interests.

Sec. 51. IC 7.1-5-9-2 defines a crime concerning interests.

Sec. 52. IC 7.1-5-9-3 defines a crime concerning interests.

Sec. 53. IC 7.1-5-9-4 defines a crime concerning interests.

Sec. 54. IC 7.1-5-9-6 defines a crime concerning interests.

Sec. 55. IC 7.1-5-9-7 defines a crime concerning interests.

Sec. 56. IC 7.1-5-9-8 defines a crime concerning permits.

Sec. 57. IC 7.1-5-9-9 defines a crime concerning interests.

Sec. 58. IC 7.1-5-9-10 defines a crime concerning interests.

Sec. 59. IC 7.1-5-9-13 defines a crime concerning interests.

Sec. 60. IC 7.1-5-9-14 defines a crime concerning sales.

Sec. 61. IC 7.1-5-9-15 defines a crime concerning questionnaires.

Sec. 62. IC 7.1-5-10-1 defines a crime concerning sales.

Sec. 63. IC 7.1-5-10-2 defines a crime concerning sales.

Sec. 64. IC 7.1-5-10-3 defines a crime concerning sales.

Sec. 65. IC 7.1-5-10-4 defines a crime concerning sales.

Sec. 66. IC 7.1-5-10-5 defines a crime concerning sales.

Sec. 67. IC 7.1-5-10-6 defines a crime concerning sales.

Sec. 68. IC 7.1-5-10-8 defines a crime concerning solicitation.

Sec. 69. IC 7.1-5-10-9 defines a crime concerning sales.

Sec. 70. IC 7.1-5-10-10 defines a crime concerning alcohol.

Sec. 71. IC 7.1-5-10-11 defines a crime concerning sales.

Sec. 72. IC 7.1-5-10-12 defines a crime concerning sales.

Sec. 73. IC 7.1-5-10-13 defines a crime concerning sales.

Sec. 74. IC 7.1-5-10-15 defines a crime concerning sales.

Sec. 75. IC 7.1-5-10-17 defines a crime concerning sales.

Sec. 76. IC 7.1-5-10-20 defines a crime concerning sales.

Sec. 77. IC 7.1-5-10-21 defines a crime concerning alcohol.

Sec. 78. IC 7.1-5-10-22 defines a crime concerning sales.

Sec. 79. IC 7.1-5-10-23 defines a crime concerning alcohol.

Sec. 80. IC 7.1-5-11-1 defines a crime concerning importation.

Sec. 81. IC 7.1-5-11-1.5 defines a crime concerning importation.

Sec. 82. IC 7.1-5-11-2 defines a crime concerning transportation.

Sec. 83. IC 7.1-5-11-3 defines a crime concerning transportation.

Sec. 84. IC 7.1-5-11-4 defines a crime concerning delivery.

Sec. 85. IC 7.1-5-11-5 defines a crime concerning alcohol.

Sec. 86. IC 7.1-5-11-6 defines a crime concerning transportation.

Sec. 87. IC 7.1-5-11-7 defines a crime concerning shipments.

Sec. 88. IC 7.1-5-11-8 defines a crime concerning transportation.

Sec. 89. IC 7.1-5-11-9 defines a crime concerning transportation.

Sec. 90. IC 7.1-5-11-10 defines a crime concerning transportation.

Sec. 91. IC 7.1-5-11-11 defines a crime concerning transportation.

Sec. 92. IC 7.1-5-11-12 defines a crime concerning transportation.

Sec. 93. IC 7.1-5-11-13 defines a crime concerning recordkeeping.

Sec. 94. IC 7.1-5-11-14 defines a crime concerning false statements.

Sec. 95. IC 7.1-5-11-15 defines a crime concerning transportation.

Sec. 96. IC 7.1-5-11-16 defines a crime concerning alcohol.".

Page 9, delete line 42.

Delete pages 10 through 12.

Page 13, delete lines 1 through 28, begin a new paragraph and insert:

"**Sec. 4. IC 9-18-2-44 defines a crime concerning motor vehicle registration and license plates.**

Sec. 5. IC 9-18-2-45 defines a crime concerning motor vehicle registration and license plates.

Sec. 6. IC 9-18-2.5-12 defines a crime concerning off-road vehicles and snowmobiles.

Sec. 7. IC 9-18-19-4 defines a crime concerning vehicle registration and license plates.

Sec. 8. IC 9-18-22-6 defines a crime concerning motor vehicle registration and license plates.

Sec. 9. IC 9-18-27-9 defines a crime concerning motor vehicle registration and license plates.

Sec. 10. IC 9-19-10.5-2 defines a crime concerning motor vehicle equipment.

Sec. 11. IC 9-19-10.5-3 defines a crime concerning motor vehicle equipment.

Sec. 12. IC 9-19-14-6 defines a crime concerning motor vehicle equipment.

Sec. 13. IC 9-21-5-13 defines a crime concerning traffic regulation.

Sec. 14. IC 9-21-6-3 defines a crime concerning traffic regulation.

Sec. 15. IC 9-21-8-50 defines a crime concerning traffic regulation.

Sec. 16. IC 9-21-8-52 defines a crime concerning traffic regulation.

Sec. 17. IC 9-21-8-55 defines a crime concerning traffic regulation.

Sec. 18. IC 9-21-8-56 defines a crime concerning traffic regulation.

Sec. 19. IC 9-21-8-58 defines a crime concerning traffic regulation.

Sec. 20. IC 9-21-12-5 defines a crime concerning traffic regulation.

Sec. 21. IC 9-21-12-13 defines a crime concerning traffic regulation.

Sec. 22. IC 9-21-12-14 defines a crime concerning traffic regulation.

Sec. 23. IC 9-21-12-15 defines a crime concerning traffic regulation.

Sec. 24. IC 9-21-12-16 defines a crime concerning traffic regulation.

Sec. 25. IC 9-21-12-18 defines a crime concerning traffic regulation.

Sec. 26. IC 9-22-3-31 defines a crime concerning abandoned, salvaged, and scrap vehicles.

Sec. 27. IC 9-22-3-34 defines a crime concerning abandoned, salvaged, and scrap vehicles.

Sec. 28. IC 9-22-5-18 defines a crime concerning scrapping and dismantling vehicles.

Sec. 29. IC 9-22-5-18.2 defines a crime concerning buying a motor vehicle without a certificate of title.

Sec. 30. IC 9-22-5-19 defines a crime concerning scrapping and dismantling vehicles.

Sec. 31. IC 9-24-1-6 defines a crime concerning driver's licenses.

Sec. 32. IC 9-24-6-17 defines a crime concerning driver's licenses.

Sec. 33. IC 9-24-11-8 defines a crime concerning driver's licenses.

Sec. 34. IC 9-24-16-12 defines a crime concerning identification.

Sec. 35. IC 9-24-16-12.5 defines a crime concerning identification cards.

Sec. 36. IC 9-24-18-1 defines a crime concerning driver's licenses.

Sec. 37. IC 9-24-18-2 defines a crime concerning driver's licenses.

Sec. 38. IC 9-24-19-2 defines a crime concerning driver's licenses.

Sec. 39. IC 9-24-19-3 defines a crime concerning driver's licenses.

Sec. 40. IC 9-25-8-2 defines a crime concerning financial responsibility.

Sec. 41. IC 9-26-1-1.1 defines a crime concerning accidents and accident reports.

Sec. 42. IC 9-26-6-2 defines a crime concerning accidents and accident reports.

Sec. 43. IC 9-30-4-8 defines a crime concerning licenses and registrations.

Sec. 44. IC 9-30-5-1 defines a crime concerning operating a vehicle while intoxicated.

Sec. 45. IC 9-30-5-2 defines a crime concerning operating a vehicle while intoxicated.

Sec. 46. IC 9-30-5-3 defines a crime concerning operating a vehicle while intoxicated.

Sec. 47. IC 9-30-5-4 defines a crime concerning operating a vehicle while intoxicated.

Sec. 48. IC 9-30-5-5 defines a crime concerning operating

a vehicle while intoxicated.

Sec. 49. IC 9-30-5-7 defines a crime concerning operating a vehicle while intoxicated.

Sec. 50. IC 9-30-5-8 defines a crime concerning operating a vehicle while intoxicated.

Sec. 51. IC 9-30-6-8.7 defines a crime concerning implied consent.

Sec. 52. IC 9-30-9-7.5 defines a crime concerning alcohol abuse deterrent programs.

Sec. 53. IC 9-30-10-16 defines a crime concerning habitual violator of traffic laws.

Sec. 54. IC 9-30-10-17 defines a crime concerning habitual violator of traffic laws.

Sec. 55. IC 9-30-16-5 defines a crime concerning driving privileges.

Sec. 56. IC 9-32-4-1 defines a crime concerning certificates of title.

Sec. 57. IC 9-32-6-13 defines a crime concerning interim license plates.".

Page 15, delete lines 16 through 17.

Page 15, delete line 42.

Delete page 16.

Page 17, delete lines 1 through 34, begin a new paragraph and insert:

"**Sec. 4. IC 14-15-11-11 defines a crime concerning motor boat operators.**

Sec. 5. IC 14-15-12-13 defines a crime concerning personal watercraft.

Sec. 6. IC 14-16-1-29 defines a crime concerning off-road vehicles.

Sec. 7. IC 14-17-4-8 defines a crime concerning property acquisition.

Sec. 8. IC 14-21-1-26 defines a crime concerning historic preservation and archeology.

Sec. 9. IC 14-21-1-26.5 defines a crime concerning historic preservation and archeology.

Sec. 10. IC 14-21-1-28 defines a crime concerning historic preservation and archeology.

Sec. 11. IC 14-21-1-36 defines a crime concerning historic preservation and archeology.

Sec. 12. IC 14-21-2-5 defines a crime concerning historic preservation and archeology.

Sec. 13. IC 14-22-6-2 defines a crime concerning hunting and fishing.

Sec. 14. IC 14-22-6-7 defines a crime concerning hunting and fishing.

Sec. 15. IC 14-22-6-8 defines a crime concerning hunting and fishing.

Sec. 16. IC 14-22-6-9 defines a crime concerning hunting and fishing.

Sec. 17. IC 14-22-9-7 defines a crime concerning fishing.

Sec. 18. IC 14-22-9-8 defines a crime concerning fishing.

Sec. 19. IC 14-22-10-1 defines a crime concerning hunting and fishing.

Sec. 20. IC 14-22-10-3 defines a crime concerning hunting and fishing.

Sec. 21. IC 14-22-13-2.5 defines a crime concerning commercial fishing licenses.

Sec. 22. IC 14-22-13-7 defines a crime concerning commercial fishing licenses.

Sec. 23. IC 14-22-13-10 defines a crime concerning commercial fishing licenses.

Sec. 24. IC 14-22-14-5 defines a crime concerning fishing licenses.

Sec. 25. IC 14-22-14-22 defines a crime concerning fishing licenses.

Sec. 26. IC 14-22-15-7 defines a crime concerning fish and wildlife.

Sec. 27. IC 14-22-19-5 defines a crime concerning furbearing mammals.

Sec. 28. IC 14-22-32-8 defines a crime concerning fish and wildlife.

Sec. 29. IC 14-22-34-9 defines a crime concerning nongame species.

Sec. 30. IC 14-22-37-3 defines a crime concerning fish and wildlife.

Sec. 31. IC 14-22-38-3 defines a crime concerning fish and wildlife.

Sec. 32. IC 14-22-38-4.5 defines a crime concerning fish and wildlife.

Sec. 33. IC 14-22-38-6 defines a crime concerning fish and wildlife.

Sec. 34. IC 14-22-40-6 defines a crime concerning fish and wildlife.

Sec. 35. IC 14-23-7-5 defines a crime concerning forestry.

Sec. 36. IC 14-24-11-4 defines a crime concerning entomology and plant pathology.

Sec. 37. IC 14-29-8-5 defines a crime concerning rivers, streams, and waterways.

Sec. 38. IC 14-31-3-15 defines a crime concerning nature preserves.

Sec. 39. IC 14-31-3-16 defines a crime concerning nature preserves.

Sec. 40. IC 14-31-3-17 defines a crime concerning nature preserves.

Sec. 41. IC 14-31-3-19 defines a crime concerning nature preserves.

Sec. 42. IC 14-31-3-20 defines a crime concerning nature preserves.

Sec. 43. IC 14-31-3-21 defines a crime concerning nature preserves.

Sec. 44. IC 14-34-2-6 defines a crime concerning surface coal mining and reclamation.

Sec. 45. IC 14-34-16-6 defines a crime concerning surface coal mining and reclamation.

Sec. 46. IC 14-34-16-7 defines a crime concerning surface coal mining and reclamation.

Sec. 47. IC 14-37-4-15 defines a crime concerning oil and gas.

Sec. 48. IC 14-37-7-9 defines a crime concerning oil and gas.

Sec. 49. IC 14-37-8-1 defines a crime concerning oil and gas.

Sec. 50. IC 14-37-8-18 defines a crime concerning oil and gas.

Sec. 51. IC 14-37-11-4 defines a crime concerning oil and gas.".

Page 29, between lines 6 and 7, begin a new paragraph and insert:

"**Sec. 2.5. IC 25-3.7-3-2 defines a crime concerning anesthesiologist assistants.**".

Page 29, between lines 23 and 24, begin a new paragraph and insert:

"**Sec. 13.5. IC 25-14.3-5-1 defines a crime concerning diabetes educators.**".

Page 35, between lines 15 and 16, begin a new paragraph and insert:

"**Sec. 1.5. IC 36-2-2.5-15 defines a crime concerning single county executives.**".

Page 36, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE JULY 1, 2014] **The general assembly recognizes that this act adds IC 35-52-25-18 and that HEA 1005-2014 repeals that section. The general assembly intends to repeal IC 35-52-25-18.**".

(Reference is to EH 1008 as printed February 14, 2014.)

TORR, Chair
PIERCE, R.M.M.
STEUERWALD, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1005-2014 because it conflicts with ESB 80-2014 and EHB 1206 without properly recognizing the existence of ESB 80-2014 and EHB 1206, has had Engrossed House Bill 1005-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1005-2014 be corrected as follows:

In the conference committee report to EHB 1005, page 26, delete lines 3 through 28.

In the conference committee report to EHB 1005, page 51, delete lines 29 through 50.

In the conference committee report to EHB 1005, delete page 52.

In the conference committee report to EHB 1005, page 53, delete lines 1 through 39.

In the conference committee report to EHB 1005, renumber all SECTIONS consecutively.

(Reference is to EHB 1005 as printed February 28, 2014, and as amended by the conference committee report for EHB 1005.)

TORR, Chair
PIERCE, R.M.M.
MCMILLIN, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1006-2014 because it conflicts with SEA 385-2014 without properly recognizing the existence of SEA 385-2014, has had Engrossed House Bill 1006-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1006-2014 be corrected as follows:

In the conference committee report for EHB 1006, page 1, delete lines 14 through 18.

In the conference committee report for EHB 1006, delete page 2.

In the conference committee report for EHB 1006, page 3, delete lines 1 through 2.

In the conference committee report for EHB 1006, page 5, delete lines 8 through 50.

In the conference committee report for EHB 1006, page 6, delete lines 1 through 7, begin a new paragraph and insert:

"SECTION 8. IC 5-2-6-3, AS AMENDED BY HEA 1141, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. The institute is established to do the following:

(1) Evaluate state and local programs associated with:
(A) the prevention, detection, and solution of criminal offenses;
(B) law enforcement; and
(C) the administration of criminal and juvenile justice.

(2) Improve and coordinate all aspects of law enforcement, juvenile justice, and criminal justice in this state.

(3) Stimulate criminal and juvenile justice research.

(4) Develop new methods for the prevention and reduction of crime.

(5) Prepare applications for funds under the Omnibus Act and the Juvenile Justice Act.

(6) Administer victim and witness assistance funds.

(7) Administer the traffic safety functions assigned to the institute under IC 9-27-2.

(8) Compile and analyze information and disseminate the information to persons who make criminal justice decisions in this state.

(9) Serve as the criminal justice statistical analysis center for this state.

(10) Identify grants and other funds that can be used by the department of correction to carry out its responsibilities concerning sex or violent offender registration under IC 11-8-8.

(11) Administer the application and approval process for designating an area of a consolidated or second class city as a public safety improvement area under IC 36-8-19.5.

(12) Develop and maintain a meth watch program to inform retailers and the public about illicit methamphetamine production, distribution, and use in Indiana.

(13) Develop and manage the gang crime witness protection program established by section 21 of this chapter.

(14) Identify grants and other funds that can be used to fund the gang crime witness protection program.

(15) Administer any sexual offense services.

(16) Administer domestic violence programs.

(17) Administer assistance to victims of human sexual trafficking offenses as provided in IC 35-42-3.5-4.

(18) Administer the domestic violence prevention and treatment fund under IC 5-2-6.7.

(19) Administer the family violence and victim assistance fund under IC 5-2-6.8.

(21) Monitor and evaluate criminal code reform under IC 5-2-6-24.".

In the conference committee report for EHB 1006, page 16, line 28, delete "P.L.214-2013," and insert "HEA 1269, SECTION 2,".

In the conference committee report for EHB 1006, page 16, delete line 29.

In the conference committee report for EHB 1006, page 16, line 30, delete "CORRECTED AND".

In the conference committee report for EHB 1006, page 17, line 25, after "detained" insert "or supervised".

In the conference committee report for EHB 1006, page 17, line 50, delete "P.L.13-2013," and insert "HEA 1269, SECTION 3,".

In the conference committee report for EHB 1006, page 18, delete lines 1 through 2.

In the conference committee report for EHB 1006, page 18, line 3, delete "AND" and insert "IS".

In the conference committee report for EHB 1006, page 18, line 50, after "detained" insert "or supervised".

In the conference committee report for EHB 1006, page 40, delete lines 48 through 51.

In the conference committee report for EHB 1006, page 41, delete lines 1 through 16.

Renumber all SECTIONS consecutively.

(Reference is to EHB 1006 Printer's Error as reprinted March 4, 2014, and as amended by the conference committee report to EHB 1006.)

TORR, Chair
PIERCE, R.M.M.
STEUERWALD, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1116-2014 because it conflicts with SEA

236-2014 without properly recognizing the existence of SEA 236-2014, has had Engrossed House Bill 1116-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1116-2014 be corrected as follows:

In the conference committee report to EHB 1116, page 2, line 11, delete "P.L.71-2012," and insert "SEA 236-2014,".

In the conference committee report to EHB 1116, page 2, line 12 delete "9" and insert "64".

In the conference committee report to EHB 1116, page 2, line 12, between lines 24 and 25, begin a new paragraph and unsert:

"A person who knowingly or intentionally violates subsection (a) commits a Class B misdemeanor.".

(Reference is to EHB 1116 as reprinted March 4, 2014, and as amended by the conference committee report to EHB 1116.)

TORR, Chair
PIERCE, R.M.M.
DERMODY, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed House Bill 1237-2014 because it conflicts with EHB 1380-2014 without properly recognizing the existence of EHB 1380-2014, has had Engrossed House Bill 1237-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 1237-2014 be corrected as follows:

In the conference committee report to EHB 1237, page 56, delete lines 8 through 50.

In the conference committee report to EHB 1237, page 57, delete line 1, begin a new paragraph and insert:

"SECTION 1. IC 9-29-5-42, AS AMENDED BY HEA 1380-2014, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 42. (a) Except as provided in subsection (d), vehicles not subject to IC 9-18-2-8 or IC 9-18-2-8.5 shall be registered ~~one-half (1/2) of the regular rate,~~ **the appropriate rate established in this chapter,** subject to IC 9-18-2-7, if the vehicle is registered after July 31 of any year. This subsection does not apply to the following:

(1) Special machinery.

(2) Semitrailers registered on a five (5) year or permanent basis under IC 9-18-10-2.

(3) An implement of agriculture designed to be operated primarily on a highway.

(b) Except as provided in subsection (d), subsection (a), and IC 9-18-2-7 determine the registration fee for the registration of a vehicle subject to registration under IC 9-18-2-8(c) and acquired by an owner subsequent to the date required for the annual registration of vehicles by an owner set forth in IC 9-18-2-8.

(c) Except as provided in subsections (d) and (e), if the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration, the department of state revenue shall collect the full annual fee for vehicles in a commercial fleet registering with the department of state revenue, regardless of the date the vehicle is registered. Any vehicles registered with the department of state revenue under this subsection after the date designated for registration shall be registered at a rate determined in STEP THREE of subsection (e).

(d) Subject to subsection (e), a vehicle subject to the International Registration Plan that is registered after September 30 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before April 1 of the following year beginning with the date of registration. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

(e) If the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration for motor vehicles subject to the International Registration Plan, a motor vehicle subject to the International Registration Plan that is registered after the date designated for registration of the motor vehicle in rules adopted under IC 9-18-2-7 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before the motor vehicle must be re-registered. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

(f) A school bus subject to registration under IC 9-18-2-8.5 that is registered after January 31 for the prior calendar year shall be registered at one-half (1/2) the regular rate.".

In the conference committee report to EHB 1237, renumber all SECTIONS consecutively.

(Reference is to EHB 1237 as printed February 19, 2014, and as amended by the conference committee report to EHB 1237.)

TORR, Chair
PIERCE, R.M.M.
SOLIDAY, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedure, to which was referred the Conference Committee Report to Engrossed House Bill 1237-2014 because it conflicts with SEA 350-2014 without properly recognizing the existence of SEA 350-2014, has had the Conference Committee Report to Engrossed House Bill 1237-2014 under consideration and begs leave to report back to the Senate with the recommendation that the Conference Committee Report to Engrossed House Bill 1237-2014 be corrected as follows:

In the conference committee report to EHB 1237, page 68, line 11, delete "ADDED BY P.L.92-2013," and insert "AMENDED BY SEA 350-2014, SECTION 3,".

In the conference committee report to EHB 1237, page 68, line 12, delete "SECTION 74,".

In the conference committee report to EHB 1237, page 68, line 26, after "($15)." insert "This subsection expires July 1, 2015.".

In the conference committee report to EHB 1237, page 70, line 26, after "49," insert "AND AS AMENDED BY SEA 350-2014, SECTION 38,".

In the conference committee report to EHB 1237, page 71, delete lines 15 through 19, begin a new line block indented and insert:

"(3) described in IC 9-29-17-14(b)(2), IC 9-29-17-14(c)(3), and IC 9-32-7-3(2) shall be accounted for by the secretary and shall be deposited with the treasurer of state to be deposited in the motor vehicle highway account under IC 8-14-1;".

(Reference is to EHB 1237 as printed February 19, 2014, and as amended by the conference committee report to EHB 1237.)

TORR, Chair
PIERCE, R.M.M.
SOLIDAY, Author

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 260-2014 because it conflicts with SEA 118-2014 without properly recognizing the existence of SEA 118-2014, has had Engrossed Senate Bill 260-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed Senate Bill 260-2014 be corrected as follows:

In the Conference Committee Report CC026004 to ESB 260, page 2, delete lines 19 through 51, begin a new paragraph and insert:

"SECTION 2. IC 36-7-14-12.2, AS AMENDED BY SEA 118-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12.2. (a) The redevelopment commission may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Enter on or into, inspect, investigate, and assess real property and structures acquired or to be acquired for redevelopment purposes to determine the existence, source, nature, and extent of any environmental contamination, including the following:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(6) Remediate environmental contamination, including the following, found on any real property or structures acquired for redevelopment purposes:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(7) Repair and maintain structures acquired for redevelopment purposes.

(8) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(9) Survey or examine any land to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes and to determine the value of that land.

(10) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commissioners.

(11) Institute or defend in the name of the unit any civil action.

(12) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the department of redevelopment.

(13) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(14) Appoint clerks, guards, laborers, and other employees the commission considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(15) Prescribe the duties and regulate the compensation of employees of the department of redevelopment.

(16) Provide a pension and retirement system for employees of the department of redevelopment by using the Indiana public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(17) Discharge and appoint successors to employees of the department of redevelopment subject to subdivision (14).

(18) Rent offices for use of the department of redevelopment, or accept the use of offices furnished by the unit.

(19) Equip the offices of the department of redevelopment with the necessary furniture, furnishings, equipment, records, and supplies.

(20) Expend, on behalf of the special taxing district, all or any part of the money of the special taxing district.

(21) Contract for the construction of:

(A) local public improvements (as defined in IC 36-7-14.5-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the corporate boundaries of the unit; or

(B) any structure that enhances development or economic development.

(22) Contract for the construction, extension, or improvement of pedestrian skyways.

(23) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(24) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units in a multiple unit residential structure within the district. However, financial assistance may be provided only to individuals and families whose income is at or below the unit's median income for individuals and families, respectively.

(25) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision (24); or

(B) construct, rehabilitate, or repair commercial property within the district.

(26) Require as a condition of financial assistance to the owner of a multiple unit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission, which may not be less than five (5) years;

(B) to families whose income does not exceed eighty percent (80%) of the unit's median income for families; and

(C) at an affordable rate.

(27) This subdivision does not apply to a redevelopment commission in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a

redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the redevelopment commission, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the redevelopment commission must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the redevelopment commission. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

(b) Conditions imposed by the commission under subsection (a)(26) remain in force throughout the period determined under subsection (a)(26)(A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(c) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(d) All powers that may be exercised under this chapter by the redevelopment commission may also be exercised by the redevelopment commission in carrying out its duties and purposes under IC 36-7-14.5. However, if a power pertains to issuing bonds or incurring an obligation, the exercise of the power must first be specifically approved by the fiscal or legislative body of the unit, whichever applies.

(e) A commission may not exercise the power of eminent domain.

SECTION 3. IC 36-7-14-39, AS AMENDED BY SEA 118-2014, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this

chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or amendment that establishes an allocation provision must include a specific finding of fact, supported by evidence, that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation provision. For an allocation area established before July 1, 1995, the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations that are outstanding on July 1, 2015, whichever is later. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of

money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

(i) Make, when due, any payments required under clauses (A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(M) Expend money and provide financial assistance as authorized in section 12.2(a)(27) of this chapter.

The allocation fund may not be used for operating expenses of the commission.

(4) Except as provided in subsection (g), before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3), plus the amount necessary for other purposes described in subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3) or lessors under section 25.3 of this chapter.

(C) If:

(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus

(ii) the amount necessary for other purposes described in subdivision (3);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is

also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment in an area under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection:

(1) may not include the effect of phasing in assessed value due to property tax abatements under IC 6-1.1-12.1;

(2) may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, the reassessment under the reassessment plan, or the annual adjustment had not occurred; and

(3) may decrease base assessed value only to the extent that assessed values in the allocation area have been decreased due to annual adjustments or the reassessment under the reassessment plan.

Assessed value increases attributable to the application of an abatement schedule under IC 6-1.1-12.1 may not be included in the base assessed value of an allocation area. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 4. IC 36-7-15.1-7, AS AMENDED BY SEA 118-2014, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) In carrying out its duties and purposes under this chapter, the commission may do the following:

(1) Acquire by purchase, exchange, gift, grant, lease, or condemnation, or any combination of methods, any real or personal property or interest in property needed for the redevelopment of areas needing redevelopment that are located within the redevelopment district.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, invest in, or otherwise dispose of, through any combination of methods, property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the city and its inhabitants.

(3) Acquire from and sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the city, or to any other governmental agency, for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes, on any terms that may be agreed upon.

(4) Clear real property acquired for redevelopment purposes.

(5) Enter on or into, inspect, investigate, and assess real property and structures acquired or to be acquired for redevelopment purposes to determine the existence, source, nature, and extent of any environmental contamination, including the following:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(6) Remediate environmental contamination, including the following, found on any real property or structures acquired for redevelopment purposes:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(7) Repair and maintain structures acquired or to be acquired for redevelopment purposes.

(8) Enter upon, survey, or examine any land, to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes, and determine the value of that land.

(9) Appear before any other department or agency of the city, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commission.

(10) Subject to section 13 of this chapter, exercise the power of eminent domain in the name of the city, within the redevelopment district, in the manner prescribed by this chapter.

(11) Establish a uniform fee schedule whenever appropriate for the performance of governmental assistance, or for providing materials and supplies to private persons in project or program related activities.

(12) Expend, on behalf of the redevelopment district, all or any part of the money available for the purposes of this chapter.

(13) Contract for the construction, extension, or improvement of pedestrian skyways.

(14) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(15) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units in a multiple unit residential structure within the district. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(16) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision (15); or

(B) construct, rehabilitate, or repair commercial property within the district.

(17) Require as a condition of financial assistance to the owner of a multiple unit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission,

which may not be less than five (5) years;

(B) to families whose income does not exceed eighty percent (80%) of the county's median income for families; and

(C) at an affordable rate.

Conditions imposed by the commission under this subdivision remain in force throughout the period determined under clause (A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(18) Provide programs in job training, job enrichment, and basic skill development for residents of an enterprise zone.

(19) Provide loans and grants for the purpose of stimulating business activity in an enterprise zone or providing employment for residents of an enterprise zone.

(20) Contract for the construction, extension, or improvement of:

(A) public ways, sidewalks, sewers, waterlines, parking facilities, park or recreational areas, or other local public improvements (as defined in IC 36-7-15.3-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the redevelopment district; or

(B) any structure that enhances development or economic development.

(21) This subdivision does not apply to a redevelopment commission in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the redevelopment commission, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the redevelopment commission must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the redevelopment commission. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

(b) In addition to its powers under subsection (a), the commission may plan and undertake, alone or in cooperation with other agencies, projects for the redevelopment of, rehabilitating, preventing the spread of, or eliminating slums or areas needing redevelopment, both residential and nonresidential, which projects may include any of the following:

(1) The repair or rehabilitation of buildings or other improvements by the commission, owners, or tenants.

(2) The acquisition of real property.

(3) Either of the following with respect to environmental contamination on real property:

(A) Investigation.

(B) Remediation.

(4) The demolition and removal of buildings or improvements on buildings acquired by the commission where necessary for any of the following:

(A) To eliminate unhealthful, unsanitary, or unsafe conditions.

(B) To mitigate or eliminate environmental contamination.

(C) To lessen density.

(D) To reduce traffic hazards.

(E) To eliminate obsolete or other uses detrimental to public welfare.

(F) To otherwise remove or prevent the conditions described in IC 36-7-1-3.

(G) To provide land for needed public facilities.

(5) The preparation of sites and the construction of improvements (such as public ways and utility connections) to facilitate the sale or lease of property.

(6) The construction of buildings or facilities for residential, commercial, industrial, public, or other uses.

(7) The disposition in accordance with this chapter, for uses in accordance with the plans for the projects, of any property acquired in connection with the projects.

(c) The commission may use its powers under this chapter relative to real property and interests in real property obtained by voluntary sale or transfer, even though the real property and interests in real property are not located in a redevelopment or urban renewal project area established by the adoption and confirmation of a resolution under sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property and interests in real property outside of a redevelopment or urban renewal project area, the commission shall comply with section 12(b) through 12(e) of this chapter. The commission shall hold, develop, use, and dispose of this real property and interests in real property substantially in accordance with section 15 of this chapter.

(d) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(e) All powers that may be exercised under this chapter by the commission may also be exercised by the commission in carrying out its duties and purposes under IC 36-7-15.3.

SECTION 5. IC 36-7-15.1-26, AS AMENDED BY SEA 118-2014, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic

development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes, taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or amendment that establishes an allocation provision must include a specific finding of fact, supported by evidence, that the adoption of the allocation provision will result in new property taxes in the area that would not have been generated but for the adoption of the allocation provision. For an allocation area established before July 1, 1995, the expiration date of any allocation provisions for the allocation area is June 30, 2025, or the last date of any obligations that are outstanding on July 1, 2015, whichever is later. However, an expiration date imposed by this subsection does not apply to an allocation area identified as the Consolidated Allocation Area in the report submitted in 2013 to the fiscal body under section 36.3 of this chapter. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service

reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

(i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

The special fund may not be used for operating expenses of the commission.

(4) Before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(C) If:

(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus

(ii) the amount necessary for other purposes described in subdivision (3) and subsection (g);

the commission shall submit to the legislative body of the unit the commission's determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.".

Delete pages 3 through 21.

Page 22, delete lines 1 through 26.

(Reference is to ESB 260 as printed February 18, 2014, and as amended by the Conference Committee Report CC026004 to ESB 260.)

TORR, Chair
PIERCE, R.M.M.
MESSMER, Sponsor

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 350-2014 because it conflicts with HEA 1279-2014 without properly recognizing the existence of HEA 1279-2014, has had Engrossed Senate Bill 350-2014 under consideration and begs leave to report back to the House with the recommendation that Engrossed Senate Bill 350-2014 be corrected as follows:

Page 11, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 27. IC 9-32-11-1, AS AMENDED BY SEA 350-2014, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. (a) The following persons must be licensed under this article to engage in the business of buying or selling motor vehicles or semitrailers:

(1) An automobile auctioneer.
(2) A converter manufacturer.
(3) A dealer.
(4) A distributor.
(5) A distributor representative.
(6) A manufacturer.
(7) A manufacturer representative.
(8) A transfer dealer.
(9) Before July 1, 2015, a wholesale dealer.
(10) An automotive mobility dealer.

(b) An automotive mobility dealer who engages in the business of:

(1) selling, installing, or servicing;
(2) offering to sell, install, or service; or
(3) soliciting or advertising the sale, installation, or servicing of;

equipment or modifications specifically designed to facilitate use or operation of a vehicle by an individual who is disabled or aged must be licensed under this article.

(c) An automotive mobility dealer that fails to be licensed under this article and engages in the businesses described in subsection (b) commits a Class A infraction.".

Page 16, between lines 7 and 8, begin a new paragraph and insert:

"SECTION 36. IC 9-32-11-12, AS AMENDED BY SEA 350, SECTION 34, AND AS AMENDED BY HEA 1279-2014, SECTION 173, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) This section applies to licenses (other than wholesale dealer licenses) issued

before January 1, 2015.

~~(a)~~ (b) An initial or renewed license issued under this article is valid from the issue date through the expiration date in accordance with the following schedule:

(1) The license of a person whose business name begins with the letters A through B expires March 1, 2015.

(2) The license of a person whose business name begins with the letters C through D expires April 1, 2015.

(3) The license of a person whose business name begins with the letters E through G expires May 1, 2015.

(4) The license of a person whose business name begins with the letters H through I expires June 1, 2015.

(5) The license of a person whose business name begins with the letters J through L expires July 1, 2015.

(6) The license of a person whose business name begins with the letters M through O expires August 1, 2015.

(7) The license of a person whose business name begins with the letters P through R expires September 1, 2015.

(8) The license of a person whose business name begins with the letters S through T expires October 1, 2015.

(9) The license of a person whose business name begins with the letters U through Z expires November 1, 2015.

~~(b)~~ **(c)** A sole proprietor shall register based upon the name of the sole proprietorship.

~~(c) A sole proprietor who does not register based upon the name of the sole proprietorship commits a Class A infraction.~~

(d) A person **that is** required to ~~be licensed~~ **hold a license described in subsection (a) and** that fails to ~~register in accordance~~ **comply** with ~~the schedule set forth in subsection (a)~~ **that requirement** commits a Class A infraction.".

Renumber all SECTIONS consecutively.

(Reference is to ESB 350 as printed February 21, 2014.)

TORR, Chair
PIERCE, R.M.M.
SOLIDAY, Sponsor

Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 8:35 p.m. with the Speaker in the Chair.

Upon request of Representative Summers, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 511: 70 present. The Speaker declared a quorum present.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1003-01, 1234-01, 1269-01, 1319-01, 1351-01, 1391-01 and Engrossed Senate Bills 229-01, 236-01, 273-01 and 321-01.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action: Engrossed House Bills 1003-01, 1234-01, 1269-01, 1319-01, 1351-01, 1391-01 and Engrossed Senate Bills 229-01, 236-01, 273-01 and 321-01.

TORR, Chair

Motion prevailed.

Representative Pelath is excused.

CONFERENCE COMMITTEE REPORT
EHB 1003–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1003 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-28-7-1, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~As used in~~ **The following definitions apply throughout** this chapter:

(1) "Business" includes an entity that has the objective of supplying a service or an article of trade or commerce.

(2) "School corporation" has the meaning set forth in IC 20-18-2-16(a).

(3) "Charter school" has the meaning set forth in IC 20-18-2-2.5.

SECTION 2. IC 5-28-7-2, AS AMENDED BY P.L.67-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The corporation shall do the following:

(1) Establish policies to carry out a training assistance program, the purpose of which is to provide assistance to the following:

(A) New or expanding businesses, for the training or retraining of potential or incumbent employees and the retraining and upgrading of the skills of potential or incumbent employees.

(B) Businesses in Indiana, for the retraining and upgrading of employees' skills required to support new or existing capital investment.

(C) Businesses in Indiana, for the development of basic workforce skills of employees, including the following:

(i) Literacy.

(ii) Communication skills.

(iii) Computational skills.

(iv) Other transferable workforce skills approved by the corporation.

(D) School corporations and charter schools, to support career pathways for students through cooperative arrangements with businesses for the education and training of students in high wage, high demand jobs that require industry certifications.

(2) Provide promotional materials regarding the training program.

(3) Determine the eligibility of an industry for the training program.

(4) Require a commitment by a business receiving training assistance under this chapter to continue operations at a site

on which the training assistance is used for at least five (5) years after the date the training assistance expires. If a business fails to comply with this commitment, the corporation shall require the business to repay the training assistance provided to the business under this chapter.

SECTION 3. IC 5-28-7-4, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. Participation in the training program is limited to ~~businesses~~ **entities** that:

(1) meet the eligibility requirements of the corporation; and

(2) comply with this chapter.

SECTION 4. IC 5-28-7-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 6. (a) The corporation may award grants from the training 2000 fund to school corporations and charter schools to support cooperative arrangements with businesses for training students.**

(b) A school corporation or a charter school must apply to the corporation for a grant under this section in the manner prescribed by the corporation.

(c) The corporation may consult with Indiana works councils to develop the application and eligibility requirements for grants awarded under this section.

SECTION 5. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards under this chapter **for any of the following:**

(1) To foster job creation in Indiana.

(2) ~~or,~~ ~~as provided in section 15.5 of this chapter,~~ **To foster** job retention in Indiana.

(3) For taxable years beginning after December 31, 2014, and before January 1, 2019, to foster employment in Indiana of students who participate in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification.

(b) The credit shall be claimed for the taxable years specified in the taxpayer's tax credit agreement.

SECTION 6. IC 6-3.1-13-14, AS AMENDED BY P.L.4-2005, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. **(a)** A person that proposes a project to create new jobs in Indiana may apply, as provided in section 15 of this chapter, to the corporation to enter into an agreement for a tax credit under this chapter.

(b) A person that proposes to retain existing jobs in Indiana may apply, as provided in section 15.5 of this chapter, to the corporation to enter into an agreement for a tax credit under this chapter.

(c) This subsection applies to taxable years beginning after December 31, 2014, and before January 1, 2019. A person that proposes to employ in Indiana students who have participated in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification may apply, as provided in section 15.7 of this chapter, to the corporation to enter into a agreement for a tax credit under this chapter.

(d) The director shall prescribe the form of the application.

SECTION 7. IC 6-3.1-13-15.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 15.7. (a) This section applies to an application proposing to employ students who have participated in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification.**

(b) A taxpayer who wishes to claim the credit provided by this chapter for employment of candidates to which this section applies may submit an application to the corporation after June 30, 2014, for a taxable year beginning after December 31, 2014, and before January 1, 2019, in the manner prescribed by the corporation.

(c) After receipt of an application, the corporation may enter into an agreement with the applicant for a tax credit under this chapter if the corporation determines that the applicant:

(1) participates in at least one (1) cooperative arrangement with an educational institution for the training of students in high wage, high demand jobs that require an industry certification; and

(2) meets any additional eligibility conditions established by the corporation.

(d) The corporation may consult with the Indiana career council to develop eligibility and performance conditions that an applicant must meet to qualify for a credit award to which this section applies.

(e) The aggregate amount of tax credits awarded under this section for a state fiscal year may not exceed two million five hundred thousand dollars ($2,500,000).

SECTION 8. IC 6-3.1-13-19.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 19.7. (a) In the case of a credit awarded for employment in Indiana of students who have participated in a course of study that includes a cooperative arrangement between an educational institution and an employer for the training of students in high wage, high demand jobs that require an industry certification, the corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:**

(1) A detailed description of the applicant's own cooperative arrangements between the applicant and educational institutions for the training of students in high wage, high demand jobs that require an industry certification.

(2) The duration of the tax credit and the first taxable year for which the credit may be claimed.

(3) The credit amount that will be allowed for each taxable year.

(4) A requirement that the taxpayer shall maintain the applicant's cooperative arrangements between the applicant and educational institutions for the training of students in high wage, high demand jobs that require an industry certification for at least two (2) years following the last taxable year in which the applicant claims the tax credit or carries over an unused part of the tax credit under section 18 of this chapter. A taxpayer is subject to an assessment under section 22 of this chapter for noncompliance with the requirement described in this subdivision.

(5) A specific method for determining the number of employees who:

(A) were students who participated in a course of study that included a cooperative arrangement between an employer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification; and

(B) are employed during a taxable year.

(6) A requirement that the taxpayer annually shall report to the corporation:

(A) the number of employees who participated in a course of study that includes a cooperative arrangement between an employer and an

educational institution for the training of students in high wage, high demand jobs that require an industry certification;

(B) the income tax revenue withheld in connection with the employees described in clause (A); and

(C) any other information the director needs to perform the director's duties under this chapter.

(7) A requirement that the director is authorized to verify with the appropriate state agencies the information reported under subdivision (6), and after doing so shall issue a certificate to the taxpayer stating that the information has been verified.

(8) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(9) Any other performance conditions that the corporation determines are appropriate.

(b) A taxpayer who is awarded a credit under this chapter for employees who participated in a course of study that included a cooperative agreement between an employer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification may claim the credit only for employees whose course of study included a cooperative arrangement between the taxpayer and an educational institution for the training of students in high wage, high demand jobs that require an industry certification.

SECTION 9. IC 22-4.5-9-2 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2. As used in this chapter, "system" refers to the Indiana workforce intelligence system established by IC 22-4.5-10-3.~~

SECTION 10. IC 22-4.5-9-4, AS AMENDED BY SEA 24-2014, SECTION 101, AND BY HEA 1064-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The council shall do all of the following:

(1) Provide coordination to align the various participants in the state's education, job skills development, and career training system.

(2) Match the education and skills training provided by the state's education, job skills development, and career training system with the currently existing and future needs of the state's job market.

~~(3) Provide administrative oversight of the system.~~

~~(4)~~ **(3)** In addition to the department's annual report provided under IC 22-4-18-7, submit, not later than August 1, 2013, and not later than November 1 each year thereafter, to the legislative council in an electronic format under IC 5-14-6 an inventory of current job and career training activities conducted by:

(A) state and local agencies; and

(B) whenever the information is readily available, private groups, associations, and other participants in the state's education, job skills development, and career training system.

The inventory must provide at least the information listed in IC 22-4-18-7(a)(1) through IC 22-4-18-7(a)(5) for each activity in the inventory.

~~(5)~~ **(4)** Submit, not later than July 1, 2014, to the legislative council in an electronic format under IC 5-14-6 a strategic plan to improve the state's education, job skills development, and career training system. The council shall submit, not later than December 1, 2013, to the legislative council in an electronic format under IC 5-14-6 a progress report concerning the development of the strategic plan. The strategic plan developed under this subdivision must include at least the following:

(A) Proposed changes, including recommended legislation and rules, to increase coordination, data sharing, and communication among the state, local, and private agencies, groups, and associations that are involved in education, job skills development, and career training.

(B) Proposed changes to make Indiana a leader in employment opportunities related to the fields of science, technology, engineering, and mathematics (commonly known as STEM).

(C) Proposed changes to address both:

(i) the shortage of qualified workers for current employment opportunities; and

(ii) the shortage of employment opportunities for individuals with a baccalaureate or more advanced degree.

~~(6)~~ **(5)** Complete, not later than August 1, 2014, a return on investment and utilization study of career and technical education programs in Indiana. The study conducted under this subdivision must include at least the following:

(A) An examination of Indiana's career and technical education programs to determine:

(i) the use of the programs; and

(ii) the impact of the programs on college and career readiness, employment, and economic opportunity.

(B) A survey of the use of secondary, college, and university facilities, equipment, and faculty by career and technical education programs.

(C) Recommendations concerning how career and technical education programs:

(i) give a preference for courses leading to employment in high wage, high demand jobs; and

(ii) add performance based funding to ensure greater competitiveness among program providers and to increase completion of industry recognized credentials and dual credit courses that lead directly to employment or postsecondary study.

~~(7)~~ **(6)** Coordinate the performance of its duties under this chapter with:

(A) the education roundtable established by IC 20-19-4-2; and

(B) the Indiana works councils established by IC 20-19-6-4.

(b) In performing its duties, the council shall obtain input from the following:

(1) Indiana employers and employer organizations.

(2) Public and private institutions of higher education.

(3) Regional and local economic development organizations.

(4) Indiana labor organizations.

(5) Individuals with expertise in career and technical education.

(6) Military and veterans organizations.

(7) Organizations representing women, African-Americans, Latinos, and other significant minority populations and having an interest in issues of particular concern to these populations.

(8) Individuals and organizations with expertise in the logistics industry.

(9) Any other person or organization that a majority of the voting members of the council determines has information that is important for the council to consider.

SECTION 11. IC 22-4.5-9-9, AS ADDED BY P.L.60-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. The governor may request the assistance of any state agency, board, commission, committee, department, division, or other entity of the executive department of state government as necessary to provide staff and administrative support to the council. ~~and the system.~~

SECTION 12. IC 22-4.5-10-1.5 IS ADDED TO THE

INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. As used in this chapter, "governance committee" refers to the INK governance committee established by section 7 of this chapter.**

SECTION 13. IC 22-4.5-10-2, AS ADDED BY P.L.60-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. As used in this chapter, ~~"system"~~ **"INK"** refers to the Indiana ~~workforce intelligence system~~ **network of knowledge** established by section 3 of this chapter.

SECTION 14. IC 22-4.5-10-3, AS ADDED BY P.L.60-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. The Indiana ~~workforce intelligence system~~ **network of knowledge** is established as a statewide longitudinal data system that contains educational and workforce information:

(1) from educational institutions at all levels; and

(2) about the state's workforce;

to improve the effect of the state's educational delivery system on the economic opportunities of individuals and the state's workforce, and to guide state and local decision makers.

SECTION 15. IC 22-4.5-10-4, AS ADDED BY P.L.60-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. **(a)** The ~~system~~ **INK** must do the following:

(1) Effectively organize, manage, break down, and analyze educational, ~~and~~ workforce, **and other** data.

(2) Generate timely and accurate information about student progress and outcomes over time, including students' preparation for postsecondary education and the workforce.

(3) Generate timely and accurate information that is available to the public about the effectiveness of the state's job training programs, including at least the following:

(A) The number of participants in each program.

(B) The number of participants who, as a result of the training received in the program:

(i) secured employment; or

(ii) were retained by an employer.

(C) The average wage of the participants who secured employment or were retained by an employer.

(4) Support the economic development **and other** activities of state and local governments.

(b) The INK may not obtain or store the following student data:

(1) Disciplinary records.

(2) Juvenile delinquency records.

(3) Criminal records.

(4) Medical and health records.

SECTION 16. IC 22-4.5-10-5, AS ADDED BY P.L.60-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. **(a)** The department of education (established by IC 20-19-3-1), the department of workforce development (established by IC 22-4.1-2-1), the commission for higher education (established by IC 21-18-2-1), and other agencies of the state that collect **relevant** data related to educational and workforce outcomes shall submit that data to the ~~system~~ **INK** on a timely basis and shall ensure the following:

(1) Routine and ongoing compliance with the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g), **IC 22-4-19-6,** and other relevant privacy laws and policies, including the following:

(A) The required use of data that cannot be used to identify information relating to a specific individual or entity.

(B) The required disposition of information that is no longer needed.

(C) The provision of a data security plan, including the performance of regular audits for compliance with data privacy and security standards.

(D) The implementation of guidelines and policies to prevent the reporting of other data that may potentially be used to identify information relating to a specific individual or entity.

(2) The use of data only in summary form in reports and responses to information requests. Data that may identify specific individuals or entities because of the size or uniqueness of the population involved may not be reported in any form.

(b) After June 30, 2014, other agencies of the state shall submit to the INK on a timely basis relevant data, including data at the individual level, as determined by the INK governance committee.

(c) The data submitted to INK under subsections (a) and (b):

(1) remains under the ownership and control of the agency submitting the data; and

(2) may be used only for the purposes of this chapter, unless the agency that submitted the data consents to the additional use.

(d) After June 30, 2014, the following may submit educational, workforce, and other relevant data, as applicable, to the INK by working with and through the INK executive director:

(1) Private sector business or commercial employers, groups, associations, agencies, and other entities.

(2) Private institutions of higher education.

SECTION 17. IC 22-4.5-10-6, AS ADDED BY P.L.60-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) The:

(1) council, before July 1, ~~2018;~~ **2014;** and

(2) ~~governor,~~ **governance committee, working in collaboration with the executive director,** after June 30, ~~2018;~~ **2014;**

shall provide administrative oversight to the ~~system~~ **INK through the executive director.**

(b) Administrative oversight of the ~~system~~ **INK** includes all the following:

(1) Provide general oversight and direction for the development and maintenance of the ~~system,~~ **INK, including the organizational framework for the day to day management of the INK.**

(2) ~~Approve an annual budget for the system.~~ **Work with the executive director and other state agencies participating in the INK to establish the following:**

(A) A standard compliance time frame for the submission of data to the INK.

(B) Interagency policies and agreements to ensure equal access to the INK.

(C) Interagency policies and agreements to ensure the ongoing success of the INK.

(3) Hire staff necessary to administer the ~~system.~~ **INK.**

(4) Develop **and implement** a detailed data security and safeguarding plan that includes:

(A) access by authenticated authorization;

(B) privacy compliance standards;

(C) notification and other procedures to protect system data if a breach of the ~~system~~ **INK** occurs; and

(D) policies for data retention and disposition.

(5) ~~Oversee~~ **Develop and implement policies to provide** routine and ongoing compliance with the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g), **IC 22-4-19-6,** and other relevant privacy laws and policies.

(6) Establish the policy and research agenda for the INK.

~~(6)~~ **(7)** ~~Review research requirements and~~ Establish policies for responding to data requests from the state, local

agencies, the general assembly, and the public. **The policies established under this subdivision must provide for access to data in the INK requested by the legislative department of state government. If the data requested by the legislative department includes data that is restricted by federal law, regulation, or executive order, the governance committee shall provide access to the legislative department to the restricted data to the extent permitted by the applicable federal law, regulation, or executive order.**

~~(7)~~ **(8)** Oversee the development of public access to the ~~system~~ **INK** in a manner that:

(A) permits research using the data in aggregated form; and

(B) cannot provide information that allows the identification of a specific individual or entity.

~~(8) Identify additional sources of data for the system from among state entities and require those entities to submit relevant data to the system.~~

(9) Submit, not later than September 1, 2015, and not later than September 1 each year thereafter, to the governor, to the legislative council in an electronic format under IC 5-14-6, and to the council, a report covering the following for the most recent fiscal year:

(A) An update concerning the administration of the INK and the governance committee's activities.

(B) An overview of all studies performed.

(C) Any proposed or planned expansions of the data maintained by the INK.

(D) Any other recommendations made by the executive director and the governance committee.

(c) Funding for the development, maintenance, and use of the ~~system~~ **INK** may be obtained from any of the following sources:

(1) Appropriations made by the general assembly for this purpose.

(2) Grants or other assistance from local educational agencies or institutions of higher education.

(3) Federal grants.

(4) User fees.

(5) Grants or amounts received from other public or private entities.

(d) The council (before July 1, ~~2018)~~ **2014)** and the governor **through the executive director** (after June 30, ~~2018)~~ **2014)** may contract with public or private entities for the following purposes:

(1) To develop and maintain the ~~system,~~ **INK, including the analytical and security capabilities of the INK. Contracts made under this subdivision must include:**

(A) express provisions that safeguard the privacy and security of the INK; and

(B) penalties for failure to comply with the provisions described in clause (A).

(2) To conduct research in support of the activities and objectives listed in section 4 of this chapter.

(3) To conduct research on topics at the request of the council, the governor, or the general assembly.

SECTION 18. IC 22-4.5-10-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 7. (a) The INK governance committee is established.**

(b) The governance committee consists of at least the following six (6) members:

(1) The commissioner of the department of workforce development, or the commissioner's designee with authority to act on behalf of the commissioner.

(2) The commissioner of the commission for higher education, or the commissioner's designee with authority to act on behalf of the commissioner.

(3) The state superintendent of public instruction, or the state superintendent's designee with authority to act on behalf of the state superintendent.

(4) One (1) member representing private colleges and universities appointed by the governor.

(5) One (1) member representing the business community in Indiana appointed by the governor.

(6) The INK executive director. The INK executive director serves in a nonvoting advisory capacity.

(c) The governor may appoint additional members to the governance committee as necessary to ensure the continued success of the INK. Additional members appointed under this subsection must represent other state agencies or partner organizations, as determined by the governance committee, that submit data to the INK.

(d) A member of the governance committee appointed by the governor serves at the pleasure of the governor.

(e) The governor shall make the initial appointments under this section not later than July 15, 2014.

(f) A vacancy on the governance committee is filled in the same manner as the original appointment.

(g) The governor shall appoint the chair of the governance committee from its voting members. The chair serves for one (1) year, or until a successor is selected.

(h) The governance committee shall meet at least quarterly or at the call of the chair.

(i) A majority of the voting members of the governance committee constitutes a quorum for the purpose of conducting business. The affirmative vote of a majority of the members of the governance committee is required for the governance committee to take official action.

SECTION 19. IC 22-4.5-10-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 8. (a) The governor shall:**

(1) appoint an INK executive director from a list of three (3) candidates submitted by the governance committee; or

(2) reject all of the candidates on the list submitted by the governance committee.

(b) If the governor rejects all of the candidates on the list submitted by the governance committee, the governor shall notify the chair of the governance committee.

(c) Not later than thirty (30) days after the date the governance committee receives the governor's notice under subsection (b), the governance committee shall submit to the governor a second list of three (3) new candidates for the position of INK executive director. The governor shall appoint the INK executive director from the second list of candidates submitted by the governance committee.

(d) The INK executive director serves at the pleasure of the governor.

(e) Whenever a vacancy in the position of INK executive director occurs, the governor shall notify the chair of the governance committee. Not later than ten (10) days after the date the governance committee receives notice of the vacancy, the chair shall call a meeting of the governance committee to begin the process of filling the vacancy. Not later than thirty (30) days after the date the governance committee receives notice of the vacancy, the governance committee shall submit to the governor a list of three (3) candidates to fill the vacancy.

(f) The governance committee shall submit to the governor the initial list of three (3) candidates for INK executive director not later than August 15, 2014.

(g) The executive director is responsible for the daily administration of the INK.

(h) The executive director shall do all the following:

(1) Work with the governance committee, state agencies, and other entities participating in the INK to develop and implement appropriate policies and procedures concerning the INK's data quality,

integrity, transparency, security, and confidentiality.

(2) Coordinate the provision and delivery of data, as determined by the governance committee, to ensure that research project timelines and deliverables to stakeholders are met.

(3) Provide reports concerning the INK and the executive director's activities to the governor and the governance committee.

(4) Work in collaboration with the governance committee to hire staff as necessary to administer the INK.

(5) Perform other duties as assigned by the governor.

SECTION 20. IC 22-4.5-10-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) Each member of the governance committee who is not a state employee is entitled to the following:**

(1) The salary per diem provided under IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the governance committee who is a state employee is entitled to the following:

(1) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(2) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 21. IC 22-4.5-10.5-3, AS AMENDED BY SEA 24-2014, SECTION 102, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The department, in consultation with the commission for higher education, the department of education, the office of the secretary of family and social services, and any other agency the department determines is necessary, shall include in the Indiana ~~workforce intelligence system~~ **network of knowledge** established by IC 22-4.5-10-3 ~~as added by HB 1002-2013, SECTION 2,~~ information regarding the middle skill credentials awarded in Indiana for the immediately preceding state fiscal year.

(b) The information required under subsection (a) must include:

(1) the aggregate number of enrollees in programs leading to middle skill credentials from:

(A) public institutions of higher education;

(B) private institutions of higher education;

(C) postsecondary proprietary educational institutions;

(D) community colleges;

(E) area vocational schools;

(F) high school vocational programs;

(G) apprenticeship programs; and

(H) other public or private workforce training programs; and

(2) aggregate data of industry based certifications awarded as the result of the completion of education and employment training programs.

(c) The department shall publish the information described in subsection (b) in the department's annual report.

(Reference is to EHB 1003 as reprinted March 4, 2014.)

BRAUN	J. SMITH
HALE	HERSHMAN
House Conferees	Senate Conferees

Roll Call 512: yeas 99, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1005–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1005 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-1-7.1-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) For purposes of this section, "Accord" refers to the Midwest Greenhouse Gas Reduction Accord signed on November 15, 2007.**

(b) Notwithstanding any other law, rule, or regulation, the participation of the state of Indiana in the Accord in any capacity, including as a signatory or an observer to the Accord, terminates not later than the date on which the elected official who signed the Accord on behalf of the state of Indiana ceases to hold office.

SECTION 2. IC 4-10-10 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Cancellation and Reissue of Warrants Outstanding More Than Two Years).

SECTION 3. IC 4-10-18-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. If the amount of money in the underground petroleum storage tank excess liability **trust** fund established by IC 13-23-7-1 reaches zero (0), ten million dollars ($10,000,000) shall be transferred to the underground petroleum storage tank excess liability **trust** fund from the fund if the:

(1) underground petroleum storage tank financial assurance board recommends that the appropriation should be made; and

(2) budget committee approves the appropriation.

SECTION 4. IC 4-20.5-6-9.4 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 9.4. The department and the office of the secretary of family and social services shall establish policies that prohibit the construction of fences and bleachers on real property that is part of the Evansville State Hospital. This section applies to real property used either by:~~

~~(1) Evansville State Hospital for recreational purposes; or~~

~~(2) an entity using part of the property of the hospital with the permission of the hospital.~~

SECTION 5. IC 4-20.5-7-2.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2.5. (a) This section applies to real property that is part of Evansville State Hospital.~~

~~(b) The transfer of real property of Evansville State Hospital must include a provision that no fences or bleachers may be constructed on the real property being transferred. The deed transferring real property must include a provision that the real property reverts to the state if bleachers or fences are constructed on the real property.~~

SECTION 6. IC 5-2-6.1-12, AS AMENDED BY P.L.161-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Except as provided in sections 13 through 15 of this chapter, the following persons are eligible for assistance under this chapter:

(1) A resident of Indiana who is a victim of a violent crime committed:

(A) in Indiana; or

(B) in a jurisdiction other than Indiana, including a foreign country, if the jurisdiction in which the violent crime occurs does not offer assistance to a victim of a violent crime that is substantially similar to the assistance offered under this chapter.

(2) A nonresident of Indiana who is a victim of a violent

crime committed in Indiana.

(3) A surviving spouse or dependent child of a victim of a violent crime who died as a result of that crime.

(4) Any other person legally dependent for principal support upon a victim of a violent crime who died as a result of that crime.

(5) A person who is injured or killed while trying to prevent a violent crime or an attempted violent crime from occurring in the person's presence or while trying to apprehend a person who had committed a violent crime.

(6) A surviving spouse or dependent child of a person who dies as a result of:

(A) trying to prevent a violent crime or an attempted violent crime from occurring in the presence of the deceased person; or

(B) trying to apprehend a person who had committed a violent crime.

(7) A person legally dependent for principal support upon a person who dies as a result of:

(A) trying to prevent a violent crime or an attempted violent crime from occurring in the presence of the deceased person; or

(B) trying to apprehend a person who had committed a violent crime.

(8) A person who is injured or killed while giving aid and assistance to:

(A) a law enforcement officer in the performance of the officer's lawful duties; or

(B) a member of a fire department who is being obstructed from performing lawful duties.

~~(9) A law enforcement agency or person that owns a law enforcement animal that is permanently disabled or killed as a result of a violation of IC 35-46-3-11.~~

SECTION 7. IC 5-2-6.1-21.1, AS AMENDED BY P.L.161-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 21.1. (a) This section applies to claims filed with the division after June 30, 2009.

(b) This subsection does not apply to reimbursement for forensic and evidence gathering services provided under section 39 of this chapter.

(c) An award may not be made unless the claimant has incurred an out-of-pocket loss of at least one hundred dollars ($100).

(d) Subject to subsections (b) and (c), the division may order the payment of compensation under this chapter for any of the following:

(1) Reasonable expenses incurred within one hundred eighty (180) days after the date of the violent crime for necessary:

(A) medical, chiropractic, hospital, dental, optometric, and ambulance services;

(B) prescription drugs; and

(C) prosthetic devices;

that do not exceed the claimant's out-of-pocket loss.

(2) Loss of income:

(A) the victim would have earned had the victim not died or been injured, if the victim was employed at the time of the violent crime; or

(B) the parent, guardian, or custodian of a victim who is less than eighteen (18) years of age incurred by taking time off from work to care for the victim.

A claimant seeking reimbursement under this subdivision must provide the division with proof of employment and current wages.

(3) Reasonable emergency shelter care expenses, not to exceed the expenses for thirty (30) days, that are incurred for the claimant or a dependent of the claimant to avoid contact with a person who committed the violent crime.

(4) Reasonable expense incurred for child care, not to exceed one thousand dollars ($1,000), to replace child care the victim would have supplied had the victim not died or been injured.

(5) Loss of financial support the victim would have supplied to legal dependents had the victim not died or been injured.

(6) Documented expenses incurred for funeral, burial, or cremation of the victim that do not exceed five thousand dollars ($5,000). The division shall disburse compensation under this subdivision in accordance with guidelines adopted by the division.

(7) Outpatient mental health counseling, not to exceed three thousand dollars ($3,000), concerning mental health issues related to the violent crime.

~~(8) As compensation for a law enforcement animal that is permanently disabled or killed as a result of a violation of IC 35-46-3-11, the cost of replacing the animal, which may include the cost of training the animal.~~

~~(9)~~ **(8)** Other actual expenses related to bodily injury to or the death of the victim that the division determines are reasonable.

(e) If a health care provider accepts payment from the division under this chapter, the health care provider may not require the victim to pay a copayment or an additional fee for the provision of services.

(f) A health care provider who seeks compensation from the division under this chapter may not simultaneously seek funding for services provided to a victim from any other source.

(g) The director may extend the one hundred eighty (180) day compensation period established by subsection (d)(1) for a period not to exceed two (2) years after the date of the violent crime if:

(1) the victim or the victim's representative requests the extension; and

(2) medical records and other documentation provided by the attending medical providers indicate that an extension is appropriate.

(h) The director may extend the one hundred eighty (180) day compensation period established by subsection (d)(1) for outpatient mental health counseling, established by subsection (d)(7), if the victim:

(1) was allegedly a victim of a sex crime (under IC 35-42-4) or incest (under IC 35-46-1-3);

(2) was under eighteen (18) years of age at the time of the alleged crime; and

(3) did not reveal the crime within two (2) years after the date of the alleged crime.

SECTION 8. IC 5-2-6.1-22, AS AMENDED BY P.L.161-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) The state is subrogated to the rights of the ~~victim or~~ claimant to whom an award is granted to the extent of the award.

(b) The subrogation rights are against the perpetrator of the crime or a person liable for the pecuniary loss.

(c) If the ~~victim or~~ claimant initiates a civil action against the perpetrator of the crime or against the person liable for the pecuniary loss, the ~~victim or~~ claimant shall promptly notify the division of the filing of the civil action.

SECTION 9. IC 5-2-6.1-23, AS AMENDED BY P.L.161-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 23. (a) In addition to the subrogation rights under section 22 of this chapter, the state is entitled to a lien in the amount of the award on a recovery made by or on behalf of the ~~victim. or~~ claimant.

(b) The state may:

(1) recover the amount under subsection (a) in a separate action; or

(2) intervene in an action brought by or on behalf of the ~~victim. or~~ claimant.

(c) If the claimant brings the action, the claimant may deduct

from the money owed to the state under the lien the state's pro rata share of the reasonable expenses for the court suit, including attorney's fees of not more than fifteen percent (15%).

SECTION 10. IC 5-2-6.1-26, AS AMENDED BY P.L.161-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) If an application is complete, the division shall accept the application for filing and investigate the facts stated in the application.

(b) As part of the investigation, the division shall verify that:

(1) a

~~(A)~~ violent crime ~~or~~

~~(B) crime under IC 35-46-3-11, for purposes of compensation payable under section 12(9) of this chapter;~~

was committed;

(2) the victim was killed or suffered bodily injury as a result of the crime; ~~or, for a crime under IC 35-46-3-11, a law enforcement animal was permanently disabled or killed;~~

(3) the requirements of sections 13, 16(a), 16(b), 17, 18, and 19 of this chapter are met; and

(4) out-of-pocket loss exceeded one hundred dollars ($100).

SECTION 11. IC 5-2-6.1-32, AS AMENDED BY P.L.161-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 32. (a) The division shall reduce an award made under this chapter by the amount of benefits received or to be received from the following sources if those benefits result from or are in any manner attributable to the bodily injury or death upon which the award is based:

(1) Benefits from public or private pension programs, including Social Security benefits.

(2) Benefits from proceeds of an insurance policy.

(3) Benefits under IC 22-3-2 through IC 22-3-6.

(4) Unemployment compensation benefits.

(5) Benefits from other public funds, including Medicaid and Medicare.

Compensation must be further reduced or denied to the extent that the claimant's loss is recouped from other collateral sources.

(b) The division shall further reduce an award under this chapter by the following:

(1) The amount of court ordered restitution actually received by the ~~victim or~~ claimant from the offender.

(2) Benefits actually received by the ~~victim or~~ claimant from a third party on behalf of the offender.

(c) The division shall determine whether the ~~victim or~~ claimant vigorously pursued recovery against available collateral sources described in this section.

(d) If the division finds that a ~~victim or~~ claimant has failed to pursue an applicable collateral source of recovery, the division shall reduce or deny an award under this section by the amount that is available to the ~~victim or~~ claimant through the collateral source.

(e) A claimant must exhaust any paid or otherwise compensated vacation leave, sick leave, personal leave, or other compensatory time accrued through an employer before applying for benefits. The division may not reimburse the ~~victim or~~ claimant for the use of paid or otherwise compensated vacation leave, sick leave, personal leave, or other compensatory time.

SECTION 12. IC 5-2-6.1-34, AS AMENDED BY P.L.161-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 34. (a) In determining the amount of the award, the division shall determine whether the victim ~~(or law enforcement animal, in an application described in section 12(9) of this chapter)~~ contributed to the infliction of the **victim's** injury or death.

(b) If the division finds that the victim ~~(or law enforcement animal, in an application described in section 12(9) of this chapter)~~ contributed to the infliction of the **victim's** injury or death, the division may deny an award.

(c) If the division further finds that the **victim's** contributory conduct was solely attributable to an effort to:

(1) prevent a crime from occurring; or

(2) apprehend a person who committed a crime;

in the victim's presence, the **victim's** contributory conduct does not render the victim ~~or claimant~~ ineligible for compensation.

SECTION 13. IC 6-8.1-10-1, AS AMENDED BY P.L.211-2007, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) If a person fails to file a return for any of the listed taxes, fails to pay the full amount of tax shown on the person's return by the due date for the return or the payment, or incurs a deficiency upon a determination by the department, the person is subject to interest on the nonpayment.

(b) The interest for a failure described in subsection (a) is the adjusted rate established by the commissioner under subsection (c), from the due date for payment. The interest applies to:

(1) the full amount of the unpaid tax due if the person failed to file the return;

(2) the amount of the tax that is not paid, if the person filed the return but failed to pay the full amount of tax shown on the return; or

(3) the amount of the deficiency.

(c) The commissioner shall establish an adjusted rate of interest for a failure described in subsection (a) and for an excess tax payment on or before November 1 of each year. For purposes of subsection (b), the adjusted rate of interest shall be the percentage rounded to the nearest whole number that equals two (2) percentage points above the average investment yield on state **general fund** money for the state's previous fiscal year, excluding pension fund investments, as determined by the treasurer of state on or before October 1 of each year and reported to the commissioner. For purposes of IC 6-8.1-9-2(c), the adjusted rate of interest for an excess tax payment must be the same as the adjusted rate of interest determined under this subsection for a failure described in subsection (a). The adjusted rates of interest established under this subsection shall take effect on January 1 of the immediately succeeding year.

(d) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(e) Except as provided by IC 6-8.1-3-17(c) and IC 6-8.1-5-2, the department may not waive the interest imposed under this section.

(f) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.

SECTION 14. IC 7.1-5-7-1, AS AMENDED BY P.L.125-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~(a)~~ It is a Class C ~~misdemeanor~~ **infraction** for a minor to knowingly or intentionally make a false statement of the minor's age or to present or offer false or fraudulent evidence of majority or identity to a permittee for the purpose of ordering, purchasing, attempting to purchase, or otherwise procuring or attempting to procure an alcoholic beverage.

~~(b) In addition to the penalty under subsection (a), a minor who:~~

~~(1) uses a false or altered driver's license or the driver's license of another person as evidence of majority under this section; or~~

~~(2) is convicted of purchasing or procuring an alcoholic beverage with or without using a false or altered driver's license;~~

~~shall have the minor's driver's license, permit, or driving privileges suspended for up to one (1) year in accordance with IC 9-24-18-8 and IC 9-30-4-9.~~

~~(c) Upon entering a judgment of conviction for the misdemeanor under this section, the court shall forward a copy~~

~~of the judgment to the bureau of motor vehicles for the purpose of complying with subsection (b).~~

SECTION 15. IC 8-1-2-89 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 89. (a) As used in this section, unless the context otherwise requires, the following terms have the following meanings:

(1) "Sewage disposal service" means any public utility service whereby liquid and solid waste, sewage, night soil, and industrial waste of any single territorial area is collected, treated, purified, and disposed of in a sanitary manner, and includes all sewage treatment plant or plants, main sewers, submain sewers, local and lateral sewers, intercepting sewers, outfall sewers, force mains, pumping stations, ejector stations, and all other equipment and appurtenances necessary or useful and convenient for the rendition of such service.

(2) "Sewage disposal company" means any natural person, firm, association, corporation, or partnership owning, leasing, or operating any sewage disposal service within the rural areas of this state, and all provisions of this chapter pertaining to a public utility shall apply with equal force and effect to a sewage disposal company, except insofar as said provisions may be inconsistent with specific provisions of this section.

(3) "Rural area" means territory lying within the state of Indiana and lying outside the corporate limits of a municipality.

(4) "Certificate of territorial authority" means a certificate of convenience and necessity issued by the commission pursuant to this section, which said certificate shall be deemed an indeterminate permit, unless expressly conditioned otherwise by the commission when issued.

(5) "Notice of hearing" means notice of the time, place, and purpose of a hearing, given by publication in at least one (1) newspaper of general circulation in each of the counties in which the particular sewage disposal company operates or proposes to operate and given also in writing by United States registered mail:

(A) to each other sewage disposal company operating in territory contiguous to the territory in which the particular sewage disposal company operates or proposes to operate;

(B) to each municipality in territory contiguous and nearest to the territory in which the particular sewage disposal company operates or proposes to operate; and

(C) to such other persons or entities which the commission may from time to time require by its rules and forms;

all such notices shall be so mailed as to be received by the recipients at least ten (10) days prior to any hearing, or as otherwise required by the commission.

(b) It is hereby declared to be in the public interest to provide for the orderly development and rendering of sewage disposal service in rural areas within the state of Indiana, and such public interest makes it necessary and desirable that to the extent provided herein the holding of a certificate of territorial authority should be required as a condition precedent to the rendering of such service, and that such operation be under the control, regulation, and supervision of the commission, and such sewage disposal companies shall not be subject to regulation by any municipality or county government or metropolitan regulatory body, or any branch or subdivisions thereof or substitute therefor in the form of special service districts, with the exception that said sewage disposal company shall be subject to the comprehensive plan, zoning, and subdivision requirements and regulations of the governmental units having jurisdiction in the area. However, all functions, powers, and duties of the state department of health and the ~~water pollution control~~ **environmental rules** board shall remain unaffected by this section.

(c) No sewage disposal company shall commence the rendering of sewage disposal service in any rural area in the state of Indiana in which it is not actually rendering sewage disposal service, without first obtaining from the commission a certificate of territorial authority authorizing such sewage disposal service, finding that public convenience and necessity require such sewage disposal service within such rural area by such sewage disposal company, and defining and limiting specifically the rural area covered thereby. No sewage disposal company hereby required to hold such a certificate shall render any additional sewage disposal service within such rural area to any extent greater than that authorized by such certificate or shall continue to render sewage disposal service within such rural area if and after such certificate of territorial authority has been revoked or transferred as in this section provided, unless in such order of revocation or transfer the commission shall require continued service until a new sewage disposal company or municipality actually takes over such service. The commission shall not have the power to require extension of such service by any sewage disposal company into any additional territory than that defined and limited in such a certificate without the consent of such sewage disposal company.

(d) Whenever any sewage disposal company proposes to commence the rendering of sewage disposal service in any rural area, it shall file with the commission a verified application for a certificate of territorial authority to cover the proposed service. The commission shall by rule prescribe the form of the application and the information to be contained therein, and such application by any such company shall conform to such prescribed form. The commission shall set the matter for hearing and notice of such hearing shall be given to the parties and in the manner defined in this section. Any city may, and upon petition to the commission shall, be made a party to any service proposal if its territorial limits lie within five (5) miles of the area to be serviced under this section.

(e) If, after notice of hearing and hearing on any application for a certificate of territorial authority, the commission shall find from the evidence introduced at such hearing, including any evidence which the commission shall have caused to be introduced as a result of any investigation which it may have made into the matter, that the applicant has proved:

(1) lawful power and authority to apply for said certificate and to operate said proposed service;

(2) financial ability to install, commence, and maintain said proposed service; and

(3) public convenience and necessity require the rendering of the proposed service in the proposed rural area by this particular sewage disposal company; however, in the event the service is proposed for a proposed rural real estate addition, division, or development, or any part thereof, the reasonably expected sewage disposal service requirements of the anticipated residents may be found to constitute such public convenience and necessity;

then the certificate of territorial authority, defining and limiting the rural area to be covered thereby, shall be granted to the applicant, subject to such terms, restrictions, limitations, and conditions, including but not limited to a reasonable time in which to commence operations, as the commission shall determine to be necessary and desirable in the public interest.

(f) In cases of applications filed by two (2) or more sewage disposal companies seeking the issuance of a certificate of territorial authority for the same area or areas or any conflicting portions thereof, the commission may either consider such applications separately or by consolidation of two (2) or more or all within a single hearing at its discretion and shall have the power to issue its certificate after notice of hearing and hearing to any single qualified sewage disposal company for a particular rural area, or, in the event that the commission determines and finds that two (2) or more or all applicants seeking the same area or areas or any conflicting portions thereof are both or all

qualified, then the commission shall have the power to determine which is the better or best qualified, or whether the same area or areas or any conflicting portions thereof shall be divided between or among such qualified applicants. However, in no event shall such area or areas or portions thereof be greater than that for which the particular applicant applied, unless such sewage disposal company shall consent and agree in writing to such modification of its application and the issuance of such modified certificate.

(g) After the issuance of such certificate, no other sewage disposal company shall render sewage disposal service in the area or areas so determined and so defined in any certificate of territorial authority issued by the commission, except after notice of hearing and hearing, and the determination and finding by the commission that public convenience and necessity require that sewage disposal service in said same area or areas be also rendered or offered by an additional or another company, and the issuance of a certificate duly granted by the commission as provided in this section.

(h) A sewage disposal company shall be required to furnish reasonable adequate sewage disposal services and facilities for which said service and facilities it shall be entitled to charge reasonable, nondiscriminatory rates, subject to the jurisdiction of the commission for the purpose of fixing said rates to be charged to patrons of such sewage disposal company for sewage disposal service, and for such purpose the commission is given jurisdiction to proceed in the same manner and with like power as is provided by this chapter in the case of public utilities.

(i) To encourage the installation of sewage treatment plants, and sewers, mains, stations, and all other equipment and appurtenances for rendering sewage disposal service in rural areas in close proximity to municipalities, and to ensure that a sewage disposal company which had made such installation in such area can recover the cost of its investment, in the event that the area or areas or any part thereof included within the territory granted under a certificate of territorial authority shall be annexed by any municipality at any time within twelve (12) years from the date that such certificate was granted, a sewage disposal company operating under such certificate shall continue to operate under such certificate of territorial authority, subject to the exclusive jurisdiction and regulation of the commission, for the unexpired portion of such period of twelve (12) years from the date of granting such certificate, or, in the case of a determinate permit specifying a term shorter than twelve (12) years, then for the unexpired portion of such lesser period as specified by such permit from the date of granting such permit. However, the foregoing provisions in regard to continued operation within the corporate limits of a municipality after annexation shall not affect the right of the sewage disposal company to cease its operation of providing sewage disposal service within such annexed territory prior to the termination of said twelve (12) year or lesser determinate permit period, upon thirty (30) days written notice to the commission, the municipality, and all patrons.

(j) Upon approval by the commission given after notice of hearing and hearing, but not otherwise, any certificate of territorial authority may:

(1) be sold, assigned, leased, or transferred by the holder thereof to any sewage disposal company to which a territorial certificate might be lawfully issued; or

(2) be included in the property and rights encumbered under any indenture of mortgage or deed of trust of such holder;

or any sewage treatment plant or plants, sewers, mains, stations, and equipment and appurtenances for the rendering of sewage disposal service, or any part thereof, may be sold, assigned, leased, or transferred by the holder thereof to any municipality if these assets lie within an area which shall have been annexed by such municipality or lie within the given radius of miles from the corporate limits of such municipality into which it is authorized to render such services, if such municipality is prepared to render a comparable sewage disposal service without loss of continuity of service, and if the terms of such sale, assignment, lease, or transfer are reasonable. However, once the commission has given its approval to such transaction and the transaction itself is actually consummated, the commission shall have no control over the sewage disposal service henceforth rendered by such municipality as a municipally owned utility (as defined in this chapter).

(k) Any certificate of territorial authority may, after notice of hearing and hearing, be revoked by the commission, in whole or in part, for the failure of the holder thereof to furnish reasonably adequate sewage disposal service within the area or areas determined and defined in such certificate of territorial authority, or for the failure of the holder thereof to comply with any applicable order or rule prescribed by the commission in the exercise of its powers under this chapter, or for failure to comply with any term, condition, or limitation of such certificate of territorial authority.

(l) After the commission revokes any certificate of territorial authority under subsection (k) or after the county board of health determines the existence of a serious health problem related to the sewage disposal facility, the county commissioners of the county in which the sewage disposal facility is located may acquire the facility, subject to the approval of the acquisition by the county council, except that the county commissioners may not acquire any facility already acquired by any city or town. The county commissioners shall acquire the sewage disposal facility by:

(1) gift, grant, purchase, or condemnation that is funded in the same manner that cities and towns fund sewage treatment acquisitions under IC 36-9; or

(2) a lease arrangement that is funded in the same manner that cities and towns fund leases of sewage disposal facilities under IC 36-9.

After acquisition, the county commissioners shall repair, operate, and maintain the sewage disposal facility and charge user fees for these services.

SECTION 16. IC 9-13-2-146 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 146. "Railroad" does not include street car.~~

SECTION 17. IC 9-13-2-176 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 176. "Street car" means a car other than a railroad train for transporting persons or property and operated upon rails principally within a municipality.~~

SECTION 18. IC 9-13-2-182 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 182. "Traffic" means pedestrians, ridden or herded animals, ~~street cars,~~ vehicles, and other conveyances either singly or together while using any highway for purposes of travel.

SECTION 19. IC 9-21-3-10 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 10. The motorman of a street car shall obey traffic control signals that are applicable to vehicles.~~

SECTION 20. IC 9-21-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. A person who violates section 7, 8, **or** 9 ~~or 10~~ of this chapter commits a Class C infraction.

SECTION 21. IC 9-21-8-41 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 41. (a) A person who drives a vehicle ~~or street car~~ may not disobey the instructions of an official traffic control device placed in accordance with this article unless otherwise directed by a police officer.

(b) When a traffic control device or flagman is utilized at a worksite on a highway for traffic control, a person who drives a vehicle shall exercise extraordinary care to secure the mutual safety of all persons and vehicles at the worksite.

(c) All traffic shall observe and obey traffic control devices including signals, signs, and warnings, and all directions, signs, or warning devices that may be given or displayed by a police

officer or flagman to safely control traffic movement at a worksite and promote safety at a worksite.

SECTION 22. IC 9-21-8-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 43. (a) A person may not drive a vehicle when any of the following conditions exist:

(1) The vehicle:

(A) is loaded in a manner; or

(B) has more than three (3) persons in the front seat;

so as to obstruct the view of the person who drives the vehicle to the front or sides of the vehicle.

(2) The vehicle:

(A) is loaded in a manner; or

(B) has more than three (3) persons in the front seat;

so as to interfere with the person's control over the driving mechanism of the vehicle.

(b) A passenger in a vehicle ~~or street car~~ may not do the following:

(1) Ride in a position that interferes with the view ahead or to the sides of the person who drives the vehicle. ~~or street car.~~

(2) Interfere with the person's control over the driving mechanism of the vehicle. ~~or street car.~~

SECTION 23. IC 9-21-12-2 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2. Whenever a school bus is being operated upon a highway for purposes other than the actual transportation of children either to or from school or other school related activities, all markings on the school bus indicating "school bus" shall be covered or concealed.~~

SECTION 24. IC 9-21-12-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 6. A street car or vehicle may not be driven over an unprotected hose of a fire department when laid down on a street, private driveway, or street car track to be used at a fire or alarm of fire without the consent of the fire department official in command.~~

SECTION 25. IC 9-21-12-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. A person who violates section 1 of this chapter commits a Class A infraction. ~~A person who violates section 2 of this chapter commits a Class C misdemeanor.~~

SECTION 26. IC 9-21-12-11, AS AMENDED BY P.L.39-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) A person who violates section 5, ~~6,~~ 7, or 19 of this chapter commits a Class C infraction.

(b) A person who knowingly or intentionally violates section 12, 13, 14, 15, **or** 16 ~~or 17~~ of this chapter commits a Class C misdemeanor.

(c) A person described in section 18(b) **or** 18(c) ~~or 18(d)~~ of this chapter commits a Class B infraction.

SECTION 27. IC 9-21-12-17 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 17. (a) Except as provided in subsection (b), before crossing any railroad track at grade, the driver of a school bus or special purpose bus shall stop the bus within fifty (50) feet but not less than fifteen (15) feet from the nearest rail. While the bus is stopped, the driver shall:~~

~~(1) listen through an open door;~~

~~(2) look in both directions along the track for an approaching train or other on-track equipment; and~~

~~(3) look for signals indicating the approach of a train or other on-track equipment.~~

~~The driver may not proceed until it is safe to proceed. When it is safe to proceed, the driver shall select a gear that will allow the driver to cross the tracks without changing gears. The driver may not shift gears while crossing the tracks.~~

~~(b) The driver is not required to stop when a police officer is directing the flow of traffic across railroad tracks.~~

~~(c) Upon conviction of a violation of this section, a driver shall have the driver's operator's license suspended for a period of not less than sixty (60) days in addition to the penalties provided by section 11 of this chapter.~~

SECTION 28. IC 9-21-12-18, AS ADDED BY P.L.107-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 18. (a) Whenever a school bus or special purpose bus is ~~at a place of departure for~~ transporting passengers, the school bus or special purpose bus emergency escape exits, doors, emergency exit windows, roof exits, and service doors must be free of any obstruction that:

(1) inhibits or obstructs an exit; or

(2) renders the means of exit hazardous.

(b) A driver who knowingly operates a school bus or special purpose bus in violation of subsection (a) is subject to section 11(c) of this chapter.

(c) A person who knowingly directs a driver to operate a school bus or special purpose bus in violation of subsection (a) is subject to section 11(c) of this chapter.

~~(d) A school corporation or an entity that employs:~~

~~(1) a driver who knowingly operates a school bus or special purpose bus in violation of subsection (a); or~~

~~(2) a person who knowingly directs a driver to operate a school bus or special purpose bus in violation of subsection (a);~~

~~is subject to section 11(c) of this chapter.~~

SECTION 29. IC 9-24-8-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 6. In addition to any other penalty, the bureau:~~

~~(1) shall revoke the motorcycle learner's permit of a person who is convicted of operating a motorcycle under the influence of alcohol; and~~

~~(2) may not issue a motorcycle learner's permit or motorcycle endorsement to a person referred to in subdivision (1) for at least (1) year after the date of the person's conviction.~~

SECTION 30. IC 9-30-4-1, AS AMENDED BY P.L.85-2013, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a)** Upon any reasonable ground appearing on the records of the bureau **and specified in rules adopted under subsection (b),** the bureau may do the following:

(1) Suspend or revoke the current driving privileges or driver's license of any person.

(2) Suspend or revoke the certificate of registration and license plate for any motor vehicle.

(b) The bureau shall adopt rules under IC 4-22-2 to specify reasonable grounds for suspension or revocation permitted under subsection (a).

SECTION 31. IC 9-30-5-16, AS AMENDED BY HEA 1279-2014, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 16. (a) Except as provided in ~~subsections~~ **subsection** (b) ~~and (c)~~ and section 10 of this chapter, the court may, in granting specialized driving privileges under this chapter, also order that the specialized driving privileges include the requirement that a person may not operate a motor vehicle unless the vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8.

~~(b) An order granting specialized driving privileges under IC 9-30-16 must prohibit the person from operating a motor vehicle unless the vehicle is equipped with a functioning certified ignition interlock device under IC 9-30-8. However, a court is not required to order the installation of an ignition interlock device for a person if the person is successfully participating in a court supervised alcohol treatment program in which the person is taking disulfiram or a similar substance that the court determines is effective in treating alcohol abuse.~~

~~(c)~~ **(b)** A court may not order the installation of an ignition interlock device on a vehicle operated by an employee to whom any of the following apply:

(1) Has been convicted of violating section 1 or 2 of this chapter.

(2) Is employed as the operator of a vehicle owned, leased, or provided by the employee's employer.

(3) Is subject to a labor agreement that prohibits an employee who is convicted of an alcohol related offense from operating the employer's vehicle.

SECTION 32. IC 9-32-11-12.5, AS ADDED BY SEA 350-2014, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12.5. (a) This section applies to licenses (other than wholesale dealer licenses) issued after December 31, 2014.

(b) An initial or renewed license issued under this article is valid from the issue date through the expiration date in accordance with the following schedule:

(1) A license for a person whose business name begins with the letters A through B expires February 1 of each year.

(2) A license for a person whose business name begins with the letters C through D expires March 1 of each year.

(3) A license for a person whose business name begins with the letters E through F expires April 1 of each year.

(4) A license for a person whose business name begins with the letters G through H expires May 1 of each year.

(5) A license for a person whose business name begins with the letters I through J expires June 1 of each year.

(6) A license for a person whose business name begins with the letters K through L expires July 1 of each year.

(7) A license for a person whose business name begins with the letters M through N expires August 1 of each year.

(8) A license for a person whose business name begins with the letters O through P expires September 1 of each year.

(9) A license for a person whose business name begins with the letters Q through R expires October 1 of each year.

(10) A license for a person whose business name begins with the letters S through T expires November 1 of each year.

(11) A license for a person whose business name begins with the letters U through V expires December 1 of each year.

(12) A license for a person whose business name begins with the letters W through Z expires January 1 of each year.

A sole proprietor shall register based upon the name of the sole proprietorship.

(c) Notwithstanding subsection (b), a license issued in 2015 expires as follows:

License issued to a person with a business name beginning with:	License expiration date:
A through B	February 1, 2016
C through D	March 1, 2016
E through F	April 1, 2016
G through H	May 1, 2016
I through J	June 1, 2016
K through L	July 1, 2016
M through N	August 1, 2016
O through P	September 1, 2016
Q through R	October 1, 2016
S through T	November 1, 2016
U through V	December 1, 2016
W through Z	January 1, 2017

This subsection expires January 2, 2017.

(d) This subsection expires December 31, 2017. For a license issued in 2015, the dealer services division shall impose a fee for the license under IC 9-29-17 in the amount that bears the same proportion to the annual fee for the license as the number of months the license is valid bears to twelve (12).

(e) A person who violates this section by operating on an expired license issued under this chapter commits a Class A infraction.

SECTION 33. IC 12-8-10-1, AS AMENDED BY P.L.146-2008, SECTION 383, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. This chapter applies only to the indicated money of the following state agencies to the extent that the money is used by the agency to obtain services from grantee agencies to carry out the program functions of the agency:

(1) Money appropriated or allocated to a state agency from money received by the state under the federal Social Services Block Grant Act (42 U.S.C. 1397 et seq.).

(2) The division of aging, except this chapter does not apply to money expended under the following:

(A) The following statutes, unless application of this chapter is required by another subdivision of this section:

(i) IC 12-10-6.

(ii) IC 12-10-12.

(B) Epilepsy services.

(3) The division of family resources, for money expended under the following programs:

(A) The child development associate scholarship program.

(B) The dependent care program.

(C) Migrant day care.

(D) The commodities program.

(E) The migrant nutrition program.

(F) Any emergency shelter program.

(G) The energy weatherization program.

~~(H) Programs for individuals with developmental disabilities.~~

(4) The state department of health, for money expended under the following statutes:

(A) IC 16-19-10.

(B) IC 16-38-3.

(5) The group.

(6) All state agencies, for any other money expended for the purchase of services if all the following apply:

(A) The purchases are made under a contract between the state agency and the office of the secretary.

(B) The contract includes a requirement that the office of the secretary perform the duties and exercise the powers described in this chapter.

(C) The contract is approved by the budget agency.

(7) The division of mental health and addiction.

SECTION 34. IC 12-8-10-9, AS AMENDED BY P.L.181-2006, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) Each grantee agency receiving money under a contract covered by this chapter shall maintain sufficient records to show the following:

(1) The actual cost of services provided under the contract.

(2) The nature and amount of services provided under the contract.

(b) At least every two (2) years the group shall, in the manner prescribed by the state board of accounts, conduct audits of all grantee agencies that, under a contract under this chapter, receive payment from any of the money described in section 1(2) ~~or 1(3)(J)~~ of this chapter. These audits must include an investigation of the records of the grantee agencies to determine whether the services rendered under the contracts have been in compliance with the terms of the contracts.

(c) This section does not prohibit the state board of accounts from auditing grantee agencies under the board's own authority. The office of the secretary may do either of the following:

(1) Contract with the state board of accounts to conduct audits of grantee agencies.

(2) Require grantee agencies to obtain independent audits of their agencies.

(d) A contract between a state agency and the office of the

secretary under section (1)(6) of this chapter may include a provision requiring the group to perform or arrange for the audits described by this section.

SECTION 35. IC 12-15-21-3, AS AMENDED BY P.L.8-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. The rules adopted under section 2 of this chapter must include the following:

(1) Providing for prior review and approval of medical services.

(2) Specifying the method of determining the amount of reimbursement for services.

(3) Establishing limitations that are consistent with medical necessity concerning the amount, scope, and duration of the services and supplies to be provided. The rules may contain limitations on services that are more restrictive than allowed under a provider's scope of practice (as defined in Indiana law).

(4) Denying payment or instructing the contractor under IC 12-15-30 to deny payment to a provider for services provided to an individual or claimed to be provided to an individual if the office after investigation finds any of the following:

(A) The services claimed cannot be documented by the provider.

(B) The claims were made for services or materials determined by licensed medical staff of the office as not medically reasonable and necessary.

(C) The amount claimed for the services has been or can be paid from other sources.

(D) The services claimed were provided to a person other than the person in whose name the claim is made.

(E) The services claimed were provided to a person who was not eligible for Medicaid.

(F) The claim rises out of an act or practice prohibited by law or by rules of the secretary.

(5) Recovering payment or instructing the contractor under IC 12-15-30-3 to recover payment from a provider for services rendered to an individual or claimed to be rendered to an individual if the office after investigation finds any of the following:

(A) The services paid for cannot be documented by the provider.

(B) The amount paid for such services has been or can be paid from other sources.

(C) The services were provided to a person other than the person in whose name the claim was made and paid.

(D) The services paid for were provided to a person who was not eligible for Medicaid.

(E) The paid claim rises out of an act or practice prohibited by law or by rules of the secretary.

(6) Recovering interest due from a provider:

(A) at a rate that is the percentage rounded to the nearest whole number that equals the average investment yield on state **general fund** money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report; and

(B) accruing from the date of overpayment;

on amounts paid to the provider that are in excess of the amount subsequently determined to be due the provider as a result of an audit, a reimbursement cost settlement, or a judicial or an administrative proceeding.

(7) Paying interest to providers:

(A) at a rate that is the percentage rounded to the nearest whole number that equals the average investment yield on state **general fund** money for the state's previous fiscal year, excluding pension fund investments, as published in the auditor of state's comprehensive annual financial report; and

(B) accruing from the date that an overpayment is erroneously recovered by the office until the office restores the overpayment to the provider.

(8) Establishing a system with the following conditions:

(A) Audits may be conducted by the office after service has been provided and before reimbursement for the service has been made.

(B) Reimbursement for services may be denied if an audit conducted under clause (A) concludes that reimbursement should be denied.

(C) Audits may be conducted by the office after service has been provided and after reimbursement has been made.

(D) Reimbursement for services may be recovered if an audit conducted under clause (C) concludes that the money reimbursed should be recovered.

SECTION 36. IC 12-23-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) This article does not repeal or modify Indiana law relating to the operation of a vehicle under the influence of liquor or drugs.

(b) IC 12-23-5 ~~IC 12-23-6, IC 12-23-7, IC 12-23-8,~~ and any other related provisions of this article shall be considered to be alternative methods or procedures for the prosecution of alcoholics or drug abusers as criminals.

SECTION 37. IC 12-23-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Request for Treatment After Charge or Conviction of Certain Felonies).

SECTION 38. IC 12-23-7 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Continuance of Prosecution After Felony Charge).

SECTION 39. IC 12-23-8 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Treatment and Probation Following Felony Conviction).

SECTION 40. IC 12-23-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) An individual who by medical examination is found to be incapacitated by alcohol at the time of admission or to have become incapacitated by alcohol at any time after admission may not be detained at a facility:

(1) after the individual is no longer incapacitated by alcohol; or

(2) if the individual remains incapacitated by alcohol for more than forty-eight (48) hours after admission as a patient. ~~unless the individual is committed under IC 12-23-7 through IC 12-23-8.~~

(b) An individual may consent to remain in a facility as long as the physician in charge believes it is appropriate.

SECTION 41. IC 12-23-10 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Voluntary Treatment by Division for Drug Abusers).

SECTION 42. IC 12-23-11 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Involuntary Treatment by Division for Alcoholics and Drug Abusers).

SECTION 43. IC 12-24-12-10, AS AMENDED BY P.L.188-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) Upon admission to a state institution administered by the division of mental health and addiction, the gatekeeper is one (1) of the following:

(1) For an individual with a psychiatric disorder, the community mental health center that submitted the report to the committing court under IC 12-26.

(2) For an individual with a developmental disability, a division of disability and rehabilitative services service coordinator under IC 12-11-2.1.

(b) The division is the gatekeeper for the following:

(1) An individual who is found to have insufficient comprehension to stand trial under IC 35-36-3.

(2) An individual who is found to be not guilty by reason

of insanity under IC 35-36-2-4 and is subject to a civil commitment under IC 12-26.

(3) An individual who is immediately subject to a civil commitment upon the individual's release from incarceration in a facility administered by the department of correction or the Federal Bureau of Prisons, or upon being charged with or convicted of a forcible felony (as defined by IC 35-31.5-2-138).

~~(4) An individual placed under the supervision of the division for addictions treatment under IC 12-23-7 and IC 12-23-8.~~

~~(5)~~ **(4)** An individual transferred from the department of correction under IC 11-10-4.

SECTION 44. IC 13-11-2-40, AS AMENDED BY P.L.189-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 40. "Confined feeding operation" means:

(1) any confined feeding of:
(A) at least three hundred (300) cattle;
(B) at least six hundred (600) swine or sheep;
(C) at least thirty thousand (30,000) fowl; or
(D) at least five hundred (500) horses.

(2) any animal feeding operation electing to be subject to IC 13-18-10; or

(3) any animal feeding operation that is causing a violation of:
(A) water pollution control laws;
(B) any rules of the ~~water pollution control~~ board; or
(C) IC 13-18-10.

A determination by the department under this subdivision is appealable under IC 4-21.5.

SECTION 45. IC 13-11-2-56 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 56. "Disclosure document", for purposes of IC 13-25-3, means a document that sets forth certain information about a property that is to be transferred.~~

SECTION 46. IC 13-11-2-70 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 70. (a) "Environmental defect", for purposes of IC 13-25-3, means an environmentally related commission, omission, activity, or condition that meets at least one (1) of the following conditions:~~

~~(1) Constitutes a material violation of an environmental:~~
~~(A) statute;~~
~~(B) regulation; or~~
~~(C) ordinance.~~

~~(2) Would require remedial activity under an environmental:~~
~~(A) statute;~~
~~(B) regulation; or~~
~~(C) ordinance.~~

~~(3) Presents a substantial endangerment to at least one (1) of the following:~~
~~(A) The public health.~~
~~(B) The public welfare.~~
~~(C) The environment.~~

~~(4) Would have a material, adverse effect on the market value of the property or of an abutting property.~~

~~(5) Would prevent or materially interfere with another party's ability to obtain a permit or license that is required under an environmental:~~
~~(A) statute;~~
~~(B) regulation; or~~
~~(C) ordinance;~~

~~to operate the property or a facility or process on the property.~~

~~(b) The term does not include a condition that is the subject of a voluntary remediation that received a certificate of completion from the department under IC 13-25-5-16.~~

SECTION 47. IC 13-11-2-74.5, AS AMENDED BY P.L.241-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 74.5. (a) "Exempt isolated wetland", for purposes of IC 13-18 and environmental management laws, means an isolated wetland that:

(1) is a voluntarily created wetland unless:
(A) the wetland is approved by the department for compensatory mitigation purposes in accordance with a permit issued under Section 404 of the Clean Water Act or IC 13-18-22;
(B) the wetland is reclassified as a state regulated wetland under IC 13-18-22-6(e); or
(C) the owner of the wetland declares, by a written instrument:
(i) recorded in the office of the recorder of the county or counties in which the wetland is located; and
(ii) filed with the department;
that the wetland is to be considered in all respects to be a state regulated wetland;

(2) exists as an incidental feature in or on:
(A) a residential lawn;
(B) a lawn or landscaped area of a commercial or governmental complex;
(C) agricultural land;
(D) a roadside ditch;
(E) an irrigation ditch; or
(F) a manmade drainage control structure;

(3) is a fringe wetland associated with a private pond;

(4) is, or is associated with, a manmade body of surface water of any size created by:
(A) excavating;
(B) diking; or
(C) excavating and diking;
dry land to collect and retain water for or incidental to agricultural, commercial, industrial, or aesthetic purposes;

(5) subject to subsection (c), is a Class I wetland with an area, as delineated, of one-half (1/2) acre or less;

(6) subject to subsection (d), is a Class II wetland with an area, as delineated, of one-fourth (1/4) acre or less;

(7) is located on land:
(A) subject to regulation under United States Department of Agriculture wetland conservation programs, including Swampbuster and the Wetlands Reserve Program, because of voluntary enrollment in a federal farm program; and
(B) used for agricultural or other purposes allowed under the programs referred to in clause (A); or

(8) is constructed for reduction or control of pollution.

(b) For purposes of subsection (a)(2), an isolated wetland exists as an incidental feature:

(1) if:
(A) the owner or operator of the property or facility described in subsection (a)(2) does not intend the isolated wetland to be a wetland;
(B) the isolated wetland is not essential to the function or use of the property or facility; and
(C) the isolated wetland arises spontaneously as a result of damp soil conditions incidental to the function or use of the property or facility; and

(2) if the isolated wetland satisfies any other factors or criteria established in rules that are:
(A) adopted by the ~~water pollution control~~ board; and
(B) not inconsistent with the factors and criteria described in subdivision (1).

(c) The total acreage of Class I wetlands on a tract to which the exemption described in subsection (a)(5) may apply is limited to the larger of:

(1) the acreage of the largest individual isolated wetland on the tract that qualifies for the exemption described in subsection (a)(5); and

(2) fifty percent (50%) of the cumulative acreage of all individual isolated wetlands on the tract that would qualify for the exemption described in subsection (a)(5) but for the

limitation of this subsection.

(d) The total acreage of Class II wetlands on a tract to which the exemption described in subsection (a)(6) may apply is limited to the larger of:

(1) the acreage of the largest individual isolated wetland on the tract that qualifies for the exemption described in subsection (a)(6); and

(2) thirty-three and one-third percent (33 1/3%) of the cumulative acreage of all individual isolated wetlands on the tract that would qualify for the exemption described in subsection (a)(6) but for the limitation of this subsection.

(e) An isolated wetland described in subsection (a)(5) or (a)(6) does not include an isolated wetland on a tract that contains more than one (1) of the same class of wetland until the owner of the tract notifies the department that the owner has selected the isolated wetland to be an exempt isolated wetland under subsection (a)(5) or (a)(6) consistent with the applicable limitations described in subsections (c) and (d).

SECTION 48. IC 13-11-2-96 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 96. (a) "Hazardous material", for purposes of IC 13-18-5, means any of the following:

(1) A hazardous chemical (as defined in 42 U.S.C. 11021(e), as in effect on January 1, 1990).

(2) A hazardous waste.

(3) A hazardous substance (as defined in 42 U.S.C. 9601(14), as in effect on January 1, 1990).

(4) A substance that is on the list of extremely hazardous substances published by the Administrator of the United States Environmental Protection Agency under 42 U.S.C. 11002(a)(2).

(5) A material that is identified by the ~~water pollution control~~ board as potentially harmful to surface water or groundwater if accidentally released from a storage or handling facility.

(b) "Hazardous material", for purposes of IC 13-25-6, means a material or waste that has been determined to be hazardous or potentially hazardous to human health, to property, or to the environment by:

(1) the United States:

(A) Environmental Protection Agency;

(B) Nuclear Regulatory Commission;

(C) Department of Transportation; or

(D) Occupational Safety and Health Administration; or

(2) the ~~solid waste management~~ board.

The term includes all of the hazardous materials identified in 49 CFR 172.101.

SECTION 49. IC 13-11-2-98 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 98. "Hazardous substance", for purposes of:

(1) IC 13-19-5;

(2) IC 13-25-4; and

(3) IC 13-25-5;

has the meaning set forth in Section 101 of CERCLA (42 U.S.C. 9601). The term includes any substance that the ~~solid waste management~~ board determines to be hazardous under environmental management laws.

SECTION 50. IC 13-11-2-115.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 115.5. "Land trust", for purposes of IC 13-25-3, means a trust that is established under terms providing that:~~

~~(1) the trustee holds legal or equitable title to property;~~

~~(2) the beneficiary has the power to manage the trust property, including the power to direct the trustee to sell the property; and~~

~~(3) the trustee may sell the trust property:~~

~~(A) only at the direction of the beneficiary or other person; or~~

~~(B) after a time stipulated in the terms of the trust.~~

SECTION 51. IC 13-11-2-119 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 119. (a) "Lender", for purposes of IC 13-23-13, means any of the following:

(1) An insured depository institution (as defined in Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)).

(2) An insured credit union (as defined in Section 101 of the Federal Credit Union Act (12 U.S.C. 1752)).

(3) A bank or association chartered under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

(4) A leasing or trust company that is an affiliate of an insured depository institution.

(5) A person (including a successor or assignee of the person) that:

(A) makes a bona fide extension of credit to; or

(B) takes or acquires a security interest from;

a nonaffiliated person.

(6) The Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or an entity that buys or sells loans or interests in loans in a bona fide manner.

(7) A person that:

(A) insures or guarantees against a default in the repayment of an extension of credit; or

(B) acts as a surety with respect to an extension of credit;

to a nonaffiliated person.

(8) A person that provides title insurance and that acquires an underground storage tank as a result of assignment or conveyance in the course of underwriting claims and claims settlement.

(b) "Lender", for purposes of IC 13-24-1, means any of the following:

(1) An insured depository institution (as defined in Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)).

(2) An insured credit union (as defined in Section 101 of the Federal Credit Union Act (12 U.S.C. 1752)).

(3) A bank or association chartered under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

(4) A leasing or trust company that is an affiliate of an insured depository institution.

(5) A person (including a successor or assignee of the person) that:

(A) makes a bona fide extension of credit to; or

(B) takes or acquires a security interest from;

a nonaffiliated person.

(6) The Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or an entity that buys or sells loans or interests in loans in a bona fide manner.

(7) A person that:

(A) insures or guarantees against a default in the repayment of an extension of credit; or

(B) acts as a surety with respect to an extension of credit;

to a nonaffiliated person.

(8) A person that provides title insurance and that acquires a petroleum facility as a result of assignment or conveyance in the course of underwriting claims and claims settlement.

~~(c) "Lender", for purposes of IC 13-25-3, means a person that provides loans secured by:~~

~~(1) an interest in property; or~~

~~(2) an assignment of beneficial interest in a land trust.~~

~~(d)~~ **(c)** "Lender", for purposes of IC 13-25-4, means any of the following:

(1) An insured depository institution (as defined in Section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)).

(2) An insured credit union (as defined in Section 101 of the Federal Credit Union Act (12 U.S.C. 1752)).

(3) A bank or association chartered under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

(4) A leasing or trust company that is an affiliate of an insured depository institution.

(5) A person (including a successor or assignee of the person) that:

(A) makes a bona fide extension of credit to; or

(B) takes or acquires a security interest from;

a nonaffiliated person.

(6) The Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or an entity that buys or sells loans or interests in loans in a bona fide manner.

(7) A person that:

(A) insures or guarantees against a default in the repayment of an extension of credit; or

(B) acts as a surety with respect to an extension of credit;

to a nonaffiliated person.

(8) A person that provides title insurance and that acquires a vessel or facility as a result of assignment or conveyance in the course of underwriting claims and claims settlement.

SECTION 52. IC 13-11-2-149.5, AS AMENDED BY P.L.78-2009, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 149.5. "Outstanding national resource water", for purposes of section 50.5 of this chapter and IC 13-18-3, means a water designated as such by the general assembly after recommendations by the ~~water pollution control~~ board and the environmental quality service council under IC 13-18-3-2(n) and IC 13-18-3-2(o). The designation must describe the quality of the outstanding national resource water to serve as the benchmark of the water quality that shall be maintained and protected. Waters that may be considered for designation as outstanding national resource waters include water bodies that are recognized as:

(1) important because of protection through official action, such as:

(A) federal or state law;

(B) presidential or secretarial action;

(C) international treaty; or

(D) interstate compact;

(2) having exceptional recreational significance;

(3) having exceptional ecological significance;

(4) having other special environmental, recreational, or ecological attributes; or

(5) waters with respect to which designation as an outstanding national resource water is reasonably necessary for protection of other water bodies designated as outstanding national resource waters.

SECTION 53. IC 13-11-2-149.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 149.6. "Outstanding state resource water", for purposes of section 50.5 of this chapter and IC 13-18-3, means any water designated as such by the ~~water pollution control~~ board regardless of when the designation occurred or occurs. Waters that may be considered for designation as outstanding state resource waters include water bodies that have unique or special ecological, recreational, or aesthetic significance.

SECTION 54. IC 13-11-2-152 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 152. (a) "Parties", for purposes of IC 13-25-3, refers to the parties to a transfer of property, which include the following:~~

~~(1) The transferor.~~

~~(2) The transferee.~~

~~(3) Each lender involved in the transfer.~~

~~(b) The term includes a person who intends to participate in a transfer of property as:~~

~~(1) a transferor;~~

~~(2) a transferee; or~~

~~(3) a lender.~~

SECTION 55. IC 13-11-2-158, AS AMENDED BY P.L.114-2012, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 158. (a) "Person", for purposes of:

(1) IC 13-21;

(2) air pollution control laws;

(3) water pollution control laws; and

(4) environmental management laws, except as provided in subsections (c), (d), and (e);

means an individual, a partnership, a copartnership, a firm, a company, a corporation, an association, a joint stock company, a trust, an estate, a municipal corporation, a city, a school city, a town, a school town, a school district, a school corporation, a county, any consolidated unit of government, political subdivision, state agency, a contractor, or any other legal entity.

(b) "Person", for purposes of:

(1) IC 13-18-10;

(2) IC 13-18-10.5;

(3) IC 13-20-10.5; and

(4) IC 13-20-17;

means an individual, a partnership, a copartnership, a firm, a company, a corporation, an association, a joint stock company, a trust, an estate, a political subdivision, a state agency, or other legal entity, or their legal representative, agent, or assigns.

(c) "Person", for purposes of:

(1) IC 13-20-13;

(2) IC 13-20-14;

(3) IC 13-20-16; and

(4) IC 13-25-6;

means an individual, a corporation, a limited liability company, a partnership, or an unincorporated association.

(d) "Person", for purposes of IC 13-23, has the meaning set forth in subsection (a). The term includes a consortium, a joint venture, a commercial entity, and the United States government.

(e) "Person", for purposes of IC 13-20-17.5, ~~and IC 13-25-3,~~ means an individual, a corporation, a limited liability company, a partnership, a trust, an estate, or an unincorporated association.

(f) "Person", for purposes of IC 13-26, means an individual, a firm, a partnership, an association, a limited liability company, or a corporation other than an eligible entity.

(g) "Person", for purposes of IC 13-29-1, means any individual, corporation, business enterprise, or other legal entity either public or private and any legal successor, representative, agent, or agency of that individual, corporation, business enterprise, or legal entity.

SECTION 56. IC 13-11-2-174 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 174. (a) "Property", for purposes of IC 13-25-3, means a specific and an identifiable parcel of real property that:~~

~~(1) contains one (1) or more facilities that are subject to reporting under Section 312 of the federal Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11022);~~

~~(2) is the site of one (1) or more underground storage tanks for which notification is required under:~~

~~(A) 42 U.S.C. 6991a; and~~

~~(B) IC 13-23-1-2(c)(8)(A); or~~

~~(3) is listed on the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) in accordance with Section 116 of CERCLA (42 U.S.C. 9616).~~

~~(b) The term does not include property that has been subject to bonding or other financial assurances released by the appropriate governmental agency after compliance with applicable state laws.~~

SECTION 57. IC 13-11-2-183, AS AMENDED BY P.L.221-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 183. "Regulated substance", for purposes of this chapter and IC 13-23, includes the following:

(1) Any substance defined in section 98 of this chapter as

a hazardous substance, but excluding any substance regulated as a hazardous waste under:

(A) Subtitle C of the federal Solid Waste Disposal Act, as amended (42 U.S.C. 6921 through 6939(a)); or

(B) IC 13-22-2-3.

(2) Petroleum.

(3) Any other substance designated by rules adopted by the ~~solid waste management~~ board under IC 13-23-1-2.

SECTION 58. IC 13-11-2-205, AS AMENDED BY P.L.189-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 205. (a) "Solid waste", for purposes of IC 13-19, IC 13-21, IC 13-20-22, and environmental management laws, except as provided in subsection (b), means any garbage, refuse, sludge from a waste treatment plant, sludge from a water supply treatment plant, sludge from an air pollution control facility, or other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining, or agricultural operations or from community activities. The term does not include:

(1) solid or dissolved material in:

(A) domestic sewage; or

(B) irrigation return flows or industrial discharges;

that are point sources subject to permits under Section 402 of the Federal Water Pollution Control Act Amendments (33 U.S.C. 1342);

(2) source, special nuclear, or byproduct material (as defined by the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.));

(3) manures or crop residues returned to the soil as fertilizers or soil conditioners as part of a total farm operation; or

(4) vegetative matter at composting facilities registered under IC 13-20-10.

(b) "Solid waste", for purposes of IC 13-20-5, IC 13-20-22, and IC 13-21, does not include the following:

(1) A waste that is regulated under the following:

(A) IC 13-22-1 through IC 13-22-8.

(B) IC 13-22-13 through IC 13-22-14.

(2) An infectious waste (as defined in IC 16-41-16-4) that is disposed of at an incinerator permitted under rules adopted by the ~~solid waste management~~ board to dispose of infectious waste.

(c) "Solid waste", for purposes of IC 13-26, means all putrescible and nonputrescible solid and semisolid wastes, except human excreta. The term includes garbage, rubbish, ashes, street cleanings, dead animals, offal, and solid commercial, industrial, and institutional wastes.

SECTION 59. IC 13-11-2-234 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 234. (a) "Transfer", for purposes of IC 13-25-3, means a conveyance of an interest in property by any of the following:~~

~~(1) A deed or other instrument of conveyance of fee title to property.~~

~~(2) A lease whose term, if all options were exercised, would be more than forty (40) years.~~

~~(3) An assignment of more than twenty-five percent (25%) of the beneficial interest in a land trust.~~

~~(4) A collateral assignment of a beneficial interest in a land trust.~~

~~(5) An installment contract for the sale of property.~~

~~(6) A mortgage or trust deed.~~

~~(7) A lease of any duration that includes an option to purchase.~~

~~(b) The term does not include a conveyance of an interest in property by any of the following:~~

~~(1) A deed or trust document that, without additional consideration:~~

~~(A) confirms;~~

~~(B) corrects;~~

~~(C) modifies; or~~

~~(D) supplements;~~

~~a deed or trust document that was previously recorded.~~

~~(2) A deed or trust document that, without additional consideration, changes title to property without changing beneficial interest.~~

~~(3) A tax deed or a deed from a county transferring property the county received under IC 6-1.1-25-5.5.~~

~~(4) An instrument of release of an interest in property that is security for a debt or other obligation.~~

~~(5) A deed of partition.~~

~~(6) A conveyance occurring as a result of the foreclosure of a mortgage or other lien on real property.~~

~~(7) An easement.~~

~~(8) A conveyance of an interest in minerals, gas, or oil, including a lease.~~

~~(9) A conveyance by operation of law upon the death of a joint tenant with right of survivorship.~~

~~(10) An inheritance or devise.~~

~~(11) A deed in lieu of foreclosure.~~

~~(12) A Uniform Commercial Code sale or other foreclosure of a collateral assignment of a beneficial interest in a land trust.~~

~~(13) A deed that conveys fee title under an installment contract for the sale of property.~~

~~(14) A deed that conveys fee title under an exercise of an option to purchase contained in a lease of property.~~

SECTION 60. IC 13-11-2-236 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 236. (a) "Transferee", for purposes of IC 13-25-3, means any of the following:~~

~~(1) A buyer, mortgagee, grantee, or lessee of real property.~~

~~(2) An assignee of an interest of more than twenty-five percent (25%) in a land trust.~~

~~(3) For a transfer to the trustee of a land trust, the owners of the beneficial interest of the land trust.~~

~~(b) The term includes a prospective transferee.~~

SECTION 61. IC 13-11-2-237 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 237. (a) "Transferor", for purposes of IC 13-25-3, means any of the following:~~

~~(1) A seller, grantor, mortgagor, or lessor of real property.~~

~~(2) An assignor of an interest of more than twenty-five percent (25%) in a land trust.~~

~~(3) For a transfer by the trustee of a land trust, the owner of the beneficial interest of the land trust.~~

~~(b) The term includes a prospective transferor.~~

SECTION 62. IC 13-11-2-241, AS AMENDED BY SEA 217-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 241. (a) "Underground storage tank", for purposes of section 161 of this chapter and IC 13-23, means one (1) tank or a combination of tanks:

(1) that is used to contain an accumulation of regulated substances; and

(2) the volume of which, including the volume of the underground connected pipes described in subsection (b), is at least ten percent (10%) beneath the surface of the ground.

(b) If:

(1) a single tank; or

(2) a combination of tanks;

constitutes an underground storage tank under subsection (a), any underground pipes that are connected to the single tank or combination of tanks are also part of the underground storage tank.

(c) The term defined in subsection (a) includes a single tank:

(1) that meets the definition set forth in subsection (a); and

(2) in which there are separate compartments.

(d) The term does not include any of the following:

(1) A farm or residential tank with a capacity of not more than one thousand one hundred (1,100) gallons that is used

for storing motor fuel for noncommercial purposes.

(2) A tank used for storing heating oil for consumptive use on the premises on which the tank is stored.

(3) A septic tank.

(4) A pipeline facility, including gathering lines, that:

(A) is regulated under the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1671 et seq.);

(B) is regulated under the Hazardous Liquid Pipeline Safety Act of 1979 (49 U.S.C. 60101 et seq.); or

(C) is an intrastate pipeline facility regulated under state laws comparable to the laws identified in clauses (A) through (B).

(5) A surface impoundment, pit, pond, or lagoon.

(6) A stormwater or wastewater collection system.

(7) A flow-through process tank.

(8) A liquid trap or associated gathering lines directly related to oil or gas production and gathering operations.

(9) A storage tank situated in an underground area such as:

(A) a basement;

(B) a cellar;

(C) a mineworking;

(D) a drift;

(E) a shaft; or

(F) a tunnel;

if the storage tank is situated upon or above the surface of the floor.

(10) Any other tank exempted by a rule adopted by the ~~solid waste management~~ board in accordance with regulations adopted by the Administrator of the United States Environmental Protection Agency.

(11) A pipe connected to a tank described in subdivisions (1) through (10).

SECTION 63. IC 13-14-8-0.3, AS ADDED BY P.L.220-2011, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 0.3. A rule **that:**

(1) was adopted by the solid waste management board **(established by IC 13-19-2, before its repeal)** before May 13, 1999; **and**

(2) ~~that~~ does not comply with IC 13-20-7-1 (as amended by P.L.224-1999 and before its repeal);

applies only to special waste that is disposed of at a solid waste landfill that does not meet Subtitle D design standards of the federal Resource Conservation and Recovery Act as provided in 40 CFR Part 258.

SECTION 64. IC 13-14-8-11.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11.6. (a) A discharger is not required to obtain a state permit for the modification or construction of a water pollution treatment or control facility if the discharger has an effective:

(1) National Pollutant Discharge Elimination System (NPDES) industrial permit for direct discharges to surface water; or

(2) industrial waste pretreatment permit not issued by the department for discharges to a publicly owned treatment works.

(b) If a modification is for the treatment or control of any new influent pollutant or increased levels of any existing pollutant, within thirty (30) days after commencement of operation, the discharger shall file with the department a notice of installation for the additional pollutant control equipment and a design summary of any modifications.

(c) The ~~water pollution control~~ board shall adopt a general permit rule for the approval of sanitary collection system plans, lift station plans, and force main plans.

SECTION 65. IC 13-15-4-1, AS AMENDED BY P.L.223-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Except as provided in sections 2, 3, and 6 of this chapter, the commissioner shall approve or deny an application filed with the department after July 1, 1995, within the following number of days:

(1) Three hundred sixty-five (365) days for an application concerning the following:

(A) A new hazardous waste or solid waste landfill.

(B) A new hazardous waste or solid waste incinerator.

(C) A major modification of a solid waste landfill.

(D) A major modification of a solid waste incinerator.

(E) A new hazardous waste treatment or storage facility.

(F) A new Part B permit issued under 40 CFR 270 et seq. for an existing hazardous waste treatment or storage facility.

(G) A Class 3 modification under 40 CFR 270.42 to a hazardous waste landfill.

(H) A new solid waste processing facility other than a transfer station.

(2) Except as provided in IC 13-18-3-2.1, two hundred seventy (270) days for an application concerning the following:

(A) A Class 3 modification under 40 CFR 270.42 of a hazardous waste treatment or storage facility.

(B) A major new National Pollutant Discharge Elimination System permit.

(C) A major modification to a solid waste processing facility other than a transfer station.

(3) Except as provided in IC 13-18-3-2.1, one hundred eighty (180) days for an application concerning the following:

(A) A new transfer station or a major modification to a transfer station.

(B) A minor new National Pollutant Discharge Elimination System individual permit.

(C) A permit concerning the land application of a material.

(D) A permit for marketing and distribution of a biosolid or an industrial waste product.

(4) Except as provided in IC 13-18-3-2.1, one hundred fifty (150) days for an application concerning a minor new National Pollutant Discharge Elimination System general permit.

(5) One hundred twenty (120) days for an application concerning a Class 2 modification under 40 CFR 270.42 to a hazardous waste facility.

(6) Ninety (90) days for an application concerning the following:

(A) A minor modification to a permit for the following:

(i) A solid waste landfill.

(ii) A solid waste processing facility.

(iii) An incinerator.

(B) A wastewater facility or water facility construction permit.

(7) The amount of time provided for in rules adopted by the ~~air pollution control~~ board for an application concerning the following:

(A) An air pollution construction permit that is subject to 326 IAC 2-2 and 326 IAC 2-3.

(B) An air pollution facility construction permit (other than as defined in 326 IAC 2-2).

(C) Registration of an air pollution facility.

(8) Sixty (60) days for an application concerning the following:

(A) A Class 1 modification under 40 CFR 270.42 requiring prior written approval, to a hazardous waste:

(i) landfill;

(ii) incinerator;

(iii) treatment facility; or

(iv) storage facility.

(B) Any other permit not specifically described in this section for which the application fee exceeds forty-nine

dollars ($49) and for which a time frame has not been established under section 3 of this chapter.

(b) When a person holding a valid permit concerning an activity of a continuing nature has made a timely and sufficient application for a renewal permit under the rules of one (1) of the boards, the commissioner shall approve or deny the application on or before the expiration date stated in the permit for which renewal is sought.

SECTION 66. IC 13-15-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. The ~~air pollution control~~ board may adopt rules under IC 4-22-2 to provide that the opportunity for judicial review allowed under section 4 or 5 of this chapter applies to the revision or modification of a permit or license under the operating permit program under 42 U.S.C. 7661 through 7661f.

SECTION 67. IC 13-15-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. Except as provided in sections 2 and 4 of this chapter, the commissioner or a designated staff member may revoke or modify a permit granted by the department under environmental management laws or IC 13-7 (before its repeal) for any of the following causes:

(1) Violation of any condition of the permit.

(2) Failure to disclose all of the relevant facts.

(3) Any misrepresentation made in obtaining the permit.

(4) Changes in circumstances relating to the permit that require either a temporary or permanent reduction in the discharge of contaminants.

(5) Any other change, situation, or activity relating to the use of a permit that, in the judgment of the department, is not consistent with the following:

(A) The purposes of this title.

(B) Rules adopted by **the board or** one (1) of the **former** boards **abolished by IC 13-13-8-2.**

SECTION 68. IC 13-15-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. Every twelve (12) months, the commissioner shall submit to the following a report that contains an evaluation of the actions taken by the department to improve the department's process of issuing permits:

(1) The governor.

(2) The general assembly. The report must be in an electronic format under IC 5-14-6.

(3) The ~~boards.~~ **board.**

SECTION 69. IC 13-16-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. To establish fees or change the amount of a fee, ~~a~~ **the** board shall:

(1) follow the procedure required for the adoption of rules; and

(2) take into account:

(A) the cost of the issuance of a permit or license;

(B) the cost of the performance of services in connection with the supervision, review, and other necessary activities related to the area involved;

(C) the cost of the surveillance of the activity or property covered by the license or permit; and

(D) fees charged for equivalent permits or licenses in other states.

SECTION 70. IC 13-16-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Notwithstanding sections 1 through 5 of this chapter or any other law, ~~a~~ **the** board or the department may not do any of the following:

(1) Except as provided in section 7 of this chapter, change a fee established by:

(A) IC 13-18-20;

(B) IC 13-20-21; or

(C) IC 13-22-12.

(2) Establish an additional fee that was not in effect on January 1, 1994, concerning the following:

(A) National Pollutant Discharge Elimination System programs.

(B) Solid waste programs.

(C) Hazardous waste programs.

(3) Require payment of a fee for material used as alternate daily cover pursuant to a permit issued by the department under 329 IAC 10-20-13.

SECTION 71. IC 13-18-3-12, AS AMENDED BY P.L.57-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. The board shall adopt rules providing that whenever a person submits plans to a unit concerning the design or construction of:

(1) a sanitary sewer or public water main, if:

(A) a professional engineer who is registered under IC 25-31 prepared the plans;

(B) the unit provided for review of the plans by a qualified engineer and subsequently approved the plans; and

(C) all other requirements specified in rules adopted by the ~~water pollution control~~ board are met; or

(2) a sanitary sewer extension for and within a subdivision, if:

(A) a qualified professional surveyor who is registered under IC 25-21.5 prepared the plans;

(B) the subdivision is being laid out or having been laid out by the professional surveyor subject to IC 25-21.5-7;

(C) the unit provided for review of the plans by a qualified engineer and subsequently approved the plans; and

(D) all other requirements specified in rules adopted by the board are met;

the plans are not required to be submitted to any state agency for a permit, permission, or review, unless required by federal law.

SECTION 72. IC 13-18-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) A person may not use, sell, or otherwise dispose of any detergent containing phosphorus, except:

(1) for those amounts not exceeding one-half percent (0.5%) by weight incidental to manufacturing; and

(2) in accordance with rules adopted under IC 4-22-2 by the ~~water pollution control~~ board;

in Indiana or into the boundary waters of Indiana from a source within Indiana.

(b) The concentration of phosphorus shall be determined by the applicable method prescribed by the American Society for Testing and Materials.

SECTION 73. IC 13-18-17-5, AS AMENDED BY P.L.1-2006, SECTION 201, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) The board shall adopt rules under IC 4-22-2 establishing groundwater quality standards that include numeric and narrative criteria, a groundwater classification plan, and a method of determining where the groundwater quality standards must apply. The standards established under this subsection shall be used for the following purposes:

(1) To establish minimum compliance levels for groundwater quality monitoring at regulated facilities.

(2) To ban the discharge of effluents into potable groundwater.

(3) To establish health protection goals for untreated water in water supply wells.

(4) To establish concentration limits for contaminants in ambient groundwater.

(b) Except as provided in subsection (c) and subject to subsection (d), the following agencies shall adopt rules under IC 4-22-2 to apply the groundwater quality standards established under this section to activities regulated by the agencies:

(1) The department.

(2) The department of natural resources.

(3) The state department of health.

(4) The office of the state chemist.

(5) The division of fire and building safety.

(c) The executive board of the state department of health may not adopt rules to apply the nitrate and nitrite numeric criteria included in groundwater quality standards established in rules adopted by the board under subsection (a) to onsite sewage systems.

(d) Any rule adopted by the executive board of the state department of health is void to the extent that the rule applies the nitrate and nitrite numeric criteria included in groundwater quality standards established in rules adopted by the ~~Indiana water pollution control~~ board under subsection (a) to onsite sewage systems.

SECTION 74. IC 13-20-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. The ~~solid waste management~~ board may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 75. IC 13-20-6-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. The ~~solid waste management~~ board shall adopt rules under IC 4-22-2 to implement this chapter.

SECTION 76. IC 13-20-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. A department employee designated as a landfill inspector for a county under this chapter shall monitor operations at every landfill in the county. The duties of the landfill inspector include the following:

(1) Promoting compliance with the rules of the ~~solid waste management~~ board governing landfill operations.

(2) Keeping records required by the rules of the board or ensuring that those records be kept.

(3) Investigating possible violations of:

(A) the rules of the board; or

(B) any statute;

governing landfill operation or solid waste disposal.

SECTION 77. IC 13-22-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. The department shall issue permits for a hazardous waste facility constructed and operated in compliance with rules adopted by the ~~solid waste management~~ board.

SECTION 78. IC 13-23-5-3, AS ADDED BY P.L.16-2009, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) An underground storage tank system that contains fuel composed of greater than fifteen percent (15%) alcohol is considered to comply with section 1(b) of this chapter if either of the following applies:

(1) The system predates May 11, 2007.

(2) The system predates the **adoption by:**

(A) the solid waste management ~~board's~~ **board (established by IC 13-19-2, before its repeal); or**

(B) the environmental rules board; ~~adoption~~

after May 11, 2007, of any additional rules concerning technical and safety requirements for storing and dispensing alcohol blended fuel.

(b) Replacement tanks or ancillary equipment installed in existing underground storage tank systems storing or dispensing alcohol blended fuels must meet the standards contained in additional rules ~~adopted by the solid waste management board~~ as described in subsection (a)(2) **that were adopted by the solid waste management board before January 1, 2013, or are adopted by the environmental rules board** only if the installation occurs after the adoption of those rules.

SECTION 79. IC 13-23-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a)** The board consists of the following ~~sixteen (16)~~ **nine (9)** members:

(1) The commissioner or the commissioner's designee.

~~(2) The state fire marshal or the state fire marshal's designee.~~

~~(3) The~~ **(2) One (1) member nominated by the** treasurer of state ~~or the treasurer of state's designee.~~ **in consultation with**

~~(4)~~ the commissioner of the department of state revenue. ~~or the commissioner's designee.~~

~~(5) Twelve (12) individuals appointed by the governor for terms of two (2) years as follows:~~

~~(A)~~ **(3)** One (1) member representing the independent petroleum wholesale distributor-marketer industry. **In making this appointment, the governor may consider the recommendation of the Indiana petroleum marketers and convenience store association.**

~~(B)~~ **(4)** One (1) member representing the petroleum refiner-supplier industry. **In making this appointment, the governor may consider the recommendation of the Indiana petroleum council.**

~~(C) One (1) member representing the service station dealer industry who owns or operates less than thirteen (13) underground petroleum storage tanks.~~

~~(D)~~ **(5)** One (1) member of the financial lending community who has experience with loan guaranty programs.

~~(E)~~ **(6)** One (1) member representing the convenience store operator industry **or independent petroleum retail distributor-marketer industry. In making this appointment, the governor may consider the recommendation of the Indiana petroleum marketers and convenience store association.**

~~(F)~~ **(7)** One (1) member representing environmental interests.

~~(G)~~ **(8)** One (1) member representing local government.

~~(H) Two (2) members representing the general public.~~

~~(I) One (1) member representing the independent petroleum retail distributor marketer industry who owns or operates more than twelve (12) underground petroleum storage tanks.~~

~~(J) One (1) member representing businesses that own petroleum underground storage tanks and are not engaged in the sale of petroleum.~~

~~(K)~~ **(9)** One (1) member representing the property and casualty insurance industry.

(b) The governor shall appoint the members specified in subsection (a)(2) through (a)(9) for terms of two (2) years.

SECTION 80. IC 13-23-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. (a) The board must have a quorum to transact business. ~~Nine (9)~~ **Five (5)** members constitute a quorum.

(b) An affirmative vote of the majority of members present is required for the board to take action.

(c) The board shall meet upon:

(1) the request of the chairperson; or

(2) the written request of three (3) of the board's members.

(d) A meeting must be held not later than fourteen (14) days after a request is made.

SECTION 81. IC 13-23-11-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) The board shall do the following:

(1) Adopt rules under IC 4-22-2 and IC 13-14-9 necessary to carry out the duties of the board under this article.

(2) Take testimony and receive a written report at every meeting of the board from the commissioner or the commissioner's designee regarding the financial condition and operation of the excess liability trust fund including:

(A) a detailed breakdown of contractual and administrative expenses the department is claiming from the excess liability trust fund under ~~IC 13-23-7-1(4);~~ **IC 13-23-7-1(a)(4);** and

(B) a claims statistics report consisting of the status and value of each claim submitted to the fund and claims payments made under IC 13-23-8-1.

The testimony and written report under this subdivision shall be provided at every meeting of the board. However,

the testimony and written report are not required more than one (1) time during any thirty (30) day period.

(3) Consult with the department on administration of the underground petroleum storage tank excess liability trust fund established by IC 13-23-7-1 in developing uniform policies and procedures for revenue collection and claims administration of the fund.

(b) The department shall consult with the board on administration of the underground petroleum storage tank excess liability trust fund. The consultation must include evaluation of alternative means of administering the fund in a cost effective and efficient manner.

(c) At each meeting of the board, the department shall provide the board with a written report on the financial condition and operation of the underground petroleum storage tank trust fund established under IC 13-23-6-1.

SECTION 82. IC 13-25-3 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Responsible Property Transfer Law).

SECTION 83. IC 13-26-4-7, AS AMENDED BY P.L.179-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) Except as provided in subsection (b), the board of a district may provide for the payment of not more than fifty dollars ($50) per day to members of the board for each day or major part of a day devoted to the work of the district.

(b) This subsection applies only to a regional water and sewage district that:

(1) is located in more than one (1) county; and

(2) was formed in 1975 by order of the stream pollution control board of the state of Indiana (which was succeeded **in 1986** by the water pollution control board, ~~in 1986).~~ **which was established by IC 13-18-1, before its repeal).**

The board of a district may provide for the payment of not more than one hundred twenty-five dollars ($125) per day to members of the board for each day or major part of a day devoted to the work of the district.

(c) Members of the board are entitled to receive an amount for travel expenses equal to the amount paid to state employees for expenses incurred in the performance of their duties.

(d) Payments made to board members under subsections (a), (b), and (c) shall be made from the general fund of the district.

SECTION 84. IC 13-26-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The board may adopt and enforce rules for the following purposes:

(1) To accomplish the purpose of a district.

(2) To protect the works, improvements, and properties, both real and personal, that the district owns.

(3) To secure the best results from the construction, operation, and maintenance of works, improvements, and properties.

(4) To prevent damage by the misuse of the works, improvements, or properties by:

(A) the pollution or misuse of the waters in the district or of the sewerage system; or

(B) the improper disposal of solid waste.

(b) The board may adopt and enforce rules under subsection (a) that are necessary and advisable to do the following:

(1) Protect and preserve the works, improvements, and properties owned or controlled by the district, prescribe the manner of use by any person, and preserve order in and adjacent to the works.

(2) Prescribe the manner:

(A) in which ditches, sewers, pipelines, or other works should be adjusted to or connected with the works of the district; and

(B) of waste disposal in the district.

(3) Prescribe the permissible uses of the water supply and the manner of distribution and prevent the pollution or unnecessary waste of the water supply.

(4) Prohibit or regulate the discharge into the sewers of the district of liquid or solid waste detrimental to the works and improvements.

(c) Rules must be:

(1) consistent with:

(A) statutes; and

(B) the rules of the ~~solid waste management board or the water pollution control~~ **environmental rules** board; and

(2) maintained and open to inspection in the office of the district.

(d) The board may enforce by injunction or other legal remedy rules adopted under this section. The board may remove a harmful or improper construction or obstruction or may close an opening or connection made improperly or in violation of the rules. A person that willfully fails to comply with the rules is liable for damage caused by the failure and for the cost of restoring or replacing construction damaged.

SECTION 85. IC 13-27-7-2, AS AMENDED BY P.L.37-2012, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Guidance documents, technical assistance manuals, and policies developed or used in implementing programs under this article are not binding on participating businesses.

(b) Subject to subsection (e), the ~~air pollution control board, the water pollution control board, the solid waste management~~ board or the department may not do the following:

(1) Subject to IC 13-14-1-11.5, incorporate documents, manuals, or policies developed under this article into rules adopted under IC 4-22-2.

(2) Adopt rules under IC 4-22-2 requiring business implementation of pollution prevention practices or of clean manufacturing by means of any of the following:

(A) Permit conditions.

(B) Enforcement actions.

(C) Other department actions.

(c) Subsection (b) only applies to pollution prevention as defined in this title.

(d) Subsection (b) does not apply to authority granted under federal law to implement pollution prevention as defined under any of the following:

(1) Federally delegated air, water, solid waste, and other programs.

(2) Guidance documents developed to implement programs described in subdivision (1).

(3) Programs established under IC 13-20-3, IC 13-20-22, or IC 13-21.

(e) The department shall present pollution prevention as an option to businesses in any of the following:

(1) Permit conditions.

(2) Enforcement actions.

(3) Other department actions.

SECTION 86. IC 13-28-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) In a civil or an administrative proceeding, a court of record, after an in camera review, shall require disclosure of material for which the privilege described in section 1 of this chapter is asserted if the court determines that both subdivisions (1) and (2) apply:

(1) The environmental audit report was first issued after July 1, 1994.

(2) One (1) of the following applies:

(A) The privilege is asserted for a fraudulent purpose.

(B) The material is not subject to the privilege.

(C) The material is subject to the privilege and the material shows evidence of noncompliance with:

(i) this title or a rule or standard adopted by **the board or** one (1) of the **former** boards **abolished by IC 13-13-8-2;**

(ii) a determination, a permit, or an order issued by the commissioner under this title; or

(iii) the federal, regional, or local counterpart of item

(i) or (ii);

and the person claiming the privilege did not promptly initiate and pursue appropriate efforts to achieve compliance with reasonable diligence.

(b) If the noncompliance described in subsection (a)(2)(C) constitutes a failure to obtain a required permit, the person is considered to have made appropriate efforts to achieve compliance if the person filed an application for the required permit not later than ninety (90) days after the date the person became aware of the noncompliance.

SECTION 87. IC 13-30-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) The department may waive up to one hundred percent (100%) of a civil penalty imposed on a business for a minor violation of:

(1) a requirement of environmental management laws;

(2) a rule adopted by ~~a~~ **the** board **or one (1) of the former boards abolished by IC 13-13-8-2;** or

(3) any determination, permit, or order made or issued by the commissioner.

(b) The department may not waive any part of a civil penalty under this section if the violation:

(1) endangers or causes damage to public health or the environment;

(2) is intentional, willful, or criminal;

(3) is of a requirement for which the department has previously issued a notice or warning of violation, for this or a prior violation, to the business required to correct the violation; or

(4) is not corrected within ninety (90) days after the date the business required to correct the violation notifies the department of the violation under subsection (c). The department may extend the ninety (90) day period for not more than an additional ninety (90) days.

(c) To seek a waiver of a civil penalty under this section, the business required to correct the violation must submit to the department a written report of the violation for which a waiver is sought. The report must be submitted to the department before an inspection by the department that discloses the violation or the issuance of a notice or warning of violation.

(d) The ~~boards~~ **board** may adopt rules to implement this section.

SECTION 88. IC 14-8-2-49.2, AS AMENDED BY P.L.4-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 49.2. ~~(a) "Compact", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(8).~~

~~(b)~~ "Compact", for purposes of IC 14-25-15, has the meaning set forth in IC 14-25-15-1.

SECTION 89. IC 14-8-2-86.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 86.5. "Executive committee", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(7).~~

SECTION 90. IC 14-8-2-107, AS AMENDED BY P.L.133-2012, SECTION 164, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 107. "Fund" has the following meaning:

(1) For purposes of IC 14-9-5, the meaning set forth in IC 14-9-5-1.

(2) For purposes of IC 14-9-8-21, the meaning set forth in IC 14-9-8-21.

(3) For purposes of IC 14-9-8-21.5, the meaning set forth in IC 14-9-8-21.5.

(4) For purposes of IC 14-9-9, the meaning set forth in IC 14-9-9-3.

(5) For purposes of IC 14-12-1, the meaning set forth in IC 14-12-1-1.

(6) For purposes of IC 14-12-2, the meaning set forth in IC 14-12-2-2.

(7) For purposes of IC 14-12-3, the meaning set forth in IC 14-12-3-2.

(8) For purposes of IC 14-13-1, the meaning set forth in IC 14-13-1-2.

(9) For purposes of IC 14-13-2, the meaning set forth in IC 14-13-2-3.

(10) For purposes of IC 14-16-1, the meaning set forth in IC 14-16-1-30.

(11) For purposes of IC 14-19-8, the meaning set forth in IC 14-19-8-1.

(12) For purposes of IC 14-20-11, the meaning set forth in IC 14-20-11-2.

(13) For purposes of IC 14-22-3, the meaning set forth in IC 14-22-3-1.

(14) For purposes of IC 14-22-4, the meaning set forth in IC 14-22-4-1.

(15) For purposes of IC 14-22-5, the meaning set forth in IC 14-22-5-1.

(16) For purposes of IC 14-22-8, the meaning set forth in IC 14-22-8-1.

(17) For purposes of IC 14-22-34, the meaning set forth in IC 14-22-34-2.

(18) For purposes of IC 14-23-3, the meaning set forth in IC 14-23-3-1.

~~(19) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(5).~~

~~(20)~~ **(19)** For purposes of IC 14-25-2-4, the meaning set forth in IC 14-25-2-4.

~~(21)~~ **(20)** For purposes of IC 14-25-10, the meaning set forth in IC 14-25-10-1.

~~(22)~~ **(21)** For purposes of IC 14-25.5, the meaning set forth in IC 14-25.5-1-3.

~~(23)~~ **(22)** For purposes of IC 14-28-5, the meaning set forth in IC 14-28-5-2.

~~(24)~~ **(23)** For purposes of IC 14-31-2, the meaning set forth in IC 14-31-2-5.

~~(25)~~ **(24)** For purposes of IC 14-25-12, the meaning set forth in IC 14-25-12-1.

~~(26)~~ **(25)** For purposes of IC 14-32-8, the meaning set forth in IC 14-32-8-1.

~~(27)~~ **(26)** For purposes of IC 14-33-14, the meaning set forth in IC 14-33-14-3.

~~(28)~~ **(27)** For purposes of IC 14-33-21, the meaning set forth in IC 14-33-21-1.

~~(29)~~ **(28)** For purposes of IC 14-34-6-15, the meaning set forth in IC 14-34-6-15.

~~(30)~~ **(29)** For purposes of IC 14-34-14, the meaning set forth in IC 14-34-14-1.

~~(31)~~ **(30)** For purposes of IC 14-34-19-1.3, the meaning set forth in IC 14-34-19-1.3(a).

~~(32)~~ **(31)** For purposes of IC 14-34-19-1.5, the meaning set forth in IC 14-34-19-1.5(a).

~~(33)~~ **(32)** For purposes of IC 14-37-10, the meaning set forth in IC 14-37-10-1.

SECTION 91. IC 14-8-2-117, AS AMENDED BY P.L.225-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 117. "Governing board", ~~has the following meaning:~~

~~(1) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(6).~~

~~(2)~~ for purposes of IC 14-28-5, **has** the meaning set forth in IC 14-28-5-3.

SECTION 92. IC 14-8-2-203, AS AMENDED BY P.L.17-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 203. "Pest or pathogen", ~~has the following meaning:~~

~~(1) Except as provided in IC 14-24-4.5,~~ for purposes of IC 14-24, means:

~~(A)~~ **(1)** an arthropod;

~~(B)~~ **(2)** a nematode;

~~(C)~~ **(3)** a microorganism;

~~(D)~~ **(4)** a fungus;

~~(E)~~ **(5)** a parasitic plant;

~~(F)~~ **(6)** a mollusk;

~~(G)~~ **(7)** a plant disease; or

~~(H)~~ **(8)** an exotic weed;

that may be injurious to nursery stock, agricultural crops, other vegetation, natural resources, or bees.

~~(2) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(4).~~

SECTION 93. IC 14-8-2-239.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 239.5. "Requesting state", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(2).~~

SECTION 94. IC 14-8-2-242.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 242.5. "Responding state", for purposes of IC 14-24-4.5, has the meaning set forth in IC 14-24-4.5-2(3).~~

SECTION 95. IC 14-8-2-265, AS AMENDED BY P.L.225-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 265. "State", ~~has the following meaning:~~

~~(1) For purposes of IC 14-24-4.5, the meaning set forth in IC 14-24-4.5-2(1).~~

~~(2)~~ for purposes of IC 14-28-1, IC 14-28-3, and IC 14-32, means the following:

~~(A)~~ **(1)** The Indiana state government.

~~(B)~~ **(2)** An agency, a subdivision, an officer, a board, a bureau, a commission, a department, a division, or an instrumentality of the state.

SECTION 96. IC 14-15-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) As used in this section, "sewage" means human body wastes.

(b) A person may not keep, maintain, or operate upon public water a boat that is equipped with a water closet or toilet unless the water closet or toilet is equipped with a holding tank with the capacity to store wastes for subsequent disposal at:

(1) an approved shoreside facility or incinerator; or

(2) a treatment system approved by the department of environmental management according to rules adopted by the ~~solid waste management board or the water pollution control~~ **environmental rules** board.

(c) A person may not dispose of sewage accumulated in a holding tank or any other container on a watercraft in a manner that the sewage reaches or may reach public waters, except through a sewage disposal facility approved by the department of environmental management according to rules adopted by

~~(1) the solid waste management board; or~~

~~(2)~~ the ~~water pollution control~~ **environmental rules** board.

SECTION 97. IC 14-24-4.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Pest Control Compact).

SECTION 98. IC 14-25-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. In granting a permit, the department may do the following:

(1) Impose the conditions or stipulations that are necessary to conserve the ground water of the area and prevent waste, exhaustion, or impairment of the ground water.

(2) Require that ground water in a restricted area that is withdrawn and used be returned to the ground through wells, pits, or spreading grounds. If this condition is imposed, the water shall be returned under the rules that the department adopts subject to the approval of the ~~water pollution control~~ **environmental rules** board to avoid pollution of underground water.

SECTION 99. IC 14-25-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. As used in this chapter, "potable water" means water that at the point of use is acceptable for human consumption under drinking water quality standards adopted by the ~~water pollution control~~ **environmental rules** board under IC 13-18-4-1.

SECTION 100. IC 14-33-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The commission shall do the following:

(1) Review each district plan.

(2) Request the technical assistance of any other state agency, including:

(A) the ~~water pollution control~~ **environmental rules** board;

(B) the state department of health; and

(C) the department of environmental management;

having administrative jurisdiction over any of the purposes of the district.

(b) The commission may also request technical assistance of any federal agency.

(c) The commission shall approve a plan if the following conditions are met:

(1) Any other state agency having authority over certain purposes of the district has approved that part of the plan.

(2) The commission finds that the plan accomplishes in an economical manner the purpose for which the district is established.

(d) The commission may reject a plan or any part of a plan. The board may make the changes that are necessary to secure the approval of the commission.

SECTION 101. IC 16-18-2-116.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 116.4. "Environmental rules board", for purposes of IC 16-41, refers to the board established by IC 13-13-8-3.**

SECTION 102. IC 16-18-2-372 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 372. "Water board", for purposes of IC 16-41, refers to the board established by IC 13-13-8-3.~~

SECTION 103. IC 16-19-3-4, AS AMENDED BY P.L.83-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The executive board may, by an affirmative vote of a majority of its members, adopt reasonable rules on behalf of the state department to protect or to improve the public health in Indiana.

(b) The rules may concern but are not limited to the following:

(1) Nuisances dangerous to public health.

(2) The pollution of any water supply other than where jurisdiction is in the ~~water pollution control~~ **environmental rules** board and department of environmental management.

(3) The disposition of excremental and sewage matter.

(4) The control of fly and mosquito breeding places.

(5) The detection, reporting, prevention, and control of diseases that affect public health.

(6) The care of maternity and infant cases and the conduct of maternity homes.

(7) The production, distribution, and sale of human food.

(8) Except as provided in section 4.4 of this chapter, the conduct of camps.

(9) Standards of cleanliness of eating facilities for the public.

(10) Standards of cleanliness of sanitary facilities offered for public use.

(11) The handling, disposal, disinterment, and reburial of dead human bodies.

(12) Vital statistics.

(13) Sanitary conditions and facilities in public buildings and grounds, including plumbing, drainage, sewage disposal, water supply, lighting, heating, and ventilation, other than where jurisdiction is vested by law in the fire prevention and building safety commission or other state agency.

(14) The design, construction, and operation of swimming and wading pools. However, the rules governing swimming and wading pools do not apply to a pool maintained by an individual for the sole use of the individual's household and house guests.

SECTION 104. IC 16-41-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. Water supply and sewage disposal facilities serving schools must be constructed and operated in accordance with applicable rules of the state department and the ~~water pollution control~~ **environmental rules** board.

SECTION 105. IC 16-41-24-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. The state department shall enforce this chapter and the statutes relating to pollution of waters and public water supply, except where jurisdiction is vested in the ~~water pollution control~~ **environmental rules** board and the department of environmental management.

SECTION 106. IC 16-41-26-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Except as provided in subsection (b), the state department shall adopt rules under IC 4-22-2 necessary to protect the health, safety, and welfare of persons living in agricultural labor camps, prescribing standards for living quarters at agricultural labor camps, including provisions relating to construction of camps, sanitary conditions, light, air, safety protection from fire hazards, equipment, maintenance and operation of the camp, sewage disposal through septic tank absorption fields, and other matters appropriate for the security of the life and health of occupants.

(b) The ~~water pollution control~~ **environmental rules** board shall adopt rules under IC 4-22-2 pertaining to water supplies and sewage disposal systems other than septic tank absorption fields required for agricultural labor camps.

(c) In the preparation of rules, the state department:

(1) shall consult with and request technical assistance from other appropriate state agencies; and

(2) may appoint and consult with committees of technically qualified persons and of representatives of employers and employees.

(d) If a conflict exists between rules adopted under this chapter and rules adopted by the fire prevention and building safety commission, the rules authorized in this section apply.

(e) A copy of every rule adopted under this chapter shall be sent to each health officer in Indiana and to the heads of other state agencies with specific or related responsibility affecting agricultural labor camps and to any person requesting the rules. The rules affecting agricultural labor camps adopted under this chapter shall be published periodically in the manner the state department determines.

SECTION 107. IC 16-41-27-8, AS AMENDED BY P.L.87-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Except as provided in subsection (b), the state department may adopt rules under IC 4-22-2 to carry out this chapter, including rules for the following:

(1) Health, sanitation, and safety.

(2) Sewage collection.

(3) Sewage disposal through septic tank absorption fields.

(b) The ~~water~~ **environmental rules** board shall adopt rules under IC 4-22-2 concerning the following:

(1) Public water supplies required for mobile home communities.

(2) Sewage disposal systems other than septic tank absorption fields.

SECTION 108. IC 16-41-27-10, AS AMENDED BY P.L.87-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. A mobile home community shall provide a water supply through the use of a public water system if the water supply is reasonably available within a reasonable distance from the mobile home community. A mobile home community is not required to use a public water system if the water system is more than two thousand (2,000) feet from the mobile home community. If a public water system is not available, water shall be provided by a system approved by the environmental commissioner under rules adopted by the ~~water pollution control~~ **environmental rules** board.

SECTION 109. IC 16-41-27-22, AS AMENDED BY P.L.87-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) The construction of a new mobile home community or alteration of an existing mobile home community shall be made only after plans for the proposed construction or alteration have been forwarded to and approved by the state department.

(b) A public water system may not be constructed or altered in a new or existing mobile home community until plans for the construction or alteration have been forwarded to and approved by the environmental commissioner under rules adopted by the ~~water~~ **environmental rules** board.

(c) A sewage collection and disposal system may not be constructed or altered in a new or existing mobile home community until:

(1) plans for construction or alteration of the sewage collection system and any septic tank absorption field have been forwarded to and approved by the state department under rules adopted by the state department; and

(2) plans for construction or alteration of any sewage disposal system other than a septic tank absorption field have been forwarded to and approved by the environmental commissioner under rules adopted by the ~~water~~ **environmental rules** board.

SECTION 110. IC 16-41-27-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 25. (a) The state department shall adopt a schedule of civil penalties that may be levied in an action to enforce the following:

(1) This chapter.

(2) The rules of the state department.

(3) The rules adopted under this chapter by the ~~water~~ **environmental rules** board.

(b) A penalty included in the schedule of civil penalties adopted under subsection (a) may not exceed one thousand dollars ($1,000) per violation per day.

(c) The state department may issue an order of compliance, impose a civil penalty included in the schedule of civil penalties adopted under subsection (a), or both, against a person who:

(1) fails to comply with this chapter or a rule adopted under this chapter; or

(2) interferes with or obstructs the state department or the state department's designated agent in the performance of duties under this chapter.

(d) An order of compliance may be issued under IC 4-21.5-3-6, IC 4-21.5-3-8, or IC 4-21.5-4. A civil penalty may be imposed only in a proceeding under IC 4-21.5-3-8.

(e) A proceeding to impose a civil penalty may be consolidated with any other proceedings to enforce any of the following:

(1) This chapter.

(2) The rules of the state department.

(3) The rules adopted under this chapter by the ~~water pollution control~~ **environmental rules** board.

SECTION 111. IC 16-41-35-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 38. The powers, duties, and functions of the state department under this chapter do not affect the powers, duties, and functions of the state department or the ~~water pollution control~~ **environmental rules** board under any other law.

SECTION 112. IC 20-26-5-6, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. All powers delegated to the governing body of a school corporation under section 1 or 4 of this chapter are subject to all laws subjecting the school corporation to regulation by a state agency, including the state superintendent, state board of accounts, state police department, fire prevention and building safety commission, department of

local government finance, ~~water pollution control~~ **environmental rules** board, state school bus committee, state department of health, and any local governmental agency to which the state has been delegated a specific authority in matters other than educational matters and other than finance, including plan commissions, zoning boards, and boards concerned with health and safety.

SECTION 113. IC 22-1-1-11, AS AMENDED BY P.L.35-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. The commissioner of labor is authorized and directed to do the following:

(1) To investigate and adopt rules under IC 4-22-2 prescribing what safety devices, safeguards, or other means of protection shall be adopted for the prevention of accidents in every employment or place of employment, to determine what suitable devices, safeguards, or other means of protection for the prevention of industrial accidents or occupational diseases shall be adopted or followed in any or all employments or places of employment, and to adopt rules under IC 4-22-2 applicable to either employers or employees, or both for the prevention of accidents and the prevention of industrial or occupational diseases.

~~(2) Whenever, in the judgment of the commissioner of labor, any place of employment is not being maintained in a sanitary manner or is being maintained in a manner detrimental to the health of the employees therein, to obtain any necessary technical or expert advice and assistance from the state department of health. The state department of health, upon the request of the commissioner of labor, shall furnish technical or expert advice and assistance to the commissioner and take the steps authorized or required by the health laws of the state.~~

~~(3)~~ **(2)** Annually forward the report received from the mining board under IC 22-10-1.5-5(a)(5) to the legislative council in an electronic format under IC 5-14-6 and request from the general assembly funding for necessary additional mine inspectors.

~~(4)~~ **(3)** Administer the mine safety fund established under IC 22-10-12-16.

SECTION 114. IC 22-2-11 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Payroll Bond for Benefit of Employees).

SECTION 115. IC 22-6-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. Whenever any employee of any person, firm, limited liability company, or corporation doing business in this state shall be discharged or voluntarily quits the service of such person, firm, limited liability company, or corporation, it shall be the duty of such person, firm, member or manager of the limited liability company, or the officer of the corporation having jurisdiction over such employee, upon written request of such employee, to issue such employee a letter, duly signed by such person, firm, member, manager, or officer, setting forth ~~the nature and character of service rendered by such employee and the duration thereof, and truly stating for what cause, if any, such~~ **whether the** employee ~~has~~ quit or ~~been~~ **was involuntarily** discharged from such service; however, this section shall not apply to any person, firm, limited liability company, or corporation which does not require written recommendations or written applications showing qualifications or experience for employment.

SECTION 116. IC 22-6-3-2 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2. A person who violates section 1 of this chapter commits a Class C infraction.~~

SECTION 117. IC 22-8-1.1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. The commission shall meet at the call of the commissioner **or** the chairman or upon the written request of any four (4) members. However, the commission shall meet at least ~~every three (3) months~~ **one (1) time per year** at the call of the commissioner to conduct the business that comes before the commission.

SECTION 118. IC 22-13-2-2, AS AMENDED BY P.L.101-2006, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) The commission shall adopt rules under IC 4-22-2 to adopt a statewide code of fire safety laws and building laws.

(b) Before December 1, 2003, the commission shall adopt the most recent edition, including addenda, of the following national codes by rules under IC 4-22-2 and IC 22-13-2.5 (before its repeal):

(1) ANSI A10.4 (Safety Requirements for Personnel Hoists).

(2) ASME A17.1 (Safety Code for Elevators and Escalators, an American National Standard).

(3) ASME A18.1 (Safety Standard for Platform Lifts and Stairway Chairlifts, American National Standard).

(4) ASME QEI-1 (Standard for the Qualification of Elevator Inspectors, an American National Standard).

(5) The American Society of Civil Engineers (ASCE) Automated People Mover Standard 21.

(6) ANSI A90.1 Safety Code for Manlifts.

(c) Before July 1, 2006, the commission shall adopt the most recent edition, including addenda, of ASME A17.3 (Safety Code for Existing Elevators and Escalators, an American National Standard) by rules under IC 4-22-2 and IC 22-13-2.5 (before its repeal).

(d) The commission shall adopt the subsequent edition of each national code, including addenda, to be adopted as provided under subsections (b) and (c) within eighteen (18) months after the effective date of the subsequent edition.

(e) The commission may amend the national codes as a condition of the adoption under subsections (b), (c), and (d).

~~(f) To the extent that the following sections of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1, apply to tents or canopies in which cooking does not occur, the commission shall suspend enforcement of the following sections of the International Fire Code, 2000 edition, until the division of fire and building safety recommends amendments to the commission under subsection (h) and the commission adopts rules under subsection (i) based on the recommendations:~~

~~(1) Section 2406.1 (675 IAC 22-2.3-233).~~

~~(2) Section 2406.2.~~

~~(3) Section 2406.3.~~

~~(g) To the extent that section 2403.2 of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1, applies to a tent or canopy in which there is an open flame, the commission shall suspend enforcement of section 2403.2 until the division of fire and building safety recommends amendments to section 2403.2 to the commission under subsection (h) and the commission adopts rules under subsection (i) based on the recommendations and amending section 2403.2.~~

~~(h) The division of fire and building safety shall recommend amendments to the commission to the following sections of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1:~~

~~(1) Section 2403.2.~~

~~(2) Section 2406.1 (675 IAC 22-2.3-233).~~

~~(3) Section 2406.2.~~

~~(4) Section 2406.3.~~

~~(i) After receiving and considering recommendations from the division of fire and building safety under subsection (h), and using the procedure set forth in IC 4-22-2-38, the commission shall amend the following sections of the International Fire Code, 2000 edition, as adopted by reference in 675 IAC 22-2.3-1:~~

~~(1) Section 2403.2.~~

~~(2) Section 2406.1 (675 IAC 22-2.3-233).~~

~~(3) Section 2406.2.~~

~~(4) Section 2406.3.~~

SECTION 119. IC 25-18-1 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Licensing of Retail Distress Sales).

SECTION 120. IC 27-1-17-4, AS AMENDED BY P.L.193-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. Whenever a foreign or an alien insurance company desires to be admitted to do an insurance business in this state, it shall execute in the English language and present the following to the department, at its office, accompanied by the fees prescribed by law:

(1) A copy of its articles of incorporation or association, with all amendments thereto, duly authenticated by the proper officer of the state, country, province, or government wherein it is incorporated or organized, or the state in which it is domiciled in the United States.

(2) An application for admission, executed in the manner provided in this chapter, setting forth:

(A) the name of such company;

(B) the location of its principal office or place of business without this state;

(C) the names of the states in which it has been admitted or qualified to do business;

(D) the character of insurance business under its articles of incorporation or association which it intends to transact in this state, which must conform to the class or classes set forth in the provisions of IC 27-1-5-1;

(E) the total authorized capital stock of the company and the amount thereof issued and outstanding, and the surplus required of such company by the laws of the state, country, province, or government under which it is organized, or the state in which it is domiciled in the United States, if a stock company, which shall equal at least the requirements set forth in section 5(a) of this chapter;

(F) the total amount of assets and the surplus of assets over all its liabilities, if other than a stock company, which shall equal at least the requirements set forth in section 5(b) of this chapter;

(G) if an alien company, the surplus of assets invested according to the laws of the state in the United States where it has its deposit, which shall equal at least the requirements set forth in section 5(c) of this chapter; and

(H) such further and additional information as the department may from time to time require.

The application shall be signed, ~~in duplicate,~~ in the form prescribed by the department, by the president or a vice president and the secretary or an assistant secretary of the corporation, and verified under oath by the officers signing the same.

(3) A statement of its financial condition and business, in the form prescribed by law for annual statements, signed and sworn to by the president or secretary or other principal officers of the company; provided, however, that an alien company shall also furnish a separate statement comprising only its condition and business in the United States, which shall be signed and sworn to by its United States manager.

(4) A copy of the last report of examination certified to by the insurance commissioner or other proper supervisory official of the state in which such company is domiciled; provided, however, that the commissioner may cause an examination to be made of the condition and affairs of such company before authority to transact business in this state is given.

(5) A certificate from the proper official of the state, country, province, or government wherein it is incorporated or organized, or the state in which it is domiciled in the United States, that it is duly organized or incorporated under those laws and authorized to make the kind or kinds of insurance which it proposes to make in this state.

(6) A copy of its bylaws or regulations, if any, certified to by the secretary or similar officer of the insurance company.

(7) A duly executed power of attorney in a form prescribed by the department which constitutes and appoints an individual or a corporate resident of Indiana, or an authorized Indiana insurer, as the insurance company's agent, its true and lawful attorney upon whom, except as provided in section 4.2 of this chapter, all lawful processes in any action in law or in equity against it shall be served. Such power of attorney shall contain an agreement by the insurance company that any lawful process against it which may be served upon the agent as its attorney shall be of the same force and validity as if served upon the insurance company and that such power of attorney shall continue in force and be irrevocable so long as any liability of the insurance company remains outstanding in this state. Such power of attorney shall be executed by the president and secretary of the insurance company or other duly authorized officers under its seal and shall be accompanied by a certified copy of the resolution of the board of directors of the company making said appointment and authorizing the execution of said power of attorney. Service of any lawful process shall be by delivering to and leaving with the agent two (2) copies of such process, with copy of the pertinent complaint attached. The agent shall forthwith transmit to the defendant company at its last known principal place of business by registered or certified mail, return receipt requested, one (1) of the copies of such process, with complaint attached, the other copy to be retained in a record which shall show all process served upon and transmitted by ~~him.~~ **the agent.** Such service shall be sufficient provided the returned receipt or, if the defendant company shall refuse to accept such mailing, the registered mail together with an affidavit of plaintiff or ~~his~~ **the plaintiff's** attorney stating that service was made upon the agent and forwarded as above set forth but that such mail was returned by the post office department is filed with the court. The agent shall make information and receipts available to plaintiff, defendant or their attorneys. No plaintiff or complainant shall be entitled to a judgment by default based on service authorized by this section until the expiration of at least thirty (30) days from the date on which either the post office receipt or the unclaimed mail together with affidavit is filed with the court. Nothing in this section shall limit or abridge the right to serve any process, notice, or demand upon any company in any other manner permitted by law.

(8) Proof which satisfies the department that it has complied with the financial requirements imposed in this chapter upon foreign and alien insurance companies which transact business in this state and that it is entitled to public confidence and that its admission to transact business in this state will not be prejudicial to public interest.

SECTION 121. IC 31-31-3-2, AS AMENDED BY SEA 160, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Except as provided in subsection (b) **or (c)**, after June 30, 2014, the judge of the juvenile court may appoint ~~a~~ **not more than one (1)** full-time magistrate under IC 33-23-5. ~~only if authorized by state law.~~

(b) **The judge of the juvenile court may appoint more than one (1) full-time magistrate only if the appointment of an additional magistrate is expressly authorized by the general assembly.**

(c) If the judge of the juvenile court appointed one (1) or more full-time magistrates under this section before July 1, 2014, the judge may continue to appoint or reappoint a full-time magistrate

to each of those positions after June 30, 2014.

SECTION 122. IC 32-21-11 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Responsible Property Transfer Law).

SECTION 123. IC 33-32-5-2 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2. For issuing a license to hold a distress sale under IC 25-18-1-6, the clerk shall collect the following fee:~~

~~(1) Forty dollars ($40) if the value of the inventory is not more than twenty-five thousand dollars ($25,000).~~

~~(2) Sixty-five dollars ($65) if the value of the inventory is more than twenty-five thousand dollars ($25,000) but not more than fifty thousand dollars ($50,000).~~

~~(3) One hundred dollars ($100) if the value of the inventory is more than fifty thousand dollars ($50,000) but not more than seventy-five thousand dollars ($75,000).~~

~~(4) One hundred fifty dollars ($150) if the value of the inventory is more than seventy-five thousand dollars ($75,000).~~

SECTION 124. IC 34-6-2-52 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 52. "Hazardous substance", for purposes of IC 34-30-6, means:

(1) a material or waste that has been determined to be hazardous or potentially hazardous to any individual, to property, or to the environment by the United States Environmental Protection Agency, the federal Nuclear Regulatory Commission, the United States Department of Transportation, the ~~solid waste management~~ **environmental rules** board, or the United States Occupational Safety and Health Agency or any agent or designee of any of the above mentioned boards, agencies, or commission; or

(2) any substance that may be potentially hazardous to any person, to property or to the environment.

SECTION 125. IC 35-52-25-18 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 18. IC 25-18-1-19 defines a crime concerning distress sales.~~

SECTION 126. IC 36-9-23-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. (a) A municipality that does not have a sewage treatment plant, and wants to acquire, construct, improve, operate, and maintain sewage works other than a sewage treatment plant, may proceed under this chapter only if it first contracts for the required treatment of the sewage emanating from its works.

(b) A municipality owning and operating facilities for sewage treatment may contract to treat all or part of the sewage of:

(1) any other municipality;

(2) any facility of the department of correction; or

(3) if a contract described in subdivision (2) is in effect, any person or entity, a municipal corporation, a private corporation, or a federal government facility that is located within five (5) miles of the sewer line connecting the municipality to the facility of the department of correction under the contract.

The contracts must be authorized by ordinance and are subject to approval by the department of environmental management according to rules adopted by the ~~water pollution control~~ **environmental rules** board as to the sufficiency of the provision for sewage treatment.

(c) Unless otherwise provided in the authorizing ordinance or governing indenture, the revenues received by the owner under the contract are considered a part of the revenues of the owner's sewage treatment facilities, and shall be applied in accordance with the applicable statutes.

(d) The necessary intercepting and connecting sewers and appurtenances to connect the sewage treatment facilities and sewage works of the contracting parties may be constructed in part or in whole by either of the contracting parties, as provided in the contract. For a municipality, the money to pay for this construction may be provided by the issuance of bonds under the applicable statutes, as part of the cost of the facilities or works of the respective parties.

(e) All bonds issued under this section are payable before the expiration date of the contract. The parties may contract for the terms of the bonds, and for any term or terms beyond the last maturity of the bonds.

SECTION 127. IC 36-9-23-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 35. No proceedings other than those prescribed by this chapter are required for:

(1) the construction or acquisition of sewage works;

(2) the issuance or sale of bonds; or

(3) the establishment of fees;

under this chapter. However, the functions, powers, and duties of the department of environmental management, the ~~water pollution control~~ **environmental rules** board, and the state department of health are not affected by this chapter.

SECTION 128. IC 36-9-24-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. A lease under this chapter does not become effective until its provisions for sewage treatment have been found sufficient by the department of environmental management according to rules adopted by the ~~state water pollution control~~ **environmental rules** board.

SECTION 129. IC 36-9-30-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. A unit acting under this chapter must obtain approval from the department of environmental management, according to rules adopted by the ~~solid waste management~~ **environmental rules** board, for any method or methods used for the disposal of solid waste before obtaining land or facilities. One (1) or more of the methods listed below may be used:

(1) A unit may use a sanitary landfill. If a sanitary landfill is to be used, information necessary to evaluate the project shall be submitted to the department of environmental management for review and approval before the purchase of land or equipment.

(2) A unit may use incineration. If incineration is to be used, the plans and specifications of each incinerating plant or other facility, along with other information necessary to evaluate the project, shall be submitted to the department of environmental management for review and approval before construction of the facilities. The plans must include an approved method for the disposal of noncombustible solid waste and incinerator residue.

(3) A unit may use composting. If composting is to be used, the plans and specifications of composting facilities, along with other information necessary to evaluate the project, shall be submitted to the department of environmental management for review and approval before construction of the facilities. The plans must provide for the proper disposal of all solid waste that is not suitable for composting.

(4) A unit may use a garbage grinding system involving the separate collection and disposal of garbage into a community sewerage system through commercial-type grinders or community-wide installation of individual grinders. As used in this subdivision, "garbage" means all decayable solid and semisolid wastes resulting from the processing, preparation, cooking, serving, or consumption of food or food materials. The plans and specifications for the garbage grinding facilities, along with other information necessary to evaluate the project, shall be submitted to the department of environmental management for review and approval before construction or installation of the facilities. The plans must provide for the proper disposal of all solid waste that is not suitable for grinding.

(5) A unit may use any other suitable methods or facilities for the disposal of solid waste, if the plans and

specifications, along with other information necessary to evaluate the project, are submitted to the department of environmental management for review and approval before the acquisition, construction, installation, or operation of the method or facility.

SECTION 130. IC 36-9-30-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 33. The ~~solid waste management~~ **environmental rules** board may adopt rules under IC 4-22-2 to carry out this chapter.

SECTION 131. IC 36-9-30-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 35. (a) Solid waste may be disposed of on land only through use of sanitary landfills, incineration, composting, garbage grinding, or other acceptable methods approved by the department of environmental management in accordance with rules adopted by the ~~solid waste management~~ **environmental rules** board. A person may not operate or maintain an open dump.

(b) A person may not operate or maintain facilities for the collection and disposal of solid waste, except as set out in section 4 of this chapter or under rules adopted by the ~~solid waste management~~ **environmental rules** board.

(c) Failure to comply with this section constitutes the operation of a nuisance inimical to human health. A prosecuting attorney who receives a report of such a failure from the department of environmental management, a solid waste management district, or a local health officer shall cause appropriate court proceedings to be instituted.

(d) A person who fails to comply with this section commits a Class C infraction. If the violation is of a continuing nature, each day of failure to comply constitutes a separate infraction.

(e) The department of environmental management may bring proceedings for injunctive or mandatory relief through the attorney general against any person (including any agency of the state or federal government) for failure to comply with this section.

SECTION 132. [EFFECTIVE JANUARY 1, 2015] **The general assembly recognizes that HEA 1279-2014 repealed IC 9-32-17-5 and that SEA 350-2014 amended that section. The general assembly intends to repeal that section effective January 1, 2015.**

SECTION 133. [EFFECTIVE UPON PASSAGE] **The general assembly recognizes that SEA 160-2014, SECTION 2, amended IC 33-23-10-7, and that SEA 80-2014, SECTION 140, repealed IC 33-23-10. The general assembly intends to repeal this provision, effective upon passage of SEA 80-2014.**

SECTION 134. **An emergency is declared for this act.**

(Reference is to EHB 1005 as printed February 28, 2014.)

MCMILLIN	SCHNEIDER
SHACKLEFORD	RANDOLPH
House Conferees	Senate Conferees

Roll Call 513: yeas 79, nays 19. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1234–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1234 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-22-8.1, AS AMENDED BY P.L.120-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8.1. (a) The county treasurer shall:

(1) except as provided in subsection (h), mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (b). However, for property taxes first due and payable in 2008, the county treasurer may choose to use a tax statement that is different from the tax statement prescribed by the department under subsection (b). If a county chooses to use a different tax statement, the county must still transmit (with the tax bill) the statement in either color type or black-and-white type.

(b) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (a) that includes at least the following:

(1) A statement of the taxpayer's current and delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(3) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.

(5) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

(6) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

(7) An explanation of the following:

(A) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law that are available in the taxing district where the property is located.

(B) All property tax deductions that are available in the taxing district where the property is located.

(C) The procedure and deadline for filing for any available homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and each deduction.

(D) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(E) The forms that must be filed for an appeal or a petition described in clause (D).

(F) The procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction.

(G) Notice that an appeal described in clause (D)

requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) A checklist that shows:

(A) homestead credits under IC 6-1.1-20.4, IC 6-3.5-6-13, or another law and all property tax deductions; and

(B) whether each homestead credit and property tax deduction applies in the current statement for the property transmitted under subsection (a).

(9) This subdivision applies to any property for which a deduction or credit is listed under subdivision (8) if the notice required under this subdivision was not provided to a taxpayer on a reconciling statement under IC 6-1.1-22.5-12. The statement must include in 2010, 2011, and 2012 a notice that must be returned by the taxpayer to the county auditor with the taxpayer's verification of the items required by this subdivision. The notice must explain the tax consequences and applicable penalties if a taxpayer unlawfully claims a standard deduction under IC 6-1.1-12-37 on:

(A) more than one (1) parcel of property; or

(B) property that is not the taxpayer's principal place of residence or is otherwise not eligible for the standard deduction.

The notice must include a place for the taxpayer to indicate, under penalties of perjury, for each deduction and credit listed under subdivision (8), whether the property is eligible for the deduction or credit listed under subdivision (8). The notice must also include a place for each individual who qualifies the property for a deduction or credit listed in subdivision (8) to indicate the name of the individual and the name of the individual's spouse (if any), as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number (or that they use as their legal names when they sign their names on legal documents), and either the last five (5) digits of each individual's Social Security number or, if an individual does not have a Social Security number, the numbers required from the individual under IC 6-1.1-12-37(e)(4)(B). The notice must explain that the taxpayer must complete and return the notice with the required information and that failure to complete and return the notice may result in disqualification of property for deductions and credits listed in subdivision (8), must explain how to return the notice, and must be on a separate form printed on paper that is a different color than the tax statement. The notice must be prepared in the form prescribed by the department of local government finance and include any additional information required by the department of local government finance. This subdivision expires January 1, 2015.

(c) The county treasurer may mail or transmit the statement one (1) time each year at least fifteen (15) **business** days before the date on which the first or only installment is due. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment. If a statement is returned to the county treasurer as undeliverable and the forwarding order is expired, the county treasurer shall notify the county auditor of this fact. Upon receipt of the county treasurer's notice, the county auditor may, at the county auditor's discretion, treat the property as not being eligible for any deductions under IC 6-1.1-12 or any homestead credits under IC 6-1.1-20.4 and IC 6-3.5-6-13.

(d) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(e) The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection (b).

(f) The information to be included in the statement under subsection (b) must be simply and clearly presented and understandable to the average individual.

(g) After December 31, 2007, a reference in a law or rule to IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated as a reference to this section.

(h) Transmission of statements and other information under this subsection applies in a county only if the county legislative body adopts an authorizing ordinance. Subject to subsection (i), in a county in which an ordinance is adopted under this subsection for property taxes and special assessments first due and payable after 2009, a person may, in any manner permitted by subsection (n), direct the county treasurer and county auditor to transmit the following to the person by electronic mail:

(1) A statement that would otherwise be sent by the county treasurer to the person by regular mail under subsection (a)(1), including a statement that reflects installment payment due dates under section 9.5 or 9.7 of this chapter.

(2) A provisional tax statement that would otherwise be sent by the county treasurer to the person by regular mail under IC 6-1.1-22.5-6.

(3) A reconciling tax statement that would otherwise be sent by the county treasurer to the person by regular mail under any of the following:

(A) Section 9 of this chapter.

(B) Section 9.7 of this chapter.

(C) IC 6-1.1-22.5-12, including a statement that reflects installment payment due dates under IC 6-1.1-22.5-18.5.

(4) Any other information that:

(A) concerns the property taxes or special assessments; and

(B) would otherwise be sent:

(i) by the county treasurer or the county auditor to the person by regular mail; and

(ii) before the last date the property taxes or special assessments may be paid without becoming delinquent.

The information listed in this subsection may be transmitted to a person by using electronic mail that provides a secure Internet link to the information.

(i) For property with respect to which more than one (1) person is liable for property taxes and special assessments, subsection (h) applies only if all the persons liable for property taxes and special assessments designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(j) Before 2010, the department of local government finance shall create a form to be used to implement subsection (h). The county treasurer and county auditor shall:

(1) make the form created under this subsection available to the public;

(2) transmit a statement or other information by electronic mail under subsection (h) to a person who, at least thirty (30) days before the anticipated general mailing date of the statement or other information, files the form created under this subsection:

(A) with the county treasurer; or

(B) with the county auditor; and

(3) publicize the availability of the electronic mail option under this subsection through appropriate media in a manner reasonably designed to reach members of the public.

(k) The form referred to in subsection (j) must:

(1) explain that a form filed as described in subsection (j)(2) remains in effect until the person files a replacement form to:

(A) change the person's electronic mail address; or

(B) terminate the electronic mail option under subsection (h); and

(2) allow a person to do at least the following with respect to the electronic mail option under subsection (h):

(A) Exercise the option.

(B) Change the person's electronic mail address.

(C) Terminate the option.

(D) For a person other than an individual, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(E) For property with respect to which more than one (1) person is liable for property taxes and special assessments, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(l) The form created under subsection (j) is considered filed with the county treasurer or the county auditor on the postmark date or on the date it is electronically submitted. If the postmark is missing or illegible, the postmark is considered to be one (1) day before the date of receipt of the form by the county treasurer or the county auditor.

(m) The county treasurer shall maintain a record that shows at least the following:

(1) Each person to whom a statement or other information is transmitted by electronic mail under this section.

(2) The information included in the statement.

(3) Whether the county treasurer received a notice that the person's electronic mail was undeliverable.

(n) A person may direct the county treasurer and county auditor to transmit information by electronic mail under subsection (h) on a form prescribed by the department submitted:

(1) in person;

(2) by mail; or

(3) in an online format developed by the county and approved by the department.

SECTION 2. IC 6-1.1-22.6-26.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 26.7. (a) This section applies only to a school corporation that imposes at least a majority of its 2014 certified property tax levies in a county that was or is a covered county in any year after 2011.**

(b) Notwithstanding any other law and subject to subsection (c), a school corporation described in subsection (a) may, before September 1, 2014, transfer from the school corporation's debt service fund to the school corporation's rainy day fund a total amount equal to not more than twenty percent (20%) of the school corporation's 2014 certified debt service fund budget.

(c) A school corporation may not make a transfer under this section to the extent that to do so would endanger the interests of the holders of bonds or would endanger the interests of lessors.

(d) This section expires January 1, 2015.

SECTION 3. IC 6-1.1-28-1, AS AMENDED BY P.L.182-2009(ss), SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Each county shall have a county property tax assessment board of appeals composed of individuals who are at least eighteen (18) years of age and knowledgeable in the valuation of property. At the election of the board of commissioners of the county, a county property tax assessment board of appeals may consist of three (3) or five (5) members appointed in accordance with this section.

(b) This subsection applies to a county in which the board of commissioners elects to have a five (5) member county property tax assessment board of appeals. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (g) and (h), the fiscal body of the county shall appoint two (2) individuals to the board. At least one (1) of the members appointed by the county fiscal body must be a certified level two or level three assessor-appraiser. **The fiscal body may waive the requirement in this subsection that one (1) of the members appointed by the fiscal body must be a certified level two or level three assessor-appraiser.** Subject to subsections (g) and (h), the board of commissioners of the county shall appoint three (3) freehold members so that not more than three (3) of the five (5) members may be of the same political party and so that at least three (3) of the five (5) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser. The board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser.

(c) This subsection applies to a county in which the board of commissioners elects to have a three (3) member county property tax assessment board of appeals. In addition to the county assessor, only one (1) other individual who is an officer or employee of a county or township may serve on the board of appeals in the county in which the individual is an officer or employee. Subject to subsections (g) and (h), the fiscal body of the county shall appoint one (1) individual to the board. The member appointed by the county fiscal body must be a certified level two or level three assessor-appraiser. **The fiscal body may waive the requirement in this subsection that the member appointed by the fiscal body must be a certified level two or level three assessor-appraiser.** Subject to subsections (d) and (e), the board of commissioners of the county shall appoint two (2) freehold members so that not more than two (2) of the three (3) members may be of the same political party and so that at least two (2) of the three (3) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser. The board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two or level three assessor-appraiser.

(d) A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a nonvoting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board that includes at least one (1) certified level two or level three assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(e) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in

subsection (b) or (c) that not more than three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two or level three Indiana assessor-appraisers:

(1) who are willing to serve on the board; and

(2) whose political party membership status would satisfy the requirement in subsection (b) or (c).

(f) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

(1) residents of the county;

(2) certified level two or level three Indiana assessor-appraisers; and

(3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) or two (2) of the three (3) members of the county property tax assessment board of appeals be residents of the county.

(g) Except as provided in subsection (f), the term of a member of the county property tax assessment board of appeals appointed under this section:

(1) is one (1) year; and

(2) begins January 1.

(h) If:

(1) the term of a member of the county property tax assessment board of appeals appointed under this section expires;

(2) the member is not reappointed; and

(3) a successor is not appointed;

the term of the member continues until a successor is appointed.

(i) An:

(1) employee of the township assessor or county assessor; or

(2) appraiser, as defined in IC 6-1.1-31.7-1;

may not serve as a voting member of a county property tax assessment board of appeals in a county where the employee or appraiser is employed.

SECTION 4. IC 6-1.1-35.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 35.7. Assessor, Appraiser, and Tax Representative Standards of Conduct

Sec. 1. As used in this chapter, "appraiser" has the meaning set forth in IC 6-1.1-31.7-1.

Sec. 2. As used in this chapter, "tax representative" means a person who represents another person at a proceeding before the property tax assessment board of appeals or the department. The term does not include:

(1) the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) that is the subject of the appeal;

(2) a permanent full-time employee of the owner of the property (or person liable for the taxes under IC 6-1.1-2-4) who is the subject of the appeal;

(3) a representative of a local unit of government appearing on behalf of the unit;

(4) a certified public accountant, when the certified public accountant is representing a client in a matter that relates only to personal property taxation; or

(5) an attorney who is a member in good standing of the Indiana bar or any person who is a member in good standing of any other state bar and who has been granted leave by the department to appear pro hac vice.

Sec. 3. (a) An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall adhere to the Uniform Standards of Professional Appraisal Practice in the performance of the individual's duties.

(b) An individual who is a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser shall not do any of the following:

(1) Conduct an assessment that includes the reporting of a predetermined opinion or conclusion.

(2) Misrepresent the individual's role when providing valuation services that are outside the practice of property assessment.

(3) Communicate assessment results with the intent to mislead or defraud.

(4) Communicate a report that the individual knows is misleading or fraudulent.

(5) Knowingly permit an employee or other person to communicate a misleading or fraudulent report.

(6) Engage in criminal conduct.

(7) Willfully or knowingly violate the requirements of IC 6-1.1-35-9.

(8) Perform an assessment in a grossly negligent manner.

(9) Perform an assessment with bias.

(10) Advocate for an assessment. However, this subdivision does not prevent a township assessor, a county assessor, an employee of the county assessor or township assessor, or an appraiser from defending or explaining the accuracy of an assessment and any corresponding methodology used in the assessment at a preliminary informal hearing, during settlement discussions, at a public hearing, or at the appellate level.

Sec. 4. (a) A township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser:

(1) must be competent to perform a particular assessment;

(2) must acquire the necessary competency to perform the assessment; or

(3) shall contract with an appraiser who demonstrates competency to do the assessment.

(b) The department may revoke the certification of a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser under 50 IAC 15 for gross incompetence in the performance of an assessment.

(c) An individual whose certification is revoked by the department under subsection (b) may appeal the department's decision to the certification appeal board established under subsection (d). A decision of the certification appeal board may be appealed to the tax court in the same manner that a final determination of the department may be appealed under IC 33-26.

(d) The certification appeal board is established for the sole purpose of conducting appeals under this section. The board consists of the following seven (7) members:

(1) Two (2) representatives of the department appointed by the commissioner of the department.

(2) Two (2) individuals appointed by the governor. The individuals must be township or county assessors.

(3) Two (2) individuals appointed by the governor. The individuals must be licensed appraisers.

(4) One (1) individual appointed by the governor. The individual must be a resident of Indiana.

The commissioner of the department shall designate a member appointed under subdivision (1) as the chairperson of the board. Not more than four (4) members of the board may be members of the same political party. Each member of the board serves at the pleasure of the appointing authority.

(e) The certification appeal board shall meet as often as is necessary to properly perform its duties. Each member of the board is entitled to the following:

(1) The salary per diem provided under IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 5. (a) The department may revoke a certification issued under 50 IAC 15 for not more than three (3) years if the department determines by a preponderance of the evidence that the township assessor, county assessor, employee of the township assessor or county assessor, or appraiser violated any provision of this chapter.

(b) If an appraiser's certification is revoked:

(1) any contract for appraisal of property in Indiana that the appraiser has entered into is void; and

(2) the appraiser may not receive any additional payments under the contract.

(c) A contract entered into by an appraiser for appraisal of property in Indiana must contain a provision specifying that the contract is void if the appraiser's certification is revoked under this chapter.

Sec. 6. A tax representative may not do any of the following:

(1) Use or participate in the use of any false, fraudulent, unduly influencing, coercive, unfair, misleading, or deceptive statement or claims with respect to any matter relating to the practice before the property tax assessment board of appeals or the department.

(2) Knowingly misrepresent any information or act in a fraudulent manner.

(3) Prepare documents or provide evidence in a property assessment appeal unless the representative is authorized by the property owner (or person liable for the taxes under IC 6-1.1-2-4) to do so and any required authorization form has been filed.

(4) Knowingly submit false or erroneous information in a property assessment appeal.

(5) Knowingly fail to use the appraisal standards and methods required by rules adopted by the department, Indiana board, or property tax assessment board of appeals when the representative submits appraisal information in a property assessment appeal.

(6) Knowingly fail to notify the property owner (or person liable for the taxes under IC 6-1.1-2-4) of all matters relating to the review of the assessment of taxpayers' property before the property tax assessment board of appeals or the department, including, but not limited to, the following:

(A) The tax representative's filing of all necessary documents, correspondence, and communications with the property tax assessment board of appeals or department.

(B) The dates and substance of all hearings, onsite inspections, and meetings.

Sec. 7. The department may revoke the certification of a tax representative for the following:

(1) Violation of any rule applicable to certification or practice before the department, the Indiana board, or the property tax assessment board of appeals.

(2) Gross incompetence in the performance of practicing before the property tax assessment board of appeals, the department, or the Indiana board.

(3) Dishonesty, fraud, or material deception committed while practicing before the property tax assessment board of appeals, the department, or the Indiana board.

(4) Dishonesty, fraud, material deception, or breach of fiduciary duty committed against the tax representative's employer or business associates.

(5) Violation of the standards of ethics or rules of solicitation adopted by the department.

SECTION 5. **An emergency is declared for this act.**

(Reference is to EHB 1234 as reprinted February 28, 2014.)

THOMPSON	PETE MILLER
KERSEY	HUME
House Conferees	Senate Conferees

Roll Call 514: yeas 97, nays 1. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1269–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1269 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 1-1-5.5-21 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 21. (a) A SECTION of P.L.158-2013 or HEA 1006-2014 does not affect:**

(1) penalties incurred;

(2) crimes committed; or

(3) proceedings begun;

before the effective date of that SECTION of P.L.158-2013 or HEA 1006-2014. Those penalties, crimes, and proceedings continue and shall be imposed and enforced under prior law as if that SECTION of P.L.158-2013 or HEA 1006-2014 had not been enacted.

(b) The general assembly does not intend the doctrine of amelioration (see Vicory v. State, 400 N.E.2d 1380 (Ind. 1980)) to apply to any SECTION of P.L.158-2013 or HEA 1006-2014.

SECTION 2. IC 11-8-8-4.5, AS AMENDED BY P.L.214-2013, SECTION 4, AND AS AMENDED BY P.L.158-2013, SECTION 171, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) Except as provided in section 22 of this chapter, as used in this chapter, "sex offender" means a person convicted of any of the following offenses:

(1) Rape (IC 35-42-4-1).

(2) Criminal deviate conduct (IC 35-42-4-2) ~~*(repealed*~~ **(before its repeal).** ~~*(before its repeal on July 1, 2014).*~~

(3) Child molesting (IC 35-42-4-3).

(4) Child exploitation (IC 35-42-4-4(b)).

(5) Vicarious sexual gratification (including performing sexual conduct in the presence of a minor) (IC 35-42-4-5).

(6) Child solicitation (IC 35-42-4-6).

(7) Child seduction (IC 35-42-4-7).

(8) Sexual misconduct with a minor **(IC 35-42-4-9)** as a Class A, Class B, or Class C *felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 4, or Level 5* felony *(for a crime committed after June 30, 2014),* ~~(IC 35-42-4-9),~~ unless:

(A) the person is convicted of sexual misconduct with a minor as a Class C *felony (for a crime committed before July 1, 2014) or a Level 5* felony *(for a crime committed after June 30, 2014);*

(B) the person is not more than:

(i) four (4) years older than the victim if the offense was committed after June 30, 2007; or

(ii) five (5) years older than the victim if the offense was committed before July 1, 2007; and

(C) the sentencing court finds that the person should not

be required to register as a sex offender.
(9) Incest (IC 35-46-1-3).
(10) Sexual battery (IC 35-42-4-8).
(11) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age, and the person who kidnapped the victim is not the victim's parent or guardian.
(12) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age, and the person who confined or removed the victim is not the victim's parent or guardian.
(13) Possession of child pornography (IC 35-42-4-4(c)).
(14) Promoting prostitution (IC 35-45-4-4) as a Class B *felony (for a crime committed before July 1, 2014) or a Level 4* felony *(for a crime committed after June 30, 2014).*
(15) Promotion of human trafficking (IC 35-42-3.5-1(a)(2)) if the victim is less than eighteen (18) years of age.
(16) Sexual trafficking of a minor (IC 35-42-3.5-1(c)).
(17) Human trafficking (IC 35-42-3.5-1(d)(3)) if the victim is less than eighteen (18) years of age.
(18) Sexual misconduct by a service provider with a detained **or supervised** child (IC 35-44.1-3-10(c)).
(19) An attempt or conspiracy to commit a crime listed in subdivisions (1) through (18).
(20) A crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in subdivisions (1) through (19).

(b) The term includes:
(1) a person who is required to register as a sex offender in any jurisdiction; and
(2) a child who has committed a delinquent act and who:
(A) is at least fourteen (14) years of age;
(B) is on probation, is on parole, is discharged from a facility by the department of correction, is discharged from a secure private facility (as defined in IC 31-9-2-115), or is discharged from a juvenile detention facility as a result of an adjudication as a delinquent child for an act that would be an offense described in subsection (a) if committed by an adult; and
(C) is found by a court by clear and convincing evidence to be likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

(c) In making a determination under subsection (b)(2)(C), the court shall consider expert testimony concerning whether a child is likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

SECTION 3. IC 11-8-8-5, AS AMENDED BY P.L.13-2013, SECTION 42, AS AMENDED BY P.L.214-2013, SECTION 5, AND AS AMENDED BY P.L.158-2013, SECTION 172, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) Except as provided in section 22 of this chapter, as used in this chapter, "sex or violent offender" means a person convicted of any of the following offenses:
(1) Rape (IC 35-42-4-1).
(2) Criminal deviate conduct (IC 35-42-4-2) *(before its repeal).* ~~*on July 1, 2014 (repealed).*~~
(3) Child molesting (IC 35-42-4-3).
(4) Child exploitation (IC 35-42-4-4(b)).
(5) Vicarious sexual gratification (including performing sexual conduct in the presence of a minor) (IC 35-42-4-5).
(6) Child solicitation (IC 35-42-4-6).
(7) Child seduction (IC 35-42-4-7).
(8) Sexual misconduct with a minor **(IC 35-42-4-9)** as a Class A, Class B, or Class C *felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 4, or Level 5* felony *(for a crime committed after June 30, 2014),* ~~(IC 35-42-4-9),~~ unless:
(A) the person is convicted of sexual misconduct with a minor as a Class C felony *(for a crime committed before July 1, 2014) or a Level 5* felony *(for a crime committed after June 30, 2014);*
(B) the person is not more than:
(i) four (4) years older than the victim if the offense was committed after June 30, 2007; or
(ii) five (5) years older than the victim if the offense was committed before July 1, 2007; and
(C) the sentencing court finds that the person should not be required to register as a sex offender.
(9) Incest (IC 35-46-1-3).
(10) Sexual battery (IC 35-42-4-8).
(11) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age, and the person who kidnapped the victim is not the victim's parent or guardian.
(12) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age, and the person who confined or removed the victim is not the victim's parent or guardian.
(13) Possession of child pornography (IC 35-42-4-4(c)).
(14) Promoting prostitution (IC 35-45-4-4) as a Class B felony *(for a crime committed before July 1, 2014) or a Level 4 felony (for a crime committed after June 30, 2014).*
(15) Promotion of human trafficking (IC 35-42-3.5-1(a)(2)) if the victim is less than eighteen (18) years of age.
(16) Sexual trafficking of a minor (IC 35-42-3.5-1(c)).
(17) Human trafficking (IC 35-42-3.5-1(d)(3)) if the victim is less than eighteen (18) years of age.
(18) Murder (IC 35-42-1-1).
(19) Voluntary manslaughter (IC 35-42-1-3).
(20) Sexual misconduct by a service provider with a detained **or supervised** child (IC 35-44.1-3-10(c)).
(21) An attempt or conspiracy to commit a crime listed in subdivisions (1) through (20).
(22) A crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in subdivisions (1) through (21).

(b) The term includes:
(1) a person who is required to register as a sex or violent offender in any jurisdiction; and
(2) a child who has committed a delinquent act and who:
(A) is at least fourteen (14) years of age;
(B) is on probation, is on parole, is discharged from a facility by the department of correction, is discharged from a secure private facility (as defined in IC 31-9-2-115), or is discharged from a juvenile detention facility as a result of an adjudication as a delinquent child for an act that would be an offense described in subsection (a) if committed by an adult; and
(C) is found by a court by clear and convincing evidence to be likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

(c) In making a determination under subsection (b)(2)(C), the court shall consider expert testimony concerning whether a child is likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

SECTION 4. IC 35-31.5-2-186.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 186.2. "Lawful supervision", for purposes of IC 35-44.1-3-10, has the meaning set forth in IC 35-44.1-3-10.**

SECTION 5. IC 35-38-2.6-1, AS AMENDED BY P.L.158-2013, SECTION 400, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to the sentencing of a person convicted of **a felony whenever any part of the**

sentence may not be suspended under IC 35-50-2-2.1 or IC 35-50-2-2.2.

~~(1) a felony whenever any part of the sentence may not be suspended under IC 35-50-2-2.2 or IC 35-50-2-2.1;~~

~~(2) a misdemeanor whenever any part of the sentence may not be suspended; or~~

~~(3) an offense under IC 9-30-5 (operating a vehicle while intoxicated) if the person who committed the offense has accumulated at least two (2) prior unrelated convictions under IC 9-30-5, and if the person:~~

~~(A) is required to serve the nonsuspendible part of the sentence in a community corrections:~~

~~(i) work release program; or~~

~~(ii) program that uses electronic monitoring as a part of the person's supervision; and~~

~~(B) participates in a court approved substance abuse program.~~

(b) This chapter does not apply to persons convicted of any of the following:

(1) Sex crimes under IC 35-42-4 or IC 35-46-1-3.

(2) ~~Except as provided in subsection (a)(3),~~ Any of the following felonies:

(A) Murder (IC 35-42-1-1).

(B) Battery (IC 35-42-2-1) with a deadly weapon or battery causing death.

(C) Kidnapping (IC 35-42-3-2).

(D) Criminal confinement (IC 35-42-3-3) with a deadly weapon.

(E) Robbery (IC 35-42-5-1) resulting in serious bodily injury or with a deadly weapon.

(F) Arson (IC 35-43-1-1) for hire resulting in serious bodily injury.

(G) Burglary (IC 35-43-2-1) resulting in serious bodily injury.

(H) Resisting law enforcement (IC 35-44.1-3-1) with a deadly weapon.

(I) Escape (IC 35-44.1-3-4) with a deadly weapon.

(J) Rioting (IC 35-45-1-2) with a deadly weapon.

~~(K) Dealing in cocaine or a narcotic drug (IC 35-48-4-1) if the court finds the person possessed a firearm (as defined in IC 35-47-1-5) at the time of the offense, or the person delivered or intended to deliver to a person under eighteen (18) years of age at least three (3) years junior to the person and was on a school bus or within five hundred (500) feet of:~~

~~(i) school property; or~~

~~(ii) a public park.~~

~~(L) Dealing in methamphetamine (IC 35-48-4-1.1) if the court finds the person possessed a firearm (as defined in IC 35-47-1-5) at the time of the offense, or the person delivered or intended to deliver the methamphetamine pure or adulterated to a person under eighteen (18) years of age at least three (3) years junior to the person and was on a school bus or within five hundred (500) feet of:~~

~~(i) school property; or~~

~~(ii) a public park.~~

~~(M) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2) if the court finds the person possessed a firearm (as defined in IC 35-47-1-5) at the time of the offense, or the person delivered or intended to deliver to a person under eighteen (18) years of age at least three (3) years junior to the person and was on a school bus or within five hundred (500) feet of:~~

~~(i) school property; or~~

~~(ii) a public park.~~

~~(N) An offense under IC 9-30-5 (operating a vehicle while intoxicated) and the person who committed the offense has accumulated at least two (2) prior unrelated convictions under IC 9-30-5.~~

~~(O) An offense under IC 9-30-5-5(b) (operating a vehicle while intoxicated causing death).~~

~~(P)~~ **(K)** Aggravated battery (IC 35-42-2-1.5).

~~(Q)~~ **(L)** Disarming a law enforcement officer (IC 35-44.1-3-2).

(3) An offense under IC 9-30-5-4.

(4) An offense under IC 9-30-5-5.

SECTION 6. IC 35-44.1-3-10, AS AMENDED BY P.L.158-2013, SECTION 516, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) ~~As used in this section,~~ **The following definitions apply throughout this section:**

(1) "Lawful supervision" means supervision by:

(A) the department of correction;

(B) a court;

(C) a probation department;

(D) a community corrections program, a community transition program, or another similar program; or

(E) parole.

(2) "Service provider" means:

(A) with respect to a person subject to lawful detention:

(i) a public servant; ~~or other~~

(ii) a person employed by a governmental entity; or ~~another~~

(iii) a person who provides goods or services to a person who is subject to lawful detention; **and**

(B) with respect to a person subject to lawful supervision:

(i) a public servant whose official duties include the supervision of the person subject to lawful supervision;

(ii) a person employed by a governmental entity to provide supervision for the person subject to lawful supervision; or

(iii) a person who is employed by or contracts with a governmental entity to provide treatment or other services to the person subject to lawful supervision as a condition of the person's lawful supervision.

(b) A service provider who knowingly or intentionally engages in sexual intercourse or other sexual conduct (as defined in IC 35-31.5-2-221.5) with a person who is subject to lawful detention **or lawful supervision** commits sexual misconduct, a Level 5 felony.

(c) A service provider at least eighteen (18) years of age who knowingly or intentionally engages in sexual intercourse or other sexual conduct (as defined in IC 35-31.5-2-221.5) with a person who is:

(1) less than eighteen (18) years of age; and

(2) subject to lawful detention **or lawful supervision;**

commits sexual misconduct, a Level 4 felony.

(d) It is not a defense that an act described in subsection (b) or (c) was consensual.

(e) This section does not apply to sexual intercourse or other sexual conduct (as defined in IC 35-31.5-2-221.5) between spouses.

(Reference is to EHB 1269 as printed February 21, 2014.)

STEUERWALD	R. MICHAEL YOUNG
PIERCE	RANDOLPH
House Conferees	Senate Conferees

Roll Call 515: yeas 99, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT

EHB 1319–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1319 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-18-2-22, AS AMENDED BY P.L.167-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. (a) "Teacher" means a professional person whose position in a school corporation requires certain educational preparation and licensing and whose primary responsibility is the instruction of students.

(b) For purposes of IC 20-28, the term includes the following:

(1) A superintendent who holds a license under IC 20-28-5.

(2) A principal.

(3) A teacher.

(4) A librarian.

(5) A school counselor.

SECTION 2. IC 20-19-3-9.4, AS ADDED BY P.L.1-2010, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9.4. **(a)** Beginning January 1, 2010, the department may obtain and maintain student test number information in a manner and form that permits any person who is authorized to review the information to:

(1) access the information at any time; and

(2) accurately determine:

(A) where each student is enrolled and attending classes; and

(B) the number of students enrolled in a school corporation or charter school and residing in the area served by a school corporation;

as of any date after December 31, 2009, occurring before two (2) regular instructional days before the date of the inquiry.

Each school corporation and charter school shall provide the information to the department in the form and on a schedule that permits the department to comply with this section. The department shall provide technical assistance to school corporations and charter schools to assist school corporations and charter schools in complying with this section.

(b) Beginning with the 2015-2016 school year, each school corporation and charter school shall annually:

(1) determine whether a student's parent is a member of:

(A) the armed forces of the United States who is on active duty;

(B) the reserve component of a branch of the armed forces of the United States; or

(C) the national guard; and

(2) provide a list to the department of the students who have been identified under subdivision (1).

The department shall assign each student identified under subdivision (1) a unique identifier, which may be a modification of the student's test number assigned under subsection (a), by which data concerning military connected students may be disaggregated.

SECTION 3. IC 20-20-8-3, AS ADDED BY P.L.169-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) Not earlier than ~~January~~ **March** 15 or later than ~~January~~ **March** 31 of each year, the governing body of a school corporation shall publish an annual performance report of the school corporation, in compliance with the procedures identified in section 7 of this chapter. The report must be published one (1) time annually under IC 5-3-1.

(b) The department shall make each school corporation's report available on the department's Internet web site. The annual performance report published on the Internet for a school corporation, including a charter school, must include any additional information submitted by the school corporation under section 6(3)(A) of this chapter. The governing body of a school corporation may make the school corporation's report available on the school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the report to a person who requests a copy. The governing body may not charge a fee for providing the copy.

SECTION 4. IC 20-28-7.5-8, AS ADDED BY P.L.90-2011, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) This section does not apply to an individual who works at a conversion charter school (as defined in IC 20-24-1-5) for purposes of the individual's employment with the school corporation that sponsored the conversion charter school.

(b) A contract entered into ~~after August 15~~ **less than fourteen (14) days before the day on which teachers must report for work** between a school corporation and a teacher is void if the teacher, at the time of signing the contract, is bound by a previous contract to teach in a public school. However, another contract may be signed by the teacher that will be effective if the teacher:

(1) furnishes the principal a release by the employer under the previous contract; or

(2) shows proof that thirty (30) days written notice was delivered by the teacher to the first employer.

(c) A principal may request from a teacher, at the time of contracting, a written statement as to whether the teacher has signed another teaching contract. However, the teacher's failure to provide the statement is not a cause for subsequently voiding the contract.

SECTION 5. IC 20-32-5-12, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. The department shall develop a format for the publication by school corporations in an annual performance report required by statute of appropriate academic information required by the department, including ISTEP program test scores **and information required to be disaggregated by the department under section 13.5 of this chapter,** in a manner that a reasonable person can easily read and understand.

SECTION 6. IC 20-32-5-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 13.5. The department shall disaggregate from the total results of the ISTEP program test results for a school corporation the percentage of students in each school and each grade in the school corporation that are identified as high ability students (as defined by IC 20-36-1-3) by the school corporation who also achieved a score in the highest performance level designated for the ISTEP test. However, this disaggregation is not required in a case in which the results would reveal personally identifiable information about an individual student under the federal Family Education Rights and Privacy Act (20 U.S.C. 1232g et seq.).**

SECTION 7. IC 20-33-2-13, AS AMENDED BY P.L.140-2008, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) A school corporation shall record or include the following information in the official high school transcript for a student in high school:

(1) Attendance records.

(2) The student's latest ISTEP program test results under IC 20-32-5.

(3) Any secondary level and postsecondary level certificates of achievement earned by the student.

(4) Immunization information from the immunization record the student's school keeps under IC 20-34-4-1.

(5) Any dual credit courses taken that are included in the core transfer library under IC 21-42-5-4.

(6) The student's latest PSAT program test results.

(b) A school corporation may include information on a student's high school transcript that is in addition to the requirements of subsection (a).

SECTION 8. [EFFECTIVE UPON PASSAGE] **(a) The general assembly urges the legislative council to assign to an appropriate study committee for study during the 2014 legislative interim the topics of:**

(1) requirements for schools to make up time for days on which the start of the school day was delayed; and

(2) school start times in general;

in relation to academic achievement, student safety, and parental work schedules.

(b) This SECTION expires November 1, 2014.

SECTION 9. [EFFECTIVE UPON PASSAGE] **(a) The general assembly urges the legislative council to assign to an appropriate study committee for study during the 2014 legislative interim the topic of student discipline and the suspension, expulsion, or exclusion of a student from school.**

(b) This SECTION expires November 1, 2014.

SECTION 10. [EFFECTIVE UPON PASSAGE] **(a) The general assembly urges the legislative council to assign to an appropriate study committee, for study during the 2014 legislative interim, the topic of determining appropriate and feasible incentives to encourage effective and highly effective teachers to teach in poorly performing schools.**

(b) This SECTION expires November 1, 2014.

SECTION 11. **An emergency is declared for this act.**

(Reference is to EHB 1319 as printed February 21, 2014.)

BEHNING	KRUSE
VANDENBURGH	BRODEN
House Conferees	Senate Conferees

Roll Call 516: yeas 98, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1351–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1351 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 12-7-2-43.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 43.3. "Controlled substance", for purposes of IC 12-14-5.4, has the meaning set forth in IC 35-48-1-9.**

SECTION 2. IC 12-7-2-111 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 111. (a) "Immediate family", for purposes of the statutes listed in subsection (b), means the following:

(1) If a Medicaid applicant is married, the applicant's spouse and dependent children less than twenty-one (21) years of age.

(2) If a Medicaid applicant is not married, the following:

(A) If the applicant is divorced, the parent having custody.

(B) If the applicant is less than twenty-one (21) years of age:

~~(i)~~ **(i)** the parent having custody; and

(ii) the dependent children less than twenty-one (21) years of age of the parent or parents.

(C) If clauses (A) and (B) do not apply, the applicant's parents.

(b) ~~This section~~ **Subsection (a)** applies to the following statutes:

(1) IC 12-14-1 through IC 12-14-9.5, **except IC 12-14-5.4.**

(2) IC 12-15, except IC 12-15-32, IC 12-15-33, and IC 12-15-34.

SECTION 3. IC 12-7-2-189.9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 189.9. "TANF assistance", for purposes of IC 12-14-5.4, means assistance under the federal Temporary Assistance for Needy Families program under 42 U.S.C. 601 et seq.**

SECTION 4. IC 12-7-2-190.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 190.1. "Tests negative" or "testing negative", for purposes of IC 12-14-5.4, means that an individual:**

(1) tests negative for the use of a controlled substance (as defined in section 43.3 of this chapter) in the individual's body; or

(2) tests positive for the use of a controlled substance (as defined in section 43.3 of this chapter) in the individual's body but has:

(A) a valid prescription; or

(B) an order of a practitioner acting in the course of the practitioner's professional practice;

for the controlled substance.

SECTION 5. IC 12-7-2-190.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 190.2. "Tests positive" or "testing positive", for purposes of IC 12-14-5.4, means an individual:**

(1) tests positive for the presence of a controlled substance (as defined in section 43.3 of this chapter) in the individual's body; and

(2) does not possess:

(A) a valid prescription; or

(B) an order of a practitioner acting in the course of the practitioner's professional practice;

for the controlled substance.

SECTION 6. IC 12-14-5.4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 5.4. Drug Testing Program

Sec. 1. This chapter applies to an individual who:

(1) is eligible to receive TANF assistance or who receives TANF assistance on behalf of a child; and

(2) is at least eighteen (18) years of age.

Sec. 2. (a) The office of the secretary shall develop and establish a program in accordance with this chapter to test for the illegal use of a controlled substance by an individual described in section 1 of this chapter.

(b) The office of the secretary shall implement a program established in accordance with this chapter not later than January 1, 2016.

Sec. 3. (a) An individual described in section 1 of this chapter shall take a substance abuse subtle screening inventory test administered in written or electronic form by a county office.

(b) The results of a substance abuse subtle screening inventory test taken under this section:

(1) shall be kept confidential;

(2) are exempt from disclosure requirements under IC 5-14-3-3; and

(3) may not be used in a criminal prosecution of the individual who took the test.

Sec. 4. A county office shall provide the following information in writing to an individual described in section 1 of this chapter at the time the individual applies for TANF assistance:

(1) The individual is required to take a written or electronic substance abuse subtle screening inventory test.

(2) The individual may be subject to random drug testing based on the results of the test described in subdivision (1).

(3) The individual may be subject to drug testing if the county office believes, based on reasonable suspicion as set forth in section 5 of this chapter, that the individual is engaged in the illegal use of a controlled substance.

(4) If the individual tests positive on a drug test administered under this chapter, the individual may be ineligible:

(A) for TANF assistance; and

(B) to receive TANF assistance on behalf of a child.

(5) If the individual tests positive on a drug test administered under this chapter, the amount of the cost of the drug test will be withheld from any future TANF assistance the individual receives if the individual continues to receive TANF assistance.

(6) If the individual tests positive on a drug test administered under this chapter, the amount of the cost of any subsequent drug test the individual is required to undergo will be withheld from the TANF assistance the individual receives, if the individual continues to receive TANF assistance, regardless of whether the individual tests positive or tests negative on the subsequent drug test.

Sec. 5. (a) A county office is considered to have reasonable suspicion to believe that an individual is engaged in the illegal use of a controlled substance if one (1) or more of the following apply:

(1) Charges are pending against the individual for an offense under IC 35-48 (controlled substances).

(2) The individual has been convicted of an offense described in subdivision (1) within the past year.

(3) The results of the substance abuse subtle screening inventory test indicate that the individual is a risk for the illegal use of a controlled substance.

(4) The individual has previously failed a drug test administered under this chapter.

(b) If a county office has knowledge that:

(1) charges are pending against an individual for an offense described in subsection (a)(1); or

(2) an individual has been convicted of an offense described in subsection (a)(1) within the past year;

the county office shall administer a drug test to the individual.

(c) If a county office has reasonable suspicion to believe from the results of a substance abuse subtle screening inventory test that an individual is engaged in the illegal use of a controlled substance, the individual shall be placed in a pool of individuals who are subject to drug testing described in section 6 of this chapter.

(d) If a county office has reasonable suspicion to believe that an individual is engaged in the illegal use of a controlled substance as the result of failing a drug test administered under this chapter, the individual shall be placed in a pool of individuals who are subject to random drug testing as described in section 7 of this chapter.

Sec. 6. The office of the secretary shall administer a drug test to at least fifty percent (50%) of the pool of individuals described in section 5(c) of this chapter. An individual may not be tested more than once under this section.

Sec. 7. The office of the secretary shall administer random drug tests to fifty percent (50%) of the pool of individuals described in section 5(d) of this chapter each month.

Sec. 8. A county office shall provide a list of drug abuse treatment programs to any individual who tests positive under this chapter.

Sec. 9. (a) An individual who tests positive under this chapter and provides evidence that the individual is participating in a drug abuse treatment program shall continue to receive TANF assistance. However, the office of the secretary shall administer a drug test to the individual regularly at intervals of at least twenty (20) days and not more than thirty (30) days until the individual tests negative in two (2) consecutive drug tests.

(b) If an individual does not test negative in two (2) consecutive drug tests as described in subsection (a) not later than four (4) months after the date the office of the secretary begins testing the individual regularly under subsection (a), the individual is ineligible to receive TANF assistance for three (3) months from the date the office of the secretary determines that the individual is unable to test negative on two (2) consecutive drug tests as described in subsection (a).

(c) If an individual:

(1) tests positive under this chapter; and

(2) fails to provide, not later than thirty (30) days after the date the individual tests positive, evidence that the individual is participating in or on a waiting list to participate in a drug abuse treatment program;

the individual is ineligible to receive TANF assistance for three (3) months after the thirty (30) day period described in subdivision (2).

(d) An individual who is ineligible under subsection (b) or (c) may reapply for TANF assistance after the applicable three (3) month ineligibility period. Upon reapplying, the individual must test negative on a drug test before the individual may receive TANF assistance.

(e) If an individual described in subsection (d) tests positive on the drug test administered for the TANF reapplication process, the following apply:

(1) Except as provided in subdivision (2), the individual is ineligible to receive TANF assistance for the individual.

(2) After becoming ineligible under subdivision (1), an individual may establish eligibility to receive TANF if the individual satisfies the following requirements:

(A) At the time the individual reapplies to receive TANF, the individual provides evidence that the individual has completed a drug treatment program.

(B) The individual tests negative in two (2) consecutive drug tests. The office of the secretary shall administer the first drug test to the individual at the time of the TANF reapplication and the second drug test at least twenty (20) days and not more than thirty (30) days after the date of the first drug test.

Sec. 10. (a) An individual who:

(1) reapplies for TANF assistance under section 9(d) of this chapter; and

(2) is eligible to receive TANF assistance;

is subject to random drug testing as described in subsection (b) for as long as the individual receives TANF assistance.

(b) The office of the secretary shall administer random drug tests to fifty percent (50%) of the pool of individuals described in subsection (a) each month.

(c) Section 9 of this chapter applies to an individual described in subsection (a) who tests positive on a subsequent drug test administered in accordance with this section.

Sec. 11. If an individual refuses to take a substance abuse subtle screening inventory test or drug test under this chapter, the individual is ineligible to receive TANF assistance under this chapter.

Sec. 12. (a) Except as provided in section 13 of this chapter, if an individual is ineligible to receive TANF under this chapter and the individual receives or will receive TANF assistance on behalf of a child, the following apply:

(1) The child's eligibility for TANF assistance is not affected.

(2) The individual may not receive TANF assistance on behalf of the child.

(3) Subject to subsection (e), the individual may

designate an immediate family member of the child to act as a protective payee for the child.

(b) Subject to subsection (e), if an immediate family member of the child:

(1) is not available to act as the protective payee; or

(2) declines to act as the protective payee;

for the child, the ineligible individual described in subsection (a) may designate another individual, upon approval by the division, to act as a protective payee for the child.

(c) Subject to subsection (e), if an ineligible individual described in subsection (a) does not designate an immediate family member of the child or another individual to act as a protective payee for the child, the division shall designate an immediate family member or another individual to act as a protective payee for the child.

(d) Subject to subsection (e), a family member or another individual designated as a protective payee under this section shall:

(1) receive TANF assistance on behalf of the child; and

(2) act as a protective payee in regard to the TANF assistance received on behalf of the child.

(e) A family member of the child or another individual who is designated as a protective payee for the child shall undergo a drug test before the family member or individual may act as a protective payee under this section. If the family member or individual tests positive on the drug test, the:

(1) family member or individual may not act as a protective payee for the child; and

(2) division shall designate another immediate family member or individual to act as a protective payee for the child.

Sec. 13. (a) If an individual:

(1) is ineligible to receive TANF assistance under this chapter;

(2) was not a parent or guardian of a child at the time the individual became ineligible to receive TANF assistance as described in subdivision (1);

(3) becomes a parent or guardian of a child after the individual becomes ineligible to receive TANF assistance as described in subdivision (1); and

(4) tests negative on a drug test administered by the office of the secretary;

the individual may receive TANF assistance on behalf of the child.

(b) An individual described in subsection (a) is subject to random drug testing as described in section 10(b) of this chapter for as long as the individual receives TANF assistance on behalf of the child.

(c) If an individual described in subsection (a) tests positive on a drug test administered by the office of the secretary, the individual may not receive TANF assistance on behalf of the child and a protective payee must be designated for the child as provided in section 12 of this chapter.

Sec. 14. (a) Except as provided in subsections (b) and (c), the office of the secretary shall pay the costs of a drug test administered under this chapter.

(b) If an individual tests positive on a drug test administered under this chapter, the office of the secretary shall withhold the amount of the cost of the drug test from the next payment of TANF assistance the individual receives if the individual receives TANF assistance.

(c) If an individual tests positive on a drug test administered under this chapter, the office of the secretary shall withhold the amount of the cost of any subsequent drug tests that the individual is required to undergo from the next payment of TANF assistance the individual receives if that individual receives TANF assistance.

Sec. 15. (a) This chapter is subject to administrative hearing procedures under IC 4-21.5.

(b) The program under this chapter must include an appeals process for individuals.

Sec. 16. A drug test administered under the program must be performed by a:

(1) SAMHSA (as defined in IC 22-10-15-3) certified laboratory; or

(2) clinical laboratory holding a federal Clinical Laboratory Improvement Act (CLIA) certificate or a CLIA certificate of accreditation.

Sec. 17. The office of the secretary shall notify the department of child services regarding a child who has had an immediate family member or other individual designated to act as a protective payee for the child under this chapter.

Sec. 18. The office of the secretary may adopt rules under IC 4-22-2 necessary to implement this article.

SECTION 7. [EFFECTIVE UPON PASSAGE] **(a) The department of workforce development shall, before July 1, 2014, submit a report to the legislative council concerning the options available to the state, including the possibility of a waiver from the federal government, to condition the receipt of unemployment benefits, after the sixth week during which the benefits are received, on a recipient being required to choose one (1) of the following:**

(1) Enrolling in a training program that will result in an industry recognized certificate.

(2) Working on projects that are assigned by and benefit the county or municipality in which the recipient resides.

The report must be in an electronic format under IC 5-14-6.

(b) This SECTION expires July 1, 2015.

SECTION 8. **An emergency is declared for this act.**

(Reference is to EHB 1351 as reprinted March 4, 2014.)

MCMILLIN	R. MICHAEL YOUNG
VANNATTER	STEELE
House Conferees	Senate Conferees

Roll Call 517: yeas 81, nays 17. Report adopted.

Representative Turner is excused.

CONFERENCE COMMITTEE REPORT
EHB 1391–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1391 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 12-7-2-22, AS AMENDED BY P.L.145-2006, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. "Board" means the following:

(1) For purposes of IC 12-10-10, **IC 12-10-10.5,** and IC 12-10-11, the community and home options to institutional care for the elderly and disabled board established by IC 12-10-11-1.

(2) For purposes of 12-12-7-5, the meaning set forth in IC 12-12-7-5(a).

(3) For purposes of IC 12-15-35, the meaning set forth in IC 12-15-35-2.

SECTION 2. IC 12-7-2-44.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 44.6. "Countable asset" **means the following:**

(1) For purposes of IC 12-10-10.5, in determining eligibility for the community living pilot program,

property that is included in determining assets in the same manner as determining an individual's eligibility for the Medicaid aged and disabled waiver.

(2) For purposes of IC 12-20, ~~means~~ noncash property that is not necessary for the health, safety, or decent living standard of a household that:

~~(1)~~ **(A)** is owned wholly or in part by the applicant or a member of the applicant's household;

~~(2)~~ **(B)** the applicant or the household member has the legal right to sell or liquidate; and

~~(3)~~ **(C)** includes:

~~(A)~~ **(i)** real property other than property that is used for the production of income or that is the primary residence of the household;

~~(B)~~ **(ii)** savings and checking accounts, certificates of deposit, bonds, stocks, and other intangibles that have a net cash value; and

~~(C)~~ **(iii)** boats, other vehicles, or any other personal property used solely for recreational or entertainment purposes.

SECTION 3. IC 12-7-2-76, AS AMENDED BY P.L.145-2006, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 76. (a) "Eligible individual", for purposes of:

(1) IC 12-10-10, has the meaning set forth in IC 12-10-10-4; **and**

(2) IC 12-10-10.5, has the meaning set forth in IC 12-10-10.5-3.

(b) "Eligible individual" has the meaning set forth in IC 12-14-18-1.5 for purposes of the following:

(1) IC 12-10-6.
(2) IC 12-14-2.
(3) IC 12-14-18.
(4) IC 12-14-19.
(5) IC 12-15-2.
(6) IC 12-15-3.
(7) IC 12-16-3.5.
(8) IC 12-20-5.5.

SECTION 4. IC 12-7-2-146, AS AMENDED BY SEA 24-2014, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 146. "Program" refers to the following:

(1) For purposes of IC 12-8-12.5, the meaning set forth in IC 12-8-12.5-1.

(2) For purposes of IC 12-10-7, the adult guardianship services program established by IC 12-10-7-5.

(3) For purposes of IC 12-10-10, the meaning set forth in IC 12-10-10-5.

(4) For purposes of IC 12-10-10.5, the meaning set forth in IC 12-10-10.5-4.

~~*(4)*~~ **(5)** *For purposes of ~~IC 12-17.2-2-14,~~* **IC 12-17.2-2-14.2,** *the meaning set forth in ~~IC 12-17.2-2-14.~~* **IC 12-17.2-2-14.2(a).**

~~*(5)*~~ **(6)** *For purposes of ~~IC 12-17.2-3.7,~~* **IC 12-17.2-3.6,** *the meaning set forth in ~~IC 12-17.2-3.7-7.~~* **IC 12-17.2-3.6-7.**

~~*(4)*~~ **(7)** *For purposes of ~~IC 12-17.2-3.7,~~* **IC 12-17.2-3.8,** *the meaning set forth in ~~IC 12-17.2-3.7-5.~~* **IC 12-17.2-3.8-2.**

~~*(5)*~~ ~~*(6)*~~ **(8)** For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-5.

SECTION 5. IC 12-10-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 10.5. Community Living Pilot Program

Sec. 1. As used in this chapter, "board" refers to the community and home options to institutional care for the elderly and disabled board established by IC 12-10-11-1.

Sec. 2. As used in this chapter, "case management" means an administrative function conducted locally by an area agency on aging that includes the following:

(1) Assessment of an individual to determine the individual's functional impairment level and corresponding need for services.

(2) Initial verification of an individual's income and assets.

(3) Development of a care plan that:

(A) addresses an eligible individual's needs;

(B) takes into consideration the individual's family and community members who are willing to provide services to meet any of the individual's needs; and

(C) is consistent with a person centered approach to client care.

(4) Supervision of the implementation of appropriate and available services for an eligible individual.

(5) Advocacy on behalf of an eligible individual's interests.

(6) Monitoring the quality of community and home care services provided to an eligible individual.

(7) Reassessment of the care plan to determine:

(A) the continuing need and effectiveness of the community and home care services provided to an eligible individual under this chapter; and

(B) the annual reverification of an eligible individual's income and assets, as may be required by the division under section 3(d) of this chapter.

(8) Provision of information and referral services to individuals in need of community and home care services.

Sec. 3. (a) As used in this chapter, "eligible individual" means an individual who meets the following criteria:

(1) Is a resident of Indiana.

(2) Is:

(A) at least sixty (60) years of age; or

(B) an individual with a disability.

(3) Has countable assets that do not exceed two hundred fifty thousand dollars ($250,000). In determining assets under this subdivision, the division shall exclude an additional twenty thousand dollars ($20,000) in countable assets.

(4) Qualifies under criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence, as described in subsection (b).

(5) Applies initially for the program after December 31, 2014.

(b) For purposes of subsection (a), an individual is at risk of losing the individual's independence if the individual is unable to perform any of the following:

(1) Two (2) or more activities of daily living. The use by or on behalf of the individual of any of the following services or devices does not make the individual ineligible for services under this chapter:

(A) Skilled nursing assistance.

(B) Supervised community and home care services, including skilled nursing supervision.

(C) Adaptive medical equipment and devices.

(D) Adaptive nonmedical equipment and devices.

(2) One (1) activity of daily living if, using the needs based assessment established under section 10(1) of this chapter and in accordance with written standards that are established by the division under section 5(c) of this chapter, the area agency on aging determines that addressing the single activity of daily living would significantly reduce the likelihood of the individual's loss of independence and the need for additional services.

(3) An activity if, using the needs based assessment established under section 10(1) of this chapter and in accordance with written standards that are established by the division under section 5(c) of this chapter, the

area agency on aging determines that targeted intervention or assistance with the activity would significantly reduce the likelihood of the individual's loss of independence and the need for additional services.

(c) The division shall, in accordance with standards established under section 10(3) of this chapter, establish a cost participation schedule for an eligible individual based on the eligible individual's income and countable assets. The cost participation schedule must meet the following:

(1) Exclude from cost participation an eligible individual whose income and countable assets do not exceed one hundred fifty percent (150%) of the federal income poverty level.

(2) In calculating income and countable assets for an eligible individual, deduct the medical expenses of the following:

(A) The individual.

(B) The spouse of the individual.

(C) The dependent children of the individual.

(3) Exclude twenty thousand dollars ($20,000) of an eligible individual's countable assets from consideration in determining an eligible individual's cost participation.

(d) The division may require annual reverification for eligible individuals who the division determines are likely to experience a material increase in income or assets. An individual shall submit the information requested by the division to carry out the redetermination allowed by this subsection.

(e) The division may not require a family or other person to provide services as a condition of an individual's eligibility for or participation in the program.

Sec. 4. As used in this chapter, "program" refers to the community living pilot program established by section 5 of this chapter.

Sec. 5. (a) Beginning January 1, 2015, the community living pilot program is established.

(b) The division shall administer the program. The division shall do the following:

(1) In consultation with the area agencies on aging, designate four (4) area agencies on aging to participate in the program. In determining the four (4) area agencies on aging to participate in the program, the division shall consider the following criteria:

(A) Geographic diversity.

(B) Urban and rural representation.

(C) Size of the area agency on aging's waiting list for services.

(D) Size of the population served by the area agency on aging.

(2) Report data and outcome measures concerning the program to the board and, in an electronic format under IC 5-14-6, to the legislative council and an appropriate interim study committee determined by the legislative council before the following:

(A) March 15, 2016.

(B) September 15, 2016.

(C) March 15, 2017.

Each report under this subdivision must include an analysis on the areas participating in the program and whether implementation of the program has affected the admission of individuals to comprehensive care beds in nursing facilities in the area.

(c) The division shall establish written standards setting forth criteria that the area agency on aging shall use in determining whether an individual who is unable to perform one (1) activity of daily living or one (1) activity is eligible for the program. An area agency on aging may not determine that an individual who is unable to perform one (1) activity of daily living or one (1) activity is eligible for the program until the division establishes the standards required by this subsection.

Sec. 6. (a) Except as provided in subsection (b), the case management under this chapter of an individual leading to participation in the program may not be conducted by any agency that delivers services under the program.

(b) If the division determines that there is no alternative agency capable of delivering services to the individual, the area agency on aging that performs the assessment under the program may also deliver the services.

(c) The division shall provide the necessary funding to provide case management services for the program, as determined under section 10(2) of this chapter.

Sec. 7. Except as provided in section 8 of this chapter, state money for home health services under this chapter must be distributed only to licensed health care professionals, facilities, and agencies.

Sec. 8. The division shall establish a program to train relatives of eligible individuals to provide homemaker and personal care services to those eligible individuals.

Sec. 9. The office of the secretary, in consultation with the local area agencies on aging, shall negotiate reimbursement rates for services provided under this chapter.

Sec. 10. The division, in consultation with the area agencies on aging, shall develop policies that establish the following:

(1) A needs based assessment to be used in determining a client's needs and care plan under section 2(3) of this chapter.

(2) The percentage of program dollars adequate to provide case management services.

(3) A cost participation schedule for program recipients as required by section 3(c) of this chapter.

(4) Program performance measures.

(5) Data and outcome measures for the program to be collected and reported under section 5(b)(2) of this chapter.

Sec. 11. The division may do the following:

(1) Audit an area agency on aging for compliance with this chapter.

(2) Impose a penalty on an area agency on aging for any violation of this chapter.

Sec. 12. This chapter expires June 30, 2017.

SECTION 6. IC 12-15-12-14 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 14. (a) This section applies to a Medicaid recipient:~~

~~(1) who is determined by the office to be eligible for enrollment in a Medicaid managed care program;~~

~~(2) whose Medicaid eligibility is not based on the individual's aged, blind, or disabled status; and~~

~~(3) who resides in a county having a population of:~~

~~(A) more than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000);~~

~~(B) more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000);~~

~~(C) more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000);~~

~~(D) more than three hundred thousand (300,000) but less than four hundred thousand (400,000); or~~

~~(E) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).~~

~~(b) Not later than January 1, 2003, the office shall require a recipient described in subsection (a) to enroll in the risk-based managed care program.~~

~~(c) The office:~~

~~(1) shall apply to the United States Department of Health and Human Services for any approval necessary; and~~

~~(2) may adopt rules under IC 4-22-2, to implement this section.~~

SECTION 7. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "long term care services" refers to services provided in any setting that an individual who is aged or has a disability or chronic condition needs in order to perform an activity of daily living or other daily tasks.**

(b) Before December 1, 2014, the office of the secretary of family and social services, in conjunction with the state department of health and the office of management and budget, shall provide a written report in electronic format under IC 5-14-6 to the general assembly that includes the following:

(1) A review of excess skilled nursing facility bed capacity, the effect the excess capacity has on the efficient operation of a skilled nursing facility, and the quality of health care delivered to individuals in these settings.

(2) An analysis of previous Indiana policies for reducing the excess capacity of skilled nursing facility bed capacity and other states' approaches to reduce skilled nursing home bed capacity.

(c) Before October 1, 2015, the office of the secretary of family and social services, in conjunction with the state department of health and the office of management and budget, shall provide a written report in electronic format under IC 5-14-6 to the general assembly that includes the following:

(1) A review of all current long term care services available in Indiana, including regulated and unregulated methods of service delivery.

(2) An analysis of:

(A) past policies implemented in Indiana; and

(B) other states' approaches;

to serve individuals in a home and community based setting and in an institutional care setting more efficiently and cost effectively through the use of emerging technologies, including telemedicine and remote patient monitoring.

(3) An analysis of demographic trends by:

(A) payor sources; and

(B) demand and utilization of long term care services options;

statewide and by county or other geographic setting.

(4) An analysis of program and policy options for long term care services where demand exceeds current capacity for providing the services.

(5) A review of Medicaid reimbursement for skilled nursing facility care, and a determination concerning whether:

(A) the reimbursement methodology should be modified to reflect current and future care models; and

(B) incentives should be included in reimbursement for quality care and quality outcomes.

(6) An analysis of past policies in Indiana and other states' approaches to manage construction of additional skilled nursing facilities, including certificates of need and moratoriums. The analysis must include the following:

(A) The costs and benefits to Indiana's budget and the Medicaid program in whether or not additional skilled nursing facilities are built, including the impact on Medicaid utilization for skilled nursing services.

(B) The impact of additional skilled nursing facilities on the availability and cost of capital for the renovation and new construction of skilled nursing facilities, residential care facilities, assisted living facilities, and other senior housing options.

(d) In conducting the reports required by this SECTION, the office of the secretary of family and social services shall collaborate with the following:

(1) An academic institution researching the areas described in subsection (b).

(2) Consumer advocacy organizations representing the individuals who receive long term care services.

(3) Indiana area agencies on aging.

(4) Representatives of the following:

(A) Nursing facilities.

(B) Assisted living facilities.

(C) Home health care agencies.

(D) Hospitals.

(E) Any other long term care services providers.

(e) This SECTION expires December 31, 2015.

SECTION 8. [EFFECTIVE JULY 1, 2014] **(a) Before December 1, 2016, the office of the secretary of family and social services shall report to the budget committee and, in an electronic format under IC 5-14-6, to the general assembly on the following concerning any Medicaid risk-based managed care program that includes Medicaid recipients who are eligible for Medicaid based on the individual's aged, blind, or disabled status:**

(1) Recipient access to health care providers and medical care.

(2) Methods developed and employed to improve care coordination.

(3) Enhanced services provided by managed care organizations.

(4) Impact on the consistency and quality of care in the delivery of medical care.

(5) Impact on Medicaid spending.

(6) Any other information the secretary of family and social services deems appropriate.

(b) This SECTION expires June 30, 2017.

SECTION 9. **An emergency is declared for this act.**

(Reference is to EHB 1391 as reprinted March 4, 2014.)

CLERE	BECKER
C. BROWN	BREAUX
House Conferees	Senate Conferees

Roll Call 518: yeas 98, nays 0. Report adopted.

Representative Turner, who had been excused is now present.

CONFERENCE COMMITTEE REPORT
ESB 229–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 229 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 34-28-7-2, AS AMENDED BY P.L.114-2012, SECTION 66, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Notwithstanding any other law and except as provided in subsection (b), a person may not adopt or enforce an ordinance, a resolution, a policy, or a rule that:

(1) prohibits; or

(2) has the effect of prohibiting;

an employee of the person, including a contract employee, from possessing a firearm or ammunition that is locked in the trunk of the employee's vehicle, kept in the glove compartment of the employee's locked vehicle, or stored out of plain sight in the employee's locked vehicle.

(b) Subsection (a) does not prohibit the adoption or

enforcement of an ordinance, a resolution, a policy, or a rule that prohibits or has the effect of prohibiting an employee of the person, including a contract employee, from possessing a firearm or ammunition:

~~(1) in or on school property, in or on property that is being used by a school for a school function, or on a school bus in violation of IC 20-33-8-16 or IC 35-47-9-2;~~

~~(2)~~ **(1)** on the property of:

(A) a child caring institution;

(B) an emergency shelter care child caring institution;

(C) a private secure facility;

(D) a group home;

(E) an emergency shelter care group home; or

(F) a child care center;

in violation of 465 IAC 2-9-80, 465 IAC 2-10-79, 465 IAC 2-11-80, 465 IAC 2-12-78, 465 IAC 2-13-77, or 470 IAC 3-4.7-19;

~~(3)~~ **(2)** on the property of a penal facility (as defined in IC 35-31.5-2-232);

~~(4)~~ **(3)** in violation of federal law;

~~(5)~~ **(4)** in or on property belonging to an approved postsecondary educational institution (as defined in IC 21-7-13-6(b));

~~(6)~~ **(5)** on the property of a domestic violence shelter;

~~(7)~~ **(6)** at ~~a person's~~ **the employer's** residence;

~~(8)~~ **(7)** on the property of a person that is:

(A) subject to the United States Department of Homeland Security's Chemical Facility Anti-Terrorism Standards issued April 9, 2007; and

(B) licensed by the United States Nuclear Regulatory Commission under Title 10 of the Code of Federal Regulations;

~~(9)~~ **(8)** on property owned by:

(A) a public utility (as defined in IC 8-1-2-1) that generates and transmits electric power; or

(B) a department of public utilities created under IC 8-1-11.1; or

~~(10)~~ **(9)** in the employee's personal vehicle if the employee, including a contract employee, is a direct support professional who:

(A) works directly with individuals with developmental disabilities to assist the individuals to become integrated into the individuals' community or least restrictive environment; and

(B) uses the employee's personal vehicle while transporting an individual with developmental disabilities.

SECTION 2. IC 35-47-3-2, AS AMENDED BY P.L.119-2012, SECTION 167, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) This section applies only to firearms which are not required to be registered in the National Firearms Registration and Transfer Record.

(b) Firearms shall be returned to the rightful owner at once following final disposition of the cause if a return has not already occurred under the terms of IC 35-33-5. If the rightful ownership is not known the law enforcement agency holding the firearm shall make a reasonable attempt to ascertain the rightful ownership and cause the return of the firearm. However, nothing in this chapter shall be construed as requiring the return of firearms to rightful owners who have been convicted for the misuse of firearms. In such cases, the court may provide for the return of the firearm in question or order that the firearm be at once delivered:

(1) except as provided in subdivision (2), to the sheriff's department of the county in which the offense occurred; or

(2) to the city or town police force that confiscated the firearm. ~~if:~~

~~(A) a member of the city or town police force confiscated the firearm; and~~

~~(B) the city or town has a population of more than two thousand five hundred (2,500) and less than six hundred thousand (600,000).~~

(c) The receiving law enforcement agency shall dispose of firearms under subsection (b), at the discretion of the law enforcement agency, not more than one hundred twenty (120) days following receipt by use of any of the following procedures:

(1) Public sale of the firearms to the general public as follows:

(A) Notice of the sale shall be:

(i) posted for ten (10) days in the county courthouse in a place readily accessible to the general public; and

(ii) advertised in the principal newspaper of the county for two (2) days in an advertisement that appears in the newspaper at least five (5) days prior to the sale.

(B) Disposition of the firearm shall be by public auction in a place convenient to the general public, with disposition going to the highest bidder. However, no firearm shall be transferred to any bidder if that bidder is not lawfully eligible to receive and possess firearms according to the laws of the United States and Indiana.

(C) All handguns transferred under this subdivision shall also be transferred according to the transfer procedures set forth in this article.

(D) Money collected pursuant to the sales shall first be used to defray the necessary costs of administering this subdivision with any surplus to be:

(i) deposited into the receiving law enforcement agency's firearms training fund, ~~if the law enforcement agency is a county law enforcement agency, or into a continuing education fund established under IC 5-2-8-2, if the law enforcement agency is a city or town law enforcement agency~~ **other appropriate training activities fund, or any other fund that may be used by the receiving law enforcement agency for the purchase and maintenance of firearms, ammunition, vests, and other law enforcement equipment;** and

(ii) used by the agency exclusively ~~for the purpose of training~~ **to train** law enforcement officers in the proper use of firearms or other law enforcement duties, **and to purchase and maintain firearms, ammunition, vests, and other law enforcement equipment.** ~~if the law enforcement agency is a county law enforcement agency, or for law enforcement purposes, if the law enforcement agency is a city or town law enforcement agency.~~

A law enforcement agency may not sell a firearm to the general public if the firearm is unsafe to operate because it has been damaged or altered.

(2) Sale of the firearms to a licensed firearms dealer as follows:

(A) Notice of the sale must be:

(i) posted for ten (10) days in the county courthouse in a place readily accessible to the general public; and

(ii) advertised in the principal newspaper of the county for two (2) days in an advertisement that appears in the newspaper at least five (5) days before the sale.

(B) Disposition of the firearm shall be by auction with disposition going to the highest bidder who is a licensed firearms dealer.

(C) Money collected from the sales shall first be used to defray the necessary costs of administering this subdivision and any surplus shall be:

(i) deposited into the receiving law enforcement agency's firearms training fund, ~~or~~ other appropriate training activities fund, **or any other fund that may**

be used by the receiving law enforcement agency for the purchase and maintenance of firearms, ammunition, vests, and other law enforcement equipment; and

(ii) used by the agency exclusively ~~for the purpose of training~~ **to train** law enforcement officers in the proper use of firearms or other law enforcement duties, **and to purchase and maintain firearms, ammunition, vests, and other law enforcement equipment.**

A law enforcement agency may sell a firearm to a licensed firearms dealer for salvage or repair, even if the firearm is unsafe to operate because it has been damaged or altered.

(3) Sale or transfer of the firearms to another law enforcement agency.

(4) Release to the state police department laboratory or other forensic laboratory administered by the state or a political subdivision (as defined in IC 36-1-2-13) for the purposes of research, training, and comparison in conjunction with the forensic examination of firearms evidence.

(5) Destruction of the firearms. **A firearm that is to be destroyed may be sold to a salvage company and destroyed by dismantling the firearm for parts, scrap metal, or recycling, or for resale as parts for other firearms.**

(d) Notwithstanding the requirement of this section mandating disposal of firearms not more than one hundred twenty (120) days following receipt, the receiving law enforcement agency may at its discretion hold firearms it may receive until a sufficient number has accumulated to defray the costs of administering this section if a delay does not exceed one hundred eighty (180) days from the date of receipt of the first firearm in the sale lot. **In addition, the receiving law enforcement agency may, at its discretion, jointly sell firearms it has received with another law enforcement agency, or permit another law enforcement agency to sell firearms it has received on behalf of the receiving law enforcement agency.** In any event, all confiscated firearms shall be disposed of as promptly as possible.

(e) When a firearm is delivered to the state police department laboratory or other forensic laboratory under subsection (c)(4) and the state police department laboratory or other forensic laboratory determines the laboratory has no further need for the firearm in question, the laboratory shall return the firearm to the law enforcement agency for disposal under subsection (c).

SECTION 3. IC 35-47-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

Chapter 3.5. Firearm Buyback Programs Prohibited

Sec. 1. This chapter applies to a unit (as defined in IC 36-1-2-23), including a law enforcement agency of a unit.

Sec. 2. As used in this chapter, "firearm buyback program" means a program to purchase privately owned firearms from individual firearm owners for the purpose of:

(1) reducing the number of firearms owned by civilians; or

(2) permitting civilians to sell a firearm to the government without fear of prosecution.

The term does not include the purchase of firearms from a licensed firearms dealer or a program to purchase firearms for law enforcement purposes.

Sec. 3. A unit, including a law enforcement agency of a unit, may not conduct a firearm buyback program unless the firearm buyback program is financed or funded with private funds or grants, and not public funds.

Sec. 4. (a) A unit having possession of a firearm obtained from a firearm buyback program shall transfer the firearm to a law enforcement agency of the unit.

(b) A law enforcement agency of a unit that has possession of a firearm obtained under subsection (a), or otherwise as the result of a firearm buyback program, shall dispose of the firearm in accordance with IC 35-47-3.

SECTION 4. IC 35-47-9-1, AS AMENDED BY P.L.172-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a)** This chapter does not apply to the following:

(1) A:

(A) federal;

(B) state; or

(C) local;

law enforcement officer.

(2) A person who may legally possess a firearm and who has been authorized by:

(A) a school board (as defined by IC 20-26-9-4); or

(B) the body that administers a charter school established under IC 20-24;

to carry a firearm in or on school property.

(3) **Except as provided in subsection (b) or (c),** a person who:

(A) may legally possess a firearm; and

(B) possesses the firearm in a motor vehicle. ~~that is being operated by the person to transport another person to or from a school or a school function.~~

(4) A person who is a school resource officer, as defined in IC 20-26-18.2-1.

(5) Except as provided in subsection (b) or (c), a person who:

(A) may legally possess a firearm; and

(B) possesses only a firearm that is:

(i) locked in the trunk of the person's motor vehicle;

(ii) kept in the glove compartment of the person's locked motor vehicle; or

(iii) stored out of plain sight in the person's locked motor vehicle.

(b) For purposes of subsection (a)(3) and (a)(5), a person does not include a person who is:

(1) enrolled as a student in any high school except if the person is a high school student and is a member of a shooting sports team and the school's principal has approved the person keeping a firearm concealed in the person's motor vehicle on the days the person is competing or practicing as a member of a shooting sports team; or

(2) a former student of the school if the person is no longer enrolled in the school due to a disciplinary action within the previous twenty-four (24) months.

(c) For purposes of subsection (a)(3) and (a)(5), a motor vehicle does not include a motor vehicle owned, leased, or controlled by a school or school district unless the person who possesses the firearm is authorized by the school or school district to possess a firearm.

SECTION 5. IC 35-47-9-2, AS AMENDED BY P.L.172-2013, SECTION 13, AND AS AMENDED BY P.L.158-2013, SECTION 601, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. **(a) A person may not be charged with an offense under this subsection if the person may be charged with an offense described in subsection (c).** A person who *knowingly or intentionally* possesses a firearm:

(1) in or on school property; *or*

~~(2) in or on property that is being used by a school for a school function; or~~

~~(3)~~ (2) on a school bus;

commits a *~~Class D~~ Level 6* felony.

(b) It is a defense to a prosecution under subsection (a) that:

(1) the person is permitted to legally possess the

firearm; and

(2) the firearm is:

(A) locked in the trunk of the person's motor vehicle;

(B) kept in the glove compartment of the person's locked motor vehicle; or

(C) stored out of plain sight in the person's locked motor vehicle.

(c) A person who is permitted to legally possess a firearm and who knowingly, intentionally, or recklessly leaves the firearm in plain view in a motor vehicle that is parked in a school parking lot commits a Class A misdemeanor.

SECTION 6. IC 35-47-14-9, AS ADDED BY P.L.1-2006, SECTION 537, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. If at least five (5) years have passed since a court conducted the first hearing to retain a firearm under this chapter, the court, after giving notice to the parties and conducting a hearing, may order the law enforcement agency having custody of the firearm to ~~destroy or otherwise permanently~~ dispose of the firearm **in accordance with IC 35-47-3.**

SECTION 7. IC 35-47-14-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 10. (a) If a court has ordered a law enforcement agency to retain an individual's firearm under section 6 of this chapter, the individual may request the court to order the law enforcement agency to sell the firearm at auction under IC 35-47-3-2 and return the proceeds to the individual.**

(b) An individual may make the request described in subsection (a):

(1) at the retention hearing described in section 9 of this chapter; or

(2) at any time before the retention hearing described in section 9 of this chapter is held.

(c) If an individual timely requests a sale of a firearm under subsection (a), the court shall order the law enforcement agency having custody of the firearm to sell the firearm at auction under IC 35-47-3-2, unless the serial number of the firearm has been obliterated.

(d) If the court issues an order under subsection (c), the court's order must require:

(1) that the firearm be sold not more than one (1) year after receipt of the order; and

(2) that the proceeds of the sale be returned to the individual who owns the firearm. However, the law enforcement agency may retain not more than eight percent (8%) of the sale price to pay the costs of the sale, including administrative costs and the auctioneer's fee.

(Reference is to ESB 229 as printed February 25, 2014.)

TOMES	EBERHART
HERSHMAN	MAYFIELD
Senate Conferees	House Conferees

Roll Call 519: yeas 75, nays 24. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 236–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 236 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 7.1-1-2-2, AS AMENDED BY P.L.141-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. Except as provided in IC 7.1-5-1-3, ~~and~~ IC 7.1-5-1-6, **IC 7.1-5-7, and IC 7.1-5-8,** this title applies to the following:

(1) The commercial manufacturing, bottling, selling, bartering, importing, transporting, delivering, furnishing, or possessing of alcohol, alcoholic beverages, industrial alcohol, malt, malt syrup, malt extract, liquid malt or wort.

(2) The sale, possession, use, and distribution of tobacco products.

SECTION 2. IC 7.1-2-3-27 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 27. Duty to Report Illegal Influence. It is the duty of an officer or employee of the state or of one (1) of its political subdivisions or municipal corporations solicited in violation of the provisions of IC 1971, 7.1-5-5-1, to report that fact to the commission.~~

SECTION 3. IC 7.1-3-23-18 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 18. Revocation for Illegal Influence. The commission shall deny the application, or revoke the permit, of an applicant or permittee who violates the provisions of IC 1971, 7.1-5-5-1.~~

SECTION 4. IC 7.1-3-26-5, AS ADDED BY P.L.165-2006, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. **(a)** A person located within Indiana or outside Indiana that wants to sell and ship wine directly to a consumer must be the holder of a direct wine seller's permit and comply with this chapter. **A person that sells and ships wine directly to a consumer without holding a valid direct wine seller's permit commits a Class A infraction.**

(b) The offense described in subsection (a) is:

(1) a Class A misdemeanor if the seller:

(A) knowingly or intentionally violates this section; and

(B) has one (1) prior unrelated conviction or judgment for an infraction under this chapter for an act or omission that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction; and

(2) a Level 6 felony if the seller:

(A) knowingly or intentionally violates this section; and

(B) has at least two (2) prior unrelated convictions or judgments for infractions under this chapter for acts or omissions that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction.

SECTION 5. IC 7.1-3-26-6, AS ADDED BY P.L.165-2006, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. **(a)** A seller may sell and ship wine directly only to a consumer who meets all of the following requirements:

(1) The consumer is at least twenty-one (21) years of age.

(2) The consumer has an Indiana address.

(3) The consumer intends to use wine purchased under this chapter for personal use only and not for resale or other commercial purposes.

(4) Except as provided in subdivision (5), the consumer has provided to the seller in one (1) initial face-to-face transaction at the seller's place of business appearing on the seller's application for a direct wine seller's permit or any locations authorized by IC 7.1-3-12-5 all the following:

(A) Name, telephone number, Indiana address, or consumer's Indiana business address.

(B) Proof of age by a state issued driver's license or state issued identification card showing the consumer to be at least twenty-one (21) years of age.

(C) A verified statement, made under penalties for perjury, that the consumer satisfies the requirements of

subdivisions (1) through (3).

(5) If:

(A) before April 1, 2006, the consumer has engaged in a transaction with a seller in which the seller sold wine to the consumer and, after April 1, 2006, but before December 31, 2006, the consumer provides the seller with a verified statement, made under penalties for perjury, that the consumer is at least twenty-one (21) years of age; and

(B) the seller provides the name and Indiana address of the consumer to the commission before January 15, 2007;

the seller may sell directly to the consumer in accordance with this chapter.

(b) A seller who violates this section commits a Class A infraction. However, the offense is:

(1) a Class A misdemeanor if the seller:

(A) knowingly or intentionally violates subsection (a)(1) through (a)(4); and

(B) has one (1) prior unrelated conviction or judgment for an infraction under this chapter for an act or omission that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction; and

(2) a Level 6 felony if the seller:

(A) knowingly or intentionally violates subsection (a)(1) through (a)(4); and

(B) has at least two (2) prior unrelated convictions or judgments for infractions under this chapter for acts or omissions that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction.

(c) It is a defense to an action or prosecution under this section that the seller obtained from the consumer the verified statement required under subsection (a)(4) or (a)(5).

SECTION 6. IC 7.1-3-26-10, AS ADDED BY P.L.165-2006, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. ~~It is unlawful for the~~ **(a) Except as provided in subsection (b), the** holder of a farm winery brandy distiller's permit ~~to ship or cause to be shipped~~ **that ships** brandy produced under this title to a consumer **commits a Class A infraction.**

(b) The offense described in subsection (a) is:

(1) a Class A misdemeanor if the seller:

(A) knowingly or intentionally violates this section; and

(B) has one (1) prior unrelated conviction or judgment for an infraction under this chapter for an act or omission that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction; and

(2) a Level 6 felony if the seller:

(A) knowingly or intentionally violates this section; and

(B) has at least two (2) prior unrelated convictions or judgments for infractions under this chapter for acts or omissions that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction.

SECTION 7. IC 7.1-3-26-15 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 15. (a) Except as provided in subsections (b) and (c), a seller who violates this chapter commits a Class A infraction.~~

~~(b) Except as provided in subsection (d), a seller who:~~

~~(1) knowingly or intentionally violates this chapter; and~~

~~(2) has one (1) prior unrelated conviction or judgment for an infraction under this section for an act or omission that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction;~~

~~commits a Class A misdemeanor.~~

~~(c) Except as provided in subsection (d), a seller who:~~

~~(1) knowingly or intentionally violates this chapter; and~~

~~(2) has at least two (2) prior unrelated convictions or judgments for infractions under this section for acts or omissions that occurred not more than ten (10) years before the act or omission that is the basis for the most recent conviction or judgment for an infraction;~~

~~commits a Level 6 felony.~~

~~(d) A person who violates section 6(5) of this chapter commits a Class A infraction. The commission may consider an infraction committed under this subsection in its determination of whether to renew a seller's permit.~~

SECTION 8. IC 7.1-3-26-16 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 16. If a direct wine seller is charged under section 15 of this chapter with selling to a consumer who does not meet the requirements of section 6 of this chapter, it is a defense to the charge if the direct wine seller obtained from the consumer the verified statement required under section 6(4)(C) or 6(5)(A) of this chapter and produces a copy of the verified statement.~~

SECTION 9. IC 7.1-3-27-3, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. **(a)** An artisan distiller may produce not more than ten thousand (10,000) gallons of liquor in any calendar year. Liquor produced by an artisan distiller that is sold through a wholesaler licensed under IC 7.1-3-8 may not be counted toward the gallonage limit.

(b) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 10. IC 7.1-3-27-8, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) The holder of an artisan distiller's permit may do only the following:

(1) Manufacture liquor, including blending liquor purchased from another manufacturer with liquor the artisan distiller manufactures under section 11 of this chapter.

(2) Bottle liquor manufactured by the artisan distiller.

(3) Store liquor manufactured by the artisan distiller.

(4) Transport, sell, and deliver liquor manufactured by the artisan distiller to:

(A) places outside Indiana; or

(B) the holder of a liquor wholesaler's permit under IC 7.1-3-8.

(5) Sell liquor manufactured by the artisan distiller to consumers by the drink, bottle, or case from the premises of the distillery where the liquor was manufactured.

(6) Serve complimentary samples of the liquor manufactured by the artisan distiller to consumers on the premises of the distillery where the liquor was manufactured.

(b) The holder of an artisan distiller's permit who provides samples or sells liquor by the glass must furnish the minimum food requirements prescribed by the commission.

(c) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 11. IC 7.1-3-27-9, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. **(a)** An artisan distiller may not sell liquor to a retailer or dealer.

(b) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 12. IC 7.1-3-27-10, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. **(a)** An artisan distiller may not ship liquor or cause liquor to be shipped to a consumer.

(b) An artisan distiller who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 13. IC 7.1-3-27-11, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. **(a)** An artisan distiller may blend liquor that the artisan distiller obtains from another manufacturer with liquor that the artisan distiller manufactures. The artisan distiller may sell the blended liquor as liquor that the artisan distiller manufactures only if the final product contains at least sixty percent (60%) of liquor that was fermented and distilled from raw materials by the artisan distiller at the licensed premises of the artisan distiller.

(b) An artisan distiller who knowingly or intentionally sells blended liquor that contains less than sixty percent (60%) of liquor that was fermented and distilled from raw materials by the artisan distiller at the licensed premises of the artisan distiller commits a Class B misdemeanor.

SECTION 14. IC 7.1-3-27-12, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. (a) This section applies only to a person who:

(1) holds an artisan distiller's permit; and

(2) holds an interest in a farm winery permit under IC 7.1-3-12.

(b) An artisan distiller may:

(1) serve samples of liquor that the artisan distiller manufactures; and

(2) sell bottles and cases of liquor that the artisan distiller manufactures;

on the licensed premises where the wine is manufactured only if the wine is manufactured on the same premises where the artisan distiller manufactures liquor.

(c) A person to whom this section applies who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 15. IC 7.1-3-27-13, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) This section applies only to a person who:

(1) holds an artisan distiller's permit; and

(2) holds an interest in a brewer's permit for a brewery described in IC 7.1-3-2-7(5).

(b) An artisan distiller may:

(1) serve samples of liquor that the artisan distiller manufactures; and

(2) sell bottles and cases of liquor that the artisan distiller manufactures;

on the licensed premises where the beer is manufactured only if the beer is manufactured on the same premises where the artisan distiller manufactures liquor.

(c) A person to whom this section applies who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 16. IC 7.1-3-27-14, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) This section applies only to the holder of an artisan distiller's permit that also holds an interest in a distiller's permit under IC 7.1-3-7.

(b) An artisan distiller may not:

(1) serve complimentary samples of liquor; and

(2) sell liquor;

manufactured under the distiller's permit issued under IC 7.1-3-7 on the premises of the artisan distillery or at any other location that the holder of the artisan distiller's permit is authorized to sell and serve samples of liquor manufactured under the artisan distiller's permit.

(c) A person to whom this section applies who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 17. IC 7.1-3-27-15, AS ADDED BY P.L.109-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) An artisan distiller's permit shall be issued for a period of two (2) years.

(b) The commission shall charge a permit fee of two hundred fifty dollars ($250) annually to the holder of an artisan distiller's permit. The holder of an artisan distiller's permit shall pay the permit fee to the chairman on the anniversary of the date of the issuance of the original permit.

(c) A person who knowingly or intentionally engages in an activity requiring an artisan distiller's permit without possessing a valid artisan distiller's permit commits a Class B misdemeanor.

SECTION 18. IC 7.1-5-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. **(a)** ~~Prohibition Against Commercial Purposes.~~ It is unlawful for a person to manufacture for sale, bottle, sell, barter, import, transport, deliver, furnish, or possess, alcohol or alcoholic beverages, malt, malt syrup, malt extract, liquid malt or wort, for commercial purposes except as authorized in this title.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 19. IC 7.1-5-1-8 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 8. General Penalty Provision. A person who violates a provision of this title for which no other penalty is provided commits a Class B misdemeanor.~~

SECTION 20. IC 7.1-5-1-9 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 9. A person who knowingly violates IC 7.1-5-4-3, IC 7.1-5-4-6, or IC 7.1-5-6-4 commits a Level 6 felony.~~

SECTION 21. IC 7.1-5-1-9.5, AS AMENDED BY P.L.109-2013, SECTION 9, AND AS AMENDED BY P.L.158-2013, SECTION 126, IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 9.5. (a) An in state or an out of state vintner, *artisan distiller,* distiller, brewer, rectifier, or importer that:~~

~~(1) holds a basic permit from the federal Bureau of Alcohol, Tobacco, Firearms and Explosives; and~~

~~(2) knowingly violates IC 7.1-5-11-1.5;~~

~~commits a Class A misdemeanor.~~

~~(b) A person who:~~

~~(1) is not described in subsection (a); and~~

~~(2) knowingly violates IC 7.1-5-11-1.5;~~

~~commits a *Class D Level 6* felony.~~

~~(c) If the chairman of the alcohol and tobacco commission or the attorney general determines that a vintner, *an artisan distiller, a* distiller, *a* brewer, *a* rectifier, or *an* importer that holds a basic permit from the federal Bureau of Alcohol, Tobacco, Firearms and Explosives has made an illegal shipment of an alcoholic beverage to consumers in Indiana, the chairman shall:~~

~~(1) notify the federal Bureau of Alcohol, Tobacco, Firearms and Explosives in writing and by certified mail of the official determination that state law has been violated; and~~

~~(2) request the federal bureau to take appropriate action.~~

SECTION 22. IC 7.1-5-2-2 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 2. It is unlawful for a person to advertise the proof or the amount or percentage of alcohol in beer or wine. It is lawful for a person to advertise the proof or the amount or percentage of alcohol in liquor.~~

SECTION 23. IC 7.1-5-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~Signs Regulated.~~ **(a)** It is unlawful for the holder of a retailer's or dealer's permit of any type to display, keep, have, or maintain, a sign, advertisement, poster or design, obstruction to view, device

or equipment contrary to the provisions of this title, or to a rule or regulation of the commission, in, about, or in connection with ~~his~~ **the** business authorized by ~~his~~ **the holder's** permit.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 24. IC 7.1-5-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. ~~Gift of Outside Sign Prohibited.~~ **(a)** It is unlawful for a manufacturer of alcoholic beverages or other permittee authorized to sell and deliver alcoholic beverages to give, supply, furnish, or grant to the holder of a retailer's or dealer's permit a sign, poster, or advertisement for use, or intended to be used, outside of or on the exterior of the licensed premises or on a building situated on the licensed premises or in connection with them, or on premises adjacent to the licensed premises.

(b) It is unlawful ~~also,~~ for a retail or dealer permittee to receive or accept, or to display or permit to be displayed, a sign, poster, or advertisement given in violation of ~~this section.~~ **subsection (a).**

(c) A person who violates subsection (a) or (b) commits a Class C infraction. A person commits a separate violation for each day during which a violation of subsection (a) or (b) continues.

SECTION 25. IC 7.1-5-2-6 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 6. A person who violates section 4 of this chapter commits a Class C infraction. Each day during which a violation of that section continues is a separate infraction.~~

SECTION 26. IC 7.1-5-2-7, AS AMENDED BY P.L.15-2011, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) The term "premises" as used in this subsection does not include a facility (as defined in IC 7.1-2-3-16.5). A primary source of supply, wholesaler, or salesman of alcoholic beverages, or the agent or representative of a primary source of supply, wholesaler, or salesman of alcoholic beverages may not directly or indirectly place, display, or maintain or cause to be placed, displayed, or maintained a sign advertising alcoholic beverages by brand name within two hundred (200) feet of a premises having a retailer or dealer permit to sell alcoholic beverages. The distance must be determined by measuring between the nearest point on the licensed premises to the nearest point of the sign.

(b) A sign advertising alcoholic beverages by brand name may not indicate by arrows, hands, or other similar devices a particular retailer or dealer premises.

(c) Notwithstanding subsection (a), a primary source of supply, wholesaler, or salesman of alcoholic beverages, or the agent or representative of a primary source of supply, wholesaler, or salesman of alcoholic beverages may place, display, maintain or cause to be placed, displayed, or maintained temporary banners or pennants advertising alcoholic beverages by brand name on or within two hundred (200) feet of a retailer or dealer premises if the banners or pennants commemorate a sporting event, festival, or holiday held in Indiana. The banners or pennants may be displayed under this subsection beginning twenty-one (21) days before the sporting event, festival, or holiday and ending five (5) days after the close of the sporting event, festival, or holiday.

(d) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 27. IC 7.1-5-3-1, AS AMENDED BY P.L.6-2012, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) This section does not apply to the following:

(1) An establishment where alcoholic beverages are sold that is owned, in whole or part, by an entity that holds a brewer's permit for a brewery described under IC 7.1-3-2-7(5).

(2) An establishment where alcoholic beverages are sold that is owned, in whole or part, by a statewide trade organization consisting of members, each of whom holds a brewer's permit for a brewery described under IC 7.1-3-2-7(5).

(b) **Except as provided in section 6 of this chapter,** it is unlawful to sell beer in this state at retail in a bottle, can, or other container, unless the bottle, can, or other container was packaged and sealed by the brewer at the brewer's bottling house contiguous or adjacent to the brewery in which the beer was produced.

(c) A person who knowingly or intentionally violates subsection (b) commits a Class B misdemeanor.

SECTION 28. IC 7.1-5-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. ~~Sale from Original Container Only.~~ **(a) Except as provided in section 6 of this chapter,** it is unlawful for a person to sell, dispense, give away, furnish, or supply or serve to a person, an alcoholic beverage, from a container other than the original container in which the liquor was contained at the time it was purchased by the seller, dispenser, giver, or person serving it.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 29. IC 7.1-5-3-4, AS AMENDED BY P.L.6-2012, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) This section does not apply to the following:

(1) The necessary refilling of a container by a person holding a permit that authorizes the person to manufacture, rectify, or bottle liquor.

(2) An establishment where alcoholic beverages are sold that is owned, in whole or part, by an entity that holds a brewer's permit for a brewery described under IC 7.1-3-2-7(5).

(3) An establishment where alcoholic beverages are sold that is owned, in whole or part, by a statewide trade organization consisting of members, each of whom holds a brewer's permit for a brewery described under IC 7.1-3-2-7(5).

(4) The refilling of a bottle or container or possession of a refilled bottle or container if the refilling or possession is not for resale or another commercial purpose.

(b) **Except as provided in section 6 of this chapter,** it is unlawful for a person to:

(1) refill a bottle or container, in whole or in part, with an alcoholic beverage; or

(2) knowingly possess a bottle or container that has been refilled, in whole or in part, with an alcoholic beverage;

after the container of liquor has been emptied in whole or in part.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 30. IC 7.1-5-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~Possession of Untaxed Beverages Prohibited.~~ It is a Class C misdemeanor for a person to sell, barter, give away, or possess an alcoholic beverage, knowing that all taxes due the state on it are not paid.

SECTION 31. IC 7.1-5-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~Unlawful Furnishing of Evidence of Payment of Tax Prohibited.~~ **(a)** It is unlawful for a person, other than an officer of the state lawfully entitled to do so, to furnish evidence of the payment of the excise tax, or to execute or issue a permit of any type, to another person.

(b) A person who knowingly or intentionally violates this section commits a Level 6 felony.

SECTION 32. IC 7.1-5-4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. ~~Possession of Counterfeit Permit Prohibited.~~ **(a)** It is unlawful for a person to possess an article, instrument, imitation, or counterfeit of a permit, other than one lawfully issued to ~~him~~ **the person** and which ~~he~~ **the person** is lawfully entitled to possess.

(b) It is unlawful ~~also,~~ for a person to display an imitation or counterfeit of a permit for the purpose of defrauding the state of

the payment of a tax or license fee imposed by this title.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class A misdemeanor. However, the offense is a Level 6 felony if the cost of the permit is at least seven hundred fifty dollars ($750).

SECTION 33. IC 7.1-5-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. ~~Fraudulent Statement Prohibited.~~ **(a)** It is unlawful for a person to make a statement, written or oral, as to payment to, or the receipt by, the state, for the purpose of defrauding the state of a tax or license fee imposed by this title.

(b) A person who knowingly or intentionally violates this section commits a Class A misdemeanor. However, the offense is a Level 6 felony if the tax or license fee is at least seven hundred fifty dollars ($750).

SECTION 34. IC 7.1-5-5-1 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 1. Issuance of Permits: Illegal Influence Prohibited. It is unlawful for a permittee, or an applicant for a permit, to solicit or accept the assistance of an officer or employee of the state, or of one (1) of its political subdivisions or municipal corporations, or of the United States, or of a political party or political committee, in obtaining the issuance or renewal of a permit or in preventing the suspension or revocation of a permit. This section shall have no application to an officer or employee of the commission nor to a member of a local board. This section does not prohibit the employment of an attorney, regardless of political affiliations, by a permittee or applicant, in obtaining the issuance or renewal of a permit or in preventing the suspension or revocation of a permit.~~

SECTION 35. IC 7.1-5-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. ~~Commission: Receiving Gifts Prohibited.~~ **(a)** It is unlawful for a commissioner, an officer or employee of the commission, or a member of a local board, to receive a gratuity, commission, or profit of any kind from a person applying for or receiving a permit under this title.

(b) A person who knowingly or intentionally violates subsection (a) commits a Level 6 felony.

(c) In addition to any other penalty provided for a violation of subsection (a), a person who violates ~~the provisions of this section also~~ **subsection (a)** shall be dismissed as provided in this title.

SECTION 36. IC 7.1-5-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~Illegal Influence Prohibited.~~ **(a)** It is unlawful for the holder of a manufacturer's permit of any type, a wholesaler's permit of any type, or an officer, employee, agent or other representative of a surety company which has executed a bond for a permittee under this title to seek to influence or recommend or solicit the appointment of a member of a local board, or of an officer, appointee, or employee under this title, or meet with, consult, or advise a member of a local board concerning the issuance of a permit of any type.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 37. IC 7.1-5-5-7, AS AMENDED BY P.L.233-2007, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) It is unlawful for a permittee in a sale or contract to sell alcoholic beverages to discriminate between purchasers by granting a price, discount, allowance, or service charge which is not available to all purchasers at the same time. However, this section does not authorize or require a permittee to sell to a person to whom the permittee is not authorized to sell under this title.

(b) A premises that operates at least two (2) restaurants that are separate and distinct from each other on the same premises may provide for a different schedule of prices in each restaurant if each restaurant conforms to all other laws and rules of the commission regarding pricing and price discrimination in its separate and distinct areas.

(c) This section does not apply to the holder of a gaming site permit that complies with IC 7.1-3-17.5-6.

(d) Notwithstanding subsection (a), a beer wholesaler may offer a special discount price to a beer dealer or beer retailer for beer or flavored malt beverage, if the beer or flavored malt beverage:

(1) is a brand or package the beer wholesaler has discontinued; or

(2) will expire in not more than:

(A) twenty (20) days for packaged beer or packaged flavored malt beverage; and

(B) ten (10) days for draft beer or draft flavored malt beverage.

(e) The special discount under subsection (d) only applies to beer or flavored malt beverage that will expire and be subject to removal from retailer or dealer shelves in accordance with the primary source of supply's coding data clearly identified on the container.

(f) Any beer or flavored malt beverage sold at a special discount price under subsection (d) shall be accompanied by an invoice clearly designating, in addition to all other information required by law, all the following information:

(1) The date of delivery.

(2) The expiration date of each brand, package type, and quantity delivered.

(3) The per unit price for each package.

(g) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 38. IC 7.1-5-5-9, AS AMENDED BY P.L.94-2008, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) This section does not apply to product management (as described in 905 IAC 1-5.2-15) by a permittee.

(b) It is unlawful for a permittee to ~~knowingly or intentionally~~ coerce, or attempt to coerce, or persuade another permittee to enter into an agreement, or to take an action, which would violate a provision of this title or of the rules and regulations of the commission.

(c) It is unlawful for a beer wholesaler or a primary source of supply to cancel or terminate an agreement or contract between a beer wholesaler and a primary source of supply for the sale of beer, unfairly and without due regard for the equities of the other party.

(d) A person who knowingly or intentionally violates subsection (b) or (c) commits a Class B misdemeanor.

SECTION 39. IC 7.1-5-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. ~~Acceptance of Gift by Retailer Prohibited.~~ **(a)** It is unlawful for a person who holds a retailer's or dealer's permit of any type to receive or accept from a manufacturer of alcoholic beverages, or from a permittee authorized to sell and deliver alcoholic beverages, a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, or lease, rehabilitation, decoration, improvement or repair of premises.

(b) A person who knowingly or intentionally violates this section commits a Class A misdemeanor. However, the offense is a Level 6 felony if the value received or accepted is at least seven hundred fifty dollars ($750).

SECTION 40. IC 7.1-5-5-11, AS AMENDED BY P.L.224-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. (a) Except as provided in subsections (c) and (d), it is unlawful for a manufacturer of alcoholic beverages or a permittee authorized to sell and deliver alcoholic beverages to:

(1) give, supply, furnish, or grant to another permittee who purchases alcoholic beverages from ~~him~~ **the manufacturer or permittee** a rebate, sum of money, accessory, furniture, fixture, loan of money, concession, privilege, use, title, interest, lease, or rental of premises; or

(2) except as provided in IC 7.1-3-2-9 and IC 7.1-3-3-5(f), have a business dealing with the other permittee.

(b) This section shall not apply to the sale and delivery and collection of the sale price of an alcoholic beverage in the ordinary course of business.

(c) If the promotional program is approved under the rules adopted by the commission and is conducted in all wholesaler establishments through which the manufacturer distributes alcoholic beverages in Indiana, a manufacturer of alcoholic beverages may award bona fide promotional prizes and awards to any of the following:

(1) A person with a wholesaler's permit issued under IC 7.1-3.

(2) An employee of a person with a wholesaler's permit issued under IC 7.1-3.

(d) A manufacturer may offer on a nondiscriminatory basis bona fide incentives to wholesalers when the incentives are determined based on sales to retailers or dealers occurring during specified times for specified products. The incentive may be conditioned on the wholesaler selling a:

(1) specified product at a specified price or less than a specified price; or

(2) minimum quantity of a specified product to a single customer in a single transaction.

The incentive may not be conditioned on a wholesaler having total sales of a minimum quantity of a specified product during the applicable period.

(e) A person who knowingly or intentionally violates this section commits a Class A misdemeanor.

SECTION 41. IC 7.1-5-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. ~~Amateur Athletics: Soliciting Assistance Prohibited.~~ **(a)** It is unlawful for a permittee who sponsors an amateur athletic contest, team, or sporting contest to solicit or accept assistance, either financial or otherwise, from another permittee for the purpose of promoting the amateur athletic contest, team, or sporting event.

(b) It ~~also~~ is unlawful for a permittee who is solicited in violation of ~~this section~~ **subsection (a)** to give that assistance.

(c) A person who knowingly or intentionally violates this section commits a Class A misdemeanor. However, the offense is a Level 6 felony if the assistance is at least seven hundred fifty dollars ($750).

SECTION 42. IC 7.1-5-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~Making Alcoholic Beverages Without Permit Prohibited.~~ **(a)** It is a Class C misdemeanor for a person to knowingly own, have in ~~his~~ **the person's** possession or under ~~his~~ **the person's** control, or use a still or distilling apparatus for the manufacture of liquor, except as otherwise provided in this title.

(b) It ~~also~~ is a Class C misdemeanor for a person to knowingly own, have in ~~his~~ **the person's** possession or under ~~his~~ **the person's** control, or use brewing or wine-making ~~appratus,~~ **apparatus,** for the manufacture for commercial purposes of beer or wine, except as otherwise provided in this title.

SECTION 43. IC 7.1-5-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. ~~Acting As Salesman Without Permit Prohibited.~~ **(a)** It is unlawful for a person to act as a salesman, regardless of whether the sale is to be made by a seller within this state, to a buyer within or without this state, or by a seller outside this state for delivery to a buyer within this state, or whether the sale otherwise may be legal or illegal, unless that person has applied for and been issued a salesman's permit.

(b) It ~~also~~ is unlawful for a buyer in this state to give an order, bargain, contract, or agreement to a salesman who does not have a salesman's permit. This section ~~shall~~ **does** not apply to a permittee of any type, ~~his~~ **a permittee's** ~~agents,~~ **agent,** or employees working or acting on the licensed premises of the permittee.

(c) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 44. IC 7.1-5-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) It is unlawful for a person to act as a clerk in a package liquor store, or as a bartender, waiter, waitress, or manager for a retailer permittee unless that person has applied for and been issued the appropriate permit. This section does not apply to dining car or boat employees or to a person described in IC 7.1-3-18-9(d). **A person who knowingly or intentionally violates this subsection commits a Class B misdemeanor.**

(b) It is a defense to a charge under this section if, ~~within~~ **not later than** thirty (30) days after being cited by the commission, the person who was cited produces evidence that the appropriate permit was issued by the commission on the date of the citation.

(c) It is a defense to a charge under this section for a new applicant for a permit if, ~~within~~ **not later than** thirty (30) days after being cited by the commission, the new applicant who was cited produces a receipt for a cashier's check or money order showing that an application for the appropriate permit was applied for on the date of the citation.

SECTION 45. IC 7.1-5-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. ~~Falsification of Record Prohibited.~~ **(a)** It is unlawful for a person to falsify, or cause to be falsified, an entry, statement, account, recital, or computation, or an application for a permit, or an instrument, or paper required to be filed in connection with the application, or in connection with the revocation, or proposed revocation, or a permit.

(b) It is unlawful ~~also,~~ for a person to enter, or cause to be entered, a false entry, statement, account, recital, computation, or representation of a fact in a book, document, account, order, paper, or statement required to be kept or filed, or made or furnished to the commission under the provisions of this title or a rule or regulation of the commission.

(c) A person who knowingly or intentionally violates this section commits a Level 6 felony.

SECTION 46. IC 7.1-5-7-0.3 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 0.3. Notwithstanding the amendments made to section 13 of this chapter by P.L.204-2001, not later than July 1, 2002, the commission shall adopt the rules required by section 13(b)(1), as amended by P.L.204-2001.~~

SECTION 47. IC 7.1-5-7-1, AS AMENDED BY HEA 1279-2014, SECTION 2, AND AS AMENDED BY HEA 1005-2014, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. It is a Class C ~~infraction~~ **misdemeanor** for a minor to knowingly or intentionally make a false statement of the minor's age or to present or offer false or fraudulent evidence of majority or identity to a permittee for the purpose of ordering, purchasing, attempting to purchase, or otherwise procuring or attempting to procure an alcoholic beverage.

SECTION 48. IC 7.1-5-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. It is a Class C misdemeanor for a person to sell, give, or furnish to a minor false or fraudulent evidence of majority or identity with the intent to violate **or assist in the violation of** a provision of this title.

SECTION 49. IC 7.1-5-7-7, AS AMENDED BY HEA 1279-2014, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. **(a)** Subject to IC 7.1-5-1-6.5, it is a Class C misdemeanor for a minor to knowingly:

(1) possess an alcoholic beverage;

(2) consume an alcoholic beverage; or

(3) transport an alcoholic beverage on a public highway when not accompanied by at least one (1) of the minor's parents or guardians.

(b) If a minor is found to have violated subsection (a)(2) or (a)(3) while operating a vehicle, the court may order the

minor's driving privileges suspended for up to one (1) year. However, if the minor is less than eighteen (18) years of age, the court shall order the minor's driving privileges suspended for at least sixty (60) days.

(c) The court shall deliver any order suspending a minor's driving privileges under this section to the bureau of motor vehicles, which shall suspend the minor's driving privileges under IC 9-24-18-12.2 for the period ordered by the court.

SECTION 50. IC 7.1-5-7-8, AS AMENDED BY P.L.158-2013, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) It is a Class B misdemeanor for a person to:

(1) recklessly, knowingly, or intentionally sell, barter, exchange, provide, or furnish an alcoholic beverage to a minor; **or**

(2) knowingly or intentionally:

(A) rent property; or

(B) provide or arrange for the use of property;

for the purpose of allowing or enabling a minor to consume an alcoholic beverage on the property.

(b) However, the offense described in subsection (a) is:

(1) a Class A misdemeanor if the person has a prior unrelated conviction under this section; and

(2) a Level 6 felony if the consumption, ingestion, or use of the alcoholic beverage is the proximate cause of the serious bodily injury or death of any person.

(c) This section shall not be construed to impose civil liability upon any postsecondary educational institution, including public and private universities and colleges, business schools, vocational schools, and schools for continuing education, or its agents for injury to any person or property sustained in consequence of a violation of this section unless ~~such~~ **the** institution or its agent:

(1) sells, barters, exchanges, provides, or furnishes an alcoholic beverage to a minor; **or**

(2) either:

(A) rents property; or

(B) provides or arranges for the use of property;

for the purpose of allowing or enabling a minor to consume an alcoholic beverage on the property.

SECTION 51. IC 7.1-5-7-10, AS AMENDED BY HEA 1279-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) It is a Class C ~~misdemeanor~~ **infraction** for a minor to knowingly or intentionally be in a tavern, bar, or other public place where alcoholic beverages are sold, bartered, exchanged, given away, provided, or furnished.

(b) It is a Class C misdemeanor for a permittee to recklessly permit a minor to be in the prohibited place beyond a reasonable time in which an ordinary prudent person can check identification to confirm the age of a patron.

SECTION 52. IC 7.1-5-7-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Except as provided in section 13 of this chapter, it is a Class B misdemeanor for a person to **knowingly or intentionally** employ a minor in or about a place where alcoholic beverages are sold, furnished, or given away for consumption either on or off the licensed premises, in a capacity which requires or allows the minor to sell, furnish, or otherwise deal in alcoholic beverages.

SECTION 53. IC 7.1-5-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. ~~Notice From Parents.~~ It is a Class B misdemeanor for a permittee to **knowingly or intentionally** permit a minor to be in or around the licensed premises after receiving written notice from the parent, guardian, or other person having custody of the minor that the ~~person~~ **minor** is in fact a minor and directing that ~~he~~ **the minor** be excluded from the licensed premises.

SECTION 54. IC 7.1-5-8-4, AS AMENDED BY P.L.94-2008, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) It is ~~unlawful~~ **a Class B misdemeanor** for a person who owns or operates a private or public restaurant or place of public or private entertainment to **knowingly or intentionally** permit another person to come into the establishment with an alcoholic beverage for sale or gift, or for consumption in the establishment by that person or another, or to serve a setup to a person who comes into the establishment. However, the provisions of this section ~~shall~~ **do** not apply to the following:

(1) A private room hired by a guest of a bona fide club or hotel that holds a retail permit.

(2) A facility that is used in connection with the operation of a paved track that is used primarily in the sport of auto racing.

(3) An outdoor place of public entertainment that:

(A) has an area of at least four (4) acres and not more than six (6) acres;

(B) is located within one (1) mile of the White River;

(C) is owned and operated by a nonprofit corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code; and

(D) is used primarily in connection with live music concerts.

(b) An establishment operated in violation of this section is declared to be a public nuisance and subject to abatement as other public nuisances are abated under the provisions of this title.

SECTION 55. IC 7.1-5-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. ~~Purchase of Beer from Un-Bonded Brewery Prohibited.~~ It is ~~unlawful~~ **a Class C misdemeanor** for a permittee to **knowingly or intentionally** purchase, receive, or import beer from a brewer or other person located outside this state unless the bond and agreement required by ~~the provisions of IC 1971, 7.1-3-2,~~ **this title** have been accepted by the commission and are currently effective.

SECTION 56. IC 7.1-5-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~Commission: Prohibited Interests.~~ **(a)** It is unlawful for a commissioner, an officer or employee of the commission, or a member of a local board, to have an interest, either ~~proprietory~~ **proprietary** or by means of a loan, mortgage, or lien, or in any other manner, or to own stock in a corporation which has an interest, in the premises where alcoholic beverages are manufactured or sold, or in a business wholly or partially devoted to the manufacture, sale, transportation, or storage of alcoholic beverages. The prohibition contained in this section shall not apply to an expert or professional employee employed by the commission only for a special undertaking. A person who violates a provision of this section also shall be dismissed as provided in this title.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 57. IC 7.1-5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) Except as provided in subsection (c), it is unlawful for the holder of a brewer's permit or for a brewer located outside Indiana that meets the requirements of IC 7.1-3-2-4 and IC 7.1-3-2-5 to hold, acquire, possess, own, or control, or to have an interest, claim, or title, in or to an establishment, company, or corporation holding or applying for a beer wholesaler's permit under this title, or in its business.

(b) Except as provided in subsection (c), it is unlawful for the holder of a vintner's permit or for a vintner located outside Indiana to hold, acquire, possess, own, or control, or to have an interest, claim, or title in or to, an establishment, company, or corporation holding or applying for a wine wholesaler's permit under this title, or in its business.

(c) A brewer covered by subsection (a) may provide financial assistance to the holder of a beer wholesaler's permit. A vintner covered by subsection (b) may provide financial assistance to the

holder of the wine wholesaler's permit. The following conditions apply to the provision of financial assistance under this subsection:

(1) The brewer may not require that the holder of the beer wholesaler's permit, and the vintner may not require that the holder of a wine wholesaler's permit, accept the financial assistance.

(2) The financial assistance may be unsecured or secured.

(3) If the financial assistance is secured, it may be secured only by a security interest in the following property of the holder of the wholesaler's permit:

(A) Inventory of the products of the brewer or vintner.

(B) Premises or equipment, if the premises or equipment is used in the business of the holder of the wholesaler's permit.

(4) If the financial assistance is secured, the value of the property in which the security interest lies may not substantially exceed the debt secured.

(5) Except as provided in IC 7.1-3-2-9, the brewer or the vintner may not use financial assistance to acquire complete or partial control of the business of the holder of the wholesaler's permit.

(6) Except as provided in IC 7.1-3-2-9, the brewer or vintner must make available to all wholesalers (of any of its products) any assistance that it offers to any one (1) wholesaler of any of its products. This assistance must be provided on substantially identical terms. The brewer or vintner may not discriminate among wholesalers of any of its products in the enforcement of any terms related to assistance under this section.

(7) The brewer or vintner must report to the commission any assistance that it offers to a wholesaler under this section. It must make this report promptly after the assistance is offered.

(d) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 58. IC 7.1-5-9-3, AS AMENDED BY P.L.71-2012, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) This section applies to a brewer that manufactures more than thirty thousand (30,000) barrels of beer in a calendar year for sale or distribution within Indiana.

(b) It is unlawful for the holder of a brewer's or beer wholesaler's permit to have an interest in a liquor permit of any type under this title.

(c) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 59. IC 7.1-5-9-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. **(a)** Except as provided in IC 7.1-3-3-4, an applicant for a beer wholesaler's permit shall have no interest in the following:

(1) A permit to manufacture or to sell at retail alcoholic beverages of any kind.

(2) Any other permit to wholesale alcoholic beverages.

(3) Through stock ownership or otherwise, a partnership, limited liability company, or corporation that holds:

(A) a permit to manufacture or to sell at retail alcoholic beverages of any kind; or

(B) any other permit to wholesale alcoholic beverages of any kind.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 60. IC 7.1-5-9-6, AS AMENDED BY P.L.109-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. **(a)** It is unlawful for the holder of a distiller's, rectifier's, or liquor wholesaler's permit to have an interest in a beer permit of any type under this title. This section does not apply to the holder of an artisan distiller's permit that has an interest in a brewer's permit under IC 7.1-3-2-7(5).

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 61. IC 7.1-5-9-7, AS AMENDED BY SEA 24-2014, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. **(a) Except as provided in IC 7.1-3-27-6,** it is unlawful for the holder of an artisan distiller's, a distiller's, or a rectifier's permit to own, acquire, possess or cause to be transferred to the holder shares of stock of a corporation that holds an Indiana permit to sell alcoholic beverages at retail, or in a permit to sell at retail in this state, or to own or acquire an interest in the business being conducted under the permit, or in or to shares of stock in a corporation that owns a permit to sell at retail.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 62. IC 7.1-5-9-8, AS AMENDED BY P.L.109-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. **(a)** The holder of an artisan distiller's permit, a distiller's permit, or a rectifier's permit may not own, acquire, or possess a permit to sell liquor at wholesale. A distiller or rectifier may not have an interest in the business of a permittee who is authorized to sell beer, liquor, or wine at wholesale or retail.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 63. IC 7.1-5-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. ~~Wholesaler's Interests Limited.~~ **(a)** It is unlawful for a person who has an interest in a beer wholesaler's permit to acquire, hold, own, or possess an interest of any type in a beer dealer's or retailer's permit.

(b) It is unlawful ~~also,~~ for a person who has an interest in a liquor wholesaler's permit to acquire, hold, own, or possess an interest of any type in a liquor dealer's or retailer's permit.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 64. IC 7.1-5-9-10, AS AMENDED BY P.L.71-2012, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. (a) Except as provided in subsection (b), it is unlawful for a holder of a retailer's permit of any type to acquire, hold, own, or possess an interest of any type in a manufacturer's or wholesaler's permit of any type.

(b) It is lawful for a holder of a retailer's permit of any type to acquire, hold, own, or possess an interest of any type in a brewer's permit for a brewery that manufactures not more than thirty thousand (30,000) barrels of beer in a calendar year for sale or distribution within Indiana.

(c) A person who knowingly or intentionally violates subsection (a) commits a Class B misdemeanor.

SECTION 65. IC 7.1-5-9-13, AS AMENDED BY P.L.109-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. **(a) A:**

(1) ~~The~~ proprietor of a drug store; ~~a~~

(2) corporation holding:

(A) an artisan distiller's permit;

(B) a distiller's permit; ~~or~~

(C) a brewer's permit;

(D) ~~or~~ a wholesaler's permit; or

(E) a permit to retail or deal in alcoholic beverages; **or**

(3) a wholesale drug company ~~and~~ **or** a person who is the proprietor of a wholesale drug company;

may not own or control or participate in the permit of a package liquor store, or in its business, or in its establishment.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 66. IC 7.1-5-9-14, AS AMENDED BY P.L.94-2008, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. **(a)** It is unlawful for the holder of a brewer's, distiller's, rectifier's, or a

wholesaler's permit of any type to sell an alcoholic beverage to a person who does not hold an appropriate permit under this title, ~~However, this section shall not apply to~~ **unless the sale is** the sale of an alcoholic beverage to a consumer or employee as expressly authorized in this title.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 67. IC 7.1-5-9-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) The commission shall establish a manager's questionnaire for managers of licensed premises for the sale of alcoholic beverages.

(b) It is unlawful for a person to:

(1) manage; or

(2) buy when the transfer of the permit is contingent upon terms of a contract or an agreement;

a licensed premises for the sale of alcoholic beverages, unless the person has filed a valid manager's questionnaire with the commission.

(c) The filing of a manager's questionnaire under this section:

(1) is in addition to other requirements for managers under this title; and

(2) does not exempt the filer from IC 7.1-5-6-3.

(d) A person who knowingly or intentionally violates subsection (b) commits a Class B misdemeanor.

SECTION 68. IC 7.1-5-10-1, AS AMENDED BY P.L.10-2010, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) Except as provided in subsection (c), it is unlawful to sell alcoholic beverages at the following times:

(1) At a time other than that made lawful by the provisions of IC 7.1-3-1-14.

(2) On Christmas Day and until 7:00 o'clock in the morning, prevailing local time, the following day.

(b) During the time when the sale of alcoholic beverages is unlawful, no alcoholic beverages shall be sold, dispensed, given away, or otherwise disposed of on the licensed premises and the licensed premises shall remain closed to the extent that the nature of the business carried on at the premises, as at a hotel or restaurant, permits.

(c) It is lawful for the holder of a valid beer, wine, or liquor wholesaler's permit to sell to the holder of a valid retailer's or dealer's permit at any time.

(d) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 69. IC 7.1-5-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. ~~Unauthorized Sales Prohibited.~~ **(a)** It is unlawful for a permittee to recklessly sell, keep for sale, barter, furnish, or give away an alcoholic beverage which ~~he~~ **the permittee** is not entitled to sell, keep for sale, barter, furnish, or give away under ~~his~~ **the** permit.

(b) A person who violates this section commits a Class B misdemeanor.

SECTION 70. IC 7.1-5-10-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~Unauthorized Dealings Prohibited.~~ **(a)** It is unlawful for a person who is not a permittee to recklessly give away or furnish, to a person other than a guest or a member of ~~his~~ **the permittee's** family, or to recklessly sell, barter, or exchange, an alcoholic beverage unless ~~he~~ **the permittee** is expressly authorized to do so by this title.

(b) A person who violates this section commits a Class B misdemeanor.

SECTION 71. IC 7.1-5-10-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. ~~Sale of Untaxed Alcoholic Beverages Prohibited.~~ **(a)** It is unlawful for a person to recklessly sell, give, withdraw for sale or gift, offer for sale, display, barter, exchange, purchase, receive, possess, transport, or store an alcoholic beverage upon which the appropriate excise tax and applicable license fee have not been paid.

(b) A person who violates this section commits a Class B misdemeanor.

SECTION 72. IC 7.1-5-10-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. ~~Sale Without Permit Prohibited.~~ **(a)** It is unlawful for a person, except as otherwise permitted by this title, to **knowingly or intentionally** purchase, receive, manufacture, import, or transport, or cause to be imported or transported from another state, territory, or country, into this state, or transport, ship, barter, give away, exchange, furnish, or otherwise handle, or dispose of an alcoholic beverage, or to possess an alcoholic beverage for purpose of sale.

(b) It is unlawful ~~also,~~ for a person ~~knowingly~~ to receive or acquire an alcoholic beverage from a person **that the person knows** ~~who~~ does not hold, unrevoked, the appropriate permit under this title to sell, deliver, furnish, or give the alcoholic beverage to ~~him~~ **the person.**

(c) A person who violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 73. IC 7.1-5-10-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. ~~Sale of Adulterated or Misbranded Beverage Prohibited.~~ **(a)** It is unlawful for a person to sell, offer or expose for sale, or have in ~~his~~ **the person's** possession with intent to sell, an alcoholic beverage that is adulterated or misbranded.

(b) It is unlawful ~~also,~~ for a person to alter or change a brand, label, mark, design, device, or inscription that has reference to the kind, brand, age, quality, quantity, or other description of the alcoholic beverage contents of a bottle or container.

(c) The possession of an adulterated or misbranded alcoholic beverage by a permittee, or other person engaged in the manufacture or traffic in alcoholic beverages, is prima facie evidence of knowledge of the misbranding or adulteration and of an intent to violate a provision of this section.

(d) The possession by a permittee, or other person engaged in the alcoholic beverage traffic, of a bottle or container used, or intended to be used, for containing an alcoholic beverage on which a label, brand, mark, design, or device has been altered or changed is prima facie evidence of an intent to violate a provision of this section.

(e) A person who violates subsection (a) or knowingly or intentionally violates subsection (b) commits a Class B misdemeanor.

SECTION 74. IC 7.1-5-10-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. ~~Solicitation of Certain Orders Prohibited.~~ **(a)** It is unlawful for a person to solicit or receive, or to allow ~~his~~ **the person's** employee to solicit or receive, an order for an alcoholic beverage from another person in violation of a provision of this title.

(b) It is unlawful ~~also,~~ for a person to give information of how an alcoholic beverage may be obtained in violation of a provision of this title.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 75. IC 7.1-5-10-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. ~~Alcoholic Content Regulation.~~ **(a)** It is unlawful, except as otherwise authorized in this title, for a person to sell, give away, barter, furnish, or exchange, or to possess or keep for a prohibited purpose, alcohol as a beverage, or a beverage or liquid likely to be used or intended to be used as a beverage, which has a content of alcohol that is higher than is permitted by the rules ~~and regulation~~ of the commission.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 76. IC 7.1-5-10-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. ~~Sale of Cold Beer Prohibited.~~ **(a)** It is unlawful for the holder of a beer dealer's permit to offer or display for sale, or sell, barter,

exchange or give away a bottle, can, container, or package of beer that was iced or cooled by the permittee before or at the time of the sale, exchange, or gift.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 77. IC 7.1-5-10-12, AS AMENDED BY P.L.109-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. **(a) Except as provided in subsections (b) through (d),** it is unlawful for a permittee to sell, offer to sell, purchase or receive, an alcoholic beverage for anything other than cash. A permittee who extends credit in violation of this section shall have no right of action on the claim.

(b) ~~This section shall not prohibit~~ A permittee ~~from crediting~~ **may credit** to a purchaser the actual price charged for a package or an original container returned by the original purchaser as a credit on a sale ~~This section shall not prohibit a permittee from refunding~~ **and refund** to a purchaser the amount paid by the purchaser for a container, or as a deposit on a container, if it is returned to the permittee.

(c) ~~This section shall not prohibit~~ A manufacturer ~~from extending~~ **may extend** usual and customary credit for alcoholic beverages sold to a customer who maintains a place of business outside this state when the alcoholic beverages are actually shipped to a point outside this state.

(d) ~~This section shall not prohibit~~ An artisan distiller, a distiller, or a liquor or wine wholesaler ~~from extending~~ **may extend** credit on liquor, flavored malt beverages, and wine sold to a permittee for a period of fifteen (15) days from the date of invoice, date of invoice included. However, if the fifteen (15) day period passes without payment in full, the wholesaler shall sell to that permittee on a cash on delivery basis only.

(e) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 78. IC 7.1-5-10-13, AS AMENDED BY P.L.44-2009, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. **(a)** A permittee who holds a permit to sell at retail shall not cash a check issued by the ~~county office of the division of family resources~~ **division of family and children** or by a charitable organization if any part of the proceeds of the check are to be used to purchase an alcoholic beverage.

(b) A permittee who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 79. IC 7.1-5-10-14 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 14. Sales to Habitual Drunkards Prohibited. It is unlawful for a permittee to sell, barter, exchange, give, provide, or furnish an alcoholic beverage to a person whom he knows to be a habitual drunkard.~~

SECTION 80. IC 7.1-5-10-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) ~~It is unlawful for a person to sell, barter, deliver, or give away~~ **A person who, knowing that another person is intoxicated, sells, barters, delivers, or gives away** an alcoholic beverage to ~~another~~ **the intoxicated** person ~~who is in a state of intoxication if the person knows that the other person is intoxicated.~~ **commits a Class B misdemeanor.**

(b) In any civil proceeding in which damages are sought from a permittee or a permittee's agent for the refusal to serve a person an alcoholic beverage, it is a complete defense if the permittee or agent reasonably believed that the person was intoxicated or was otherwise not entitled to be served an alcoholic beverage.

(c) After charges have been filed against a person for a violation of subsection (a), the prosecuting attorney shall notify the commission of the charges filed.

SECTION 81. IC 7.1-5-10-16 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 16. Sale to Inmate Prohibited. It is a Class C infraction for a person to furnish an alcoholic beverage to a person confined in a penal facility. It is unlawful, also, for a person who has charge of a penal facility to knowingly permit a prisoner confined within his jurisdiction to receive an alcoholic beverage unless it has been prescribed by a physician as medicine for the prisoner.~~

SECTION 82. IC 7.1-5-10-18 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 18. Taking Beverage from Train Prohibited. It is unlawful for the holder of a dining car permit to sell an alcoholic beverage to a person for the purpose of its being carried off the train. It also is unlawful for a person to carry an alcoholic beverage off a train that was purchased on it.~~

SECTION 83. IC 7.1-5-10-19 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 19. Taking Beverage from Boat Prohibited. It is unlawful for the holder of a boat permit to sell an alcoholic beverage to a person for the purpose of its being carried off the boat. It also is unlawful for a person to carry an alcoholic beverage off a boat that was purchased on it.~~

SECTION 84. IC 7.1-5-10-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) It is unlawful for a holder of a retailer's permit to do any of the following:

(1) Sell alcoholic beverages during a portion of the day at a price that is reduced from the usual, customary, or established price that the permittee charges during the remainder of that day.

(2) Furnish two (2) or more servings of an alcoholic beverage upon the placing of an order for one (1) serving to one (1) person for that person's personal consumption.

(3) Charge a single price for the required purchase of two (2) or more servings of an alcoholic beverage.

(b) Subsection (a) applies to private clubs but does not apply to private functions that are not open to the public.

(c) Notwithstanding subsection (a)(1), it is lawful for a holder of a retailer's permit to sell alcoholic beverages during a portion of the day at a price that is increased from the usual, customary, or established price that the permittee charges during the remainder of that day as long as the price increase is charged when the permittee provides paid live entertainment not incidental to the services customarily provided.

(d) Notwithstanding subsection (a), section 12 of this chapter, and IC 7.1-5-5-7, it is lawful for a hotel, in an area of the hotel in which alcoholic beverages are not sold, to make available to its registered guests and their guests alcoholic beverages at no additional charge beyond what is to be paid by the registered guests as the room rate.

(e) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 85. IC 7.1-5-10-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. **(a)** It is unlawful for a retailer or dealer to sell a flavored malt beverage except under the same conditions that a retailer or dealer is permitted to sell beer or other alcoholic beverages obtained by the fermentation of an infusion or decoction of barley malt or other cereal and hops in water.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 86. IC 7.1-5-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. ~~Importation Limited.~~ **A person who knowingly or intentionally** ~~It is unlawful for a person to import~~ **imports** liquor into this state ~~unless he is specifically authorized to do so by this title.~~ **without specific authorization under this title commits a Class B misdemeanor.**

SECTION 87. IC 7.1-5-11-1.5, AS AMENDED BY P.L.165-2006, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.5. (a) Except as provided in IC 7.1-3-26, it is unlawful for a person in the business of selling alcoholic beverages in Indiana or outside Indiana to ship or cause to be shipped an alcoholic beverage directly to a person in Indiana who does not hold a valid wholesaler permit under this title. This includes the ordering and

selling of alcoholic beverages over a computer network (as defined by IC 35-43-2-3(a)).

(b) An in-state or an out-of-state vintner, distiller, brewer, rectifier, or importer that:

(1) holds a basic permit from the federal Bureau of Alcohol, Tobacco, Firearms and Explosives; and

(2) knowingly violates subsection (a);

commits a Class A misdemeanor.

(c) A person who is not an in-state or an out-of-state vintner, distiller, brewer, rectifier, or importer that holds a basic permit from the federal Bureau of Alcohol, Tobacco, Firearms and Explosives who knowingly violates subsection (a) commits a Level 6 felony.

~~(b)~~ **(d)** Upon a determination by the commission that a person has violated subsection (a), a wholesaler may not accept a shipment of alcoholic beverages from the person for a period of up to one (1) year as determined by the commission.

(e) If the chairman of the alcohol and tobacco commission or the attorney general determines that a vintner, distiller, brewer, rectifier, or importer that holds a basic permit from the federal Bureau of Alcohol, Tobacco, Firearms and Explosives has made an illegal shipment of an alcoholic beverage to consumers in Indiana, the chairman shall:

(1) notify the federal Bureau of Alcohol, Tobacco, Firearms and Explosives in writing and by certified mail of the official determination that state law has been violated; and

(2) request the federal bureau to take appropriate action.

~~(c)~~ **(f)** The commission shall adopt rules under IC 4-22-2 to implement this section.

SECTION 88. IC 7.1-5-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. ~~Transportation Limited.~~ **(a)** It is unlawful for a carrier who is required to obtain a carrier's alcoholic permit by ~~IC 1971,~~ **IC** 7.1-3-18 to transport alcoholic beverages over or along a public highway within this state unless ~~he~~ **the carrier** has applied for **a carrier's alcoholic permit** and been issued:

(1) a carrier's alcoholic permit; **or**

(2) specific authorization from the commission to transport alcoholic beverages on a public highway under rules adopted by the commission.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 89. IC 7.1-5-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. ~~Transportation in Non-Registered Vehicles Prohibited.~~ **(a)** It is unlawful for the holder of a carrier's alcoholic permit to import or transport alcoholic beverages in a vehicle that has not been registered with the commission as required by this title.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 90. IC 7.1-5-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. ~~Deliveries Limited.~~ **(a)** It is unlawful for an officer, agent, or employee of a railroad company, express company, or other common carrier to recklessly deliver:

(1) an alcoholic beverage to a person other than the person to whom it is consigned;

(2) it without a written order by the consignee; or

(3) it to a person when the alcoholic beverage has been consigned to a fictitious person or a person under a fictitious name.

(b) A person who violates this section commits a Class B misdemeanor.

SECTION 91. IC 7.1-5-11-5, AS AMENDED BY P.L.158-2013, SECTION 129, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. ~~It is a Level 6 felony for a person to transport~~ **(a) This section does not apply to a permittee, or a licensed carrier for a permittee, who is lawfully entitled to hold or possess an alcoholic beverage without the payment of the excise tax on the alcoholic beverage before the time the alcoholic beverage is withdrawn for sale.**

(b) A person who transports an alcoholic beverage on a public highway, knowing that any of the taxes due the state on it ~~are~~ **have not been** ~~not~~ paid, **commits a Level 6 felony.** ~~This section does not apply to a permittee, or a duly licensed carrier for a permittee, who is lawfully entitled to hold or possess an alcoholic beverage without the payment of the excise tax on it prior to the time that it is withdrawn for sale.~~

SECTION 92. IC 7.1-5-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. ~~Devious Transportation Prohibited.~~ **(a)** It is unlawful for a person to use or employ, or agree to use or employ, a method of transportation, or device, or fictitious name, or fictitious routing, or to enter into a scheme or method of transportation, or to resort to a trick or device, with the intent to evade, avoid, or defeat the collection of a tax imposed by this title, or to evade or prevent the enforcement of a provision of this title.

(b) A person who violates this section commits a Class A misdemeanor. However, the offense is a Level 6 felony if the amount of tax is at least seven hundred fifty dollars ($750).

SECTION 93. IC 7.1-5-11-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. ~~False Shipments Prohibited.~~ **(a)** It is unlawful for a consignee to accept or receive a package that contains an alcoholic beverage upon which appears a statement, label, address, superscription, shipping direction, legend, or design which ~~is known to him to be~~ **the person knows is** false or misleading.

(b) It is unlawful ~~also,~~ for a carrier, or other person, to consign, ship, transport, or deliver a package that contains an alcoholic beverage ~~knowing~~ **if the person knows that** a statement, label, address, superscription, shipping direction, legend, or design on it ~~to be~~ **is** false or misleading.

(c) A person who violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 94. IC 7.1-5-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. ~~Delivery to Non-Consignee Prohibited.~~ **(a)** It is unlawful for a person to present or tender for transportation to a carrier or a person acting or assuming to act for a carrier an alcoholic beverage:

(1) for delivery to a person other than the consignee designated by the person offering the alcoholic beverage for shipment; or

(2) for the purpose of effecting a delivery of the alcoholic beverage to a person not permitted to receive it as consignee:

(A) under the provisions of this title; ~~or~~

(B) under the provisions of a rule ~~and regulation~~ of the commission; or

(C) ~~to a~~ **because the** person **is** not the bona fide consignee of the shipment.

(b) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 95. IC 7.1-5-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. ~~Violation of Transportation Contract Prohibited.~~ **(a)** It is unlawful for a carrier or a person acting or assuming to act for a carrier, to deliver an alcoholic beverage in this state to a person, or at a place, other than the person, or place, or both, designated in the bill of lading or transportation contract.

(b) It is unlawful ~~also,~~ for a person to accept for transportation a shipment containing an alcoholic beverage, knowing that the shipment is intended for a person not permitted to receive it under the provisions of this title, or ~~of~~ **under** a rule ~~or regulation~~ of the commission.

(c) A person who knowingly or intentionally violates subsection (a), or who violates subsection (b), commits a

Class B misdemeanor.

SECTION 96. IC 7.1-5-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10. ~~Transportation of Liquor Limited.~~ **(a) This section applies only if the commission has adopted a rule requiring a mark or label of identification to be displayed on the outside of a package containing liquor.**

(b) It is unlawful for a person to transport liquor or cause it to be transported upon a public highway into this state from another state, territory, or country, or to transport or cause it to be transported along or over a public highway in this state, unless there is displayed on the outside of the package, in plain view, a mark or label of identification ~~as the commission, by rule or regulation, may require.~~ **required by a rule adopted by the commission.**

(c) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 97. IC 7.1-5-11-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 11. ~~Bill of Lading Required.~~ **(a)** It is unlawful for a person to transport into this state upon a public highway of this state, an alcoholic beverage from another state, territory, or country, unless the person accompanying, or in charge of the shipment, ~~shall have~~ **has** present and available for exhibition:

(1) a bill of lading; or

(2) other evidence of ownership or shipment ~~as~~ **authorized by a rule adopted by** the commission. ~~by rule or regulation, may require.~~

(b) It is unlawful ~~also,~~ for a person to refuse to exhibit, or permit to be read or examined, the bill of lading or other evidence of ownership or shipment upon a lawful demand of the chairman, or of a police officer of the state, or of a governmental subdivision of it.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 98. IC 7.1-5-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. ~~Use of Highway for Evasion Prohibited.~~ **(a)** It is unlawful for a person to use or employ a public highway in this state ~~for the purpose~~ **with the intent** of evading a provision of this title.

(b) A person who violates this section commits a Class B misdemeanor.

SECTION 99. IC 7.1-5-11-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. ~~Keeping of Record Required.~~ **(a)** A railroad company, an express company, and a common carrier shall keep in the office at which delivery of an alcoholic beverage to a consignee is made, a separate record in which shall be entered the information required by this title for the shipment of an alcoholic beverage.

(b) This record shall be open to the inspection of the chairman.

(c) ~~It is unlawful for~~ An agent, officer, or employee of a railroad company, express company, or common carrier ~~to violate a provision of~~ **who knowingly or intentionally violates** this section **commits a Class B misdemeanor.**

SECTION 100. IC 7.1-5-11-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. ~~False Statement Prohibited.~~ **(a)** It is unlawful for a person to make a false statement to a railroad, express, or transportation company for the purpose of obtaining an alcoholic beverage.

(b) It is unlawful ~~also,~~ for a person to make a false statement to a person engaged in the business of transporting goods, wares, and merchandise for the purpose of obtaining the shipment, transportation, or delivery of an alcoholic beverage.

(c) A person who knowingly or intentionally violates subsection (a) or (b) commits a Class B misdemeanor.

SECTION 101. IC 7.1-5-11-15, AS AMENDED BY P.L.165-2006, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. ~~It is unlawful for a person to import or transport an alcoholic beverage that is not at that time the absolute property of an authorized permittee under this title.~~ **(a)** This section ~~shall~~ **does** not apply to the shipment of an alcoholic beverage from another state in continuous transit through this state into another state unless the shipment is intended to evade a provision of this title.

(b) This section ~~shall~~ **does** not prohibit a person, other than **a** permittee, from bringing into this state a quantity of:

(1) wine not exceeding eighteen (18) liters; or

(2) liquor not exceeding one (1) quart;

if the person is a traveler in the ordinary course of travel and if it is not intended for sale to another person.

(c) It is unlawful for a person to import or transport an alcoholic beverage that is not at that time the absolute property of an authorized permittee under this title.

(d) A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 102. IC 7.1-5-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 16. ~~Transportation on Sunday Prohibited.~~ It is a Class C misdemeanor for a person to **knowingly or intentionally** deliver or transport an alcoholic beverage to the holder of a retailer's or dealer's permit of any type, except a temporary beer or wine permit, on Sunday.

SECTION 103. IC 9-24-18-8 IS REPEALED [EFFECTIVE JULY 1, 2014]. ~~Sec. 8. (a) The bureau shall suspend for a mandatory period of at least ninety (90) days the current driving license or permit of a person who:~~

~~(1) uses or has possession of a driving license or permit of another person with the intent to violate or evade or to attempt to violate or evade any provision of law relating to the sale, purchase, use, or possession of alcoholic beverages; or~~

~~(2) is convicted of the offenses listed in IC 7.1-5-7-1(b) or IC 7.1-5-7-10.~~

~~(b) The mandatory suspension provided by this section is in addition to all other sanctions provided by section 7 of this chapter and IC 9-30-4-9.~~

SECTION 104. IC 9-24-18-12.2, IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 12.2 Upon receipt of a court order under IC 7.1-5-7-7 (minor consuming or transporting alcohol), the bureau shall suspend the minor's driving privileges for the period ordered by the court. If the court fails to recommend a fixed term of suspension, or recommends a fixed term that is less than the minimum term required by statute, the bureau shall impose the minimum period of suspension required under IC 7.1-5-7.**

SECTION 105. IC 35-51-7-1, AS AMENDED BY P.L.6-2012, SECTION 237, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. The following statutes define crimes in IC 7.1:

IC 7.1-3-10-10 (Concerning liquor dealer's permits).

IC 7.1-3-26-5 (Concerning direct wine seller's permits).

IC 7.1-3-26-6 (Concerning direct wine seller's permits).

IC 7.1-3-26-10 (Concerning farm winery brandy distiller's permits).

~~IC 7.1-3-26-15 (Concerning direct wine seller's permits).~~

IC 7.1-3-27-3 (Concerning artisan distiller's permits).

IC 7.1-3-27-8 (Concerning artisan distiller's permits).

IC 7.1-3-27-9 (Concerning artisan distiller's permits).

IC 7.1-3-27-10 (Concerning artisan distiller's permits).

IC 7.1-3-27-11 (Concerning artisan distiller's permits).

IC 7.1-3-27-12 (Concerning artisan distiller's permits).

IC 7.1-3-27-13 (Concerning artisan distiller's permits).

IC 7.1-3-27-14 (Concerning artisan distiller's permits).

IC 7.1-3-27-15 (Concerning artisan distiller's permits).

IC 7.1-5-1-1 (Concerning alcohol).

IC 7.1-5-1-3 (Concerning public intoxication).

IC 7.1-5-1-6 (Concerning public intoxication).

~~IC 7.1-5-1-8 (Concerning alcohol).~~

~~IC 7.1-5-1-9 (Concerning alcohol).~~
~~IC 7.1-5-1-9.5 (Concerning alcohol).~~
IC 7.1-5-1-12 (Concerning alcohol).
IC 7.1-5-2-3 (Concerning signs).
IC 7.1-5-2-7 (Concerning signs).
IC 7.1-5-3-1 (Concerning containers).
IC 7.1-5-3-2 (Concerning containers).
IC 7.1-5-3-4 (Concerning containers).
IC 7.1-5-4-1 (Concerning alcohol).
IC 7.1-5-4-3 (Concerning alcohol).
IC 7.1-5-4-5 (Concerning permits).
IC 7.1-5-4-6 (Concerning alcohol).
IC 7.1-5-5-2 (Concerning permits).
IC 7.1-5-5-3 (Concerning permits).
IC 7.1-5-5-7 (Concerning discounts).
IC 7.1-5-5-9 (Concerning agreements).
IC 7.1-5-5-10 (Concerning gifts).
IC 7.1-5-5-11 (Concerning rebates).
IC 7.1-5-5-12 (Concerning athletics).
IC 7.1-5-6-1 (Concerning alcohol).
IC 7.1-5-6-2 (Concerning sales).
IC 7.1-5-6-3 (Concerning sales).
IC 7.1-5-6-4 (Concerning permits).
IC 7.1-5-7-1 (Concerning alcohol).
IC 7.1-5-7-2 (Concerning alcohol).
IC 7.1-5-7-7 (Concerning alcohol).
IC 7.1-5-7-8 (Concerning alcohol).
IC 7.1-5-7-10 (Concerning alcohol).
IC 7.1-5-7-12 (Concerning alcohol).
IC 7.1-5-7-14 (Concerning alcohol).
IC 7.1-5-8-1 (Concerning alcohol and tobacco).
IC 7.1-5-8-3 (Concerning alcohol).
IC 7.1-5-8-4 (Concerning sales).
IC 7.1-5-8-5 (Concerning alcohol).
IC 7.1-5-8-6 (Concerning alcohol).
IC 7.1-5-8-9 (Concerning sales).
IC 7.1-5-9-1 (Concerning interests).
IC 7.1-5-9-2 (Concerning interests).
IC 7.1-5-9-3 (Concerning interests).
IC 7.1-5-9-4 (Concerning interests).
IC 7.1-5-9-6 (Concerning interests).
IC 7.1-5-9-7 (Concerning interests).
IC 7.1-5-9-8 (Concerning permits).
IC 7.1-5-9-9 (Concerning interests).
IC 7.1-5-9-10 (Concerning interests).
IC 7.1-5-9-13 (Concerning interests).
IC 7.1-5-9-14 (Concerning sales).
IC 7.1-5-9-15 (Concerning questionnaires).
IC 7.1-5-10-1 (Concerning sales).
IC 7.1-5-10-2 (Concerning sales).
IC 7.1-5-10-3 (Concerning sales).
IC 7.1-5-10-4 (Concerning sales).
IC 7.1-5-10-5 (Concerning sales).
IC 7.1-5-10-6 (Concerning sales).
IC 7.1-5-10-8 (Concerning solicitation).
IC 7.1-5-10-9 (Concerning sales).
IC 7.1-5-10-10 (Concerning alcohol).
IC 7.1-5-10-11 (Concerning sales).
IC 7.1-5-10-12 (Concerning sales).
IC 7.1-5-10-13 (Concerning sales).
IC 7.1-5-10-15 (Concerning sales).
IC 7.1-5-10-17 (Concerning sales).
IC 7.1-5-10-20 (Concerning sales).
IC 7.1-5-10-21 (Concerning alcohol).
IC 7.1-5-10-22 (Concerning sales).
IC 7.1-5-10-23 (Concerning alcohol).
IC 7.1-5-11-1 (Concerning importation).
IC 7.1-5-11-1.5 (Concerning importation).
IC 7.1-5-11-2 (Concerning transportation).
IC 7.1-5-11-3 (Concerning transportation).
IC 7.1-5-11-4 (Concerning delivery).
IC 7.1-5-11-5 (Concerning alcohol).
IC 7.1-5-11-6 (Concerning transportation).
IC 7.1-5-11-7 (Concerning shipments).
IC 7.1-5-11-8 (Concerning transportation).
IC 7.1-5-11-9 (Concerning transportation).
IC 7.1-5-11-10 (Concerning transportation).
IC 7.1-5-11-11 (Concerning transportation).
IC 7.1-5-11-12 (Concerning transportation).
IC 7.1-5-11-13 (Concerning recordkeeping).
IC 7.1-5-11-14 (Concerning false statements).
IC 7.1-5-11-15 (Concerning transportation).
IC 7.1-5-11-16 (Concerning alcohol).

(Reference is to ESB 236 as reprinted February 18, 2014.)

R. MICHAEL YOUNG	STEUERWALD
RANDOLPH	PIERCE
Senate Conferees	House Conferees

Roll Call 520: yeas 98, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 321–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 321 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-24-3-17, AS ADDED BY P.L.280-2013, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17. (a) The department shall assign a school corporation identification number for each ~~charter school established under this chapter.~~ **organizer granted a charter.**

(b) If an organizer assigned a school corporation identification number under subsection (a) consists of more than one (1) charter school, the department shall assign each charter school a separate school identification number.

~~(b)~~ **(c)** If ~~a charter school~~ **an organizer** assigned a school corporation identification number under subsection ~~(a)~~ **(b)** consists of more than one (1) campus, the department shall assign each ~~charter school~~ campus ~~in addition to the school corporation identification number under subsection (a),~~ a separate school identification number.

SECTION 2. IC 20-24-5-5, AS AMENDED BY P.L.91-2011, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) Except as provided in subsections (b), (c), and (d), a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission. The organizer must determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by random drawing in a public meeting.

(c) A charter school may limit new admissions to the charter school to:

(1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years; ~~and~~

(2) ensure that a student who attends a charter school during a school year may continue to attend a different charter school held by the same organizer in subsequent years; and

~~(2)~~ **(3)** allow the siblings of a student who attends a charter school **or a charter school held by the same organizer** to attend the **same** charter school **the student is attending.**

(d) This subsection applies to an existing school that converts to a charter school under IC 20-24-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

(1) those students who were enrolled in the charter school on the date of the conversion; and

(2) siblings of students described in subdivision (1).

SECTION 3. IC 20-24-7-1, AS ADDED BY P.L.1-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The organizer is the fiscal agent for the charter school.

(b) The organizer has exclusive control of:

(1) funds received by the charter school; and

(2) financial matters of the charter school.

(c) **The organizer shall maintain accounts of all funds received and disbursed by the organizer.** The organizer shall maintain separate accountings of all funds received and disbursed by ~~the~~ **each** charter school **it holds.**

(d) Notwithstanding IC 20-43, an organizer that operates more than one (1) charter school may file, before July 1, 2014, a notice with the department that the organizer desires to receive the tuition support distributions for the state fiscal year beginning July 1, 2014, for all the charter schools the organizer operates. After the organizer's authorizer or authorizers verify to the department that the organizer operates the charter schools, the department shall distribute the tuition support for the verified charter schools to the organizer. The organizer may distribute the tuition support distribution it receives to each charter school it operates in the amounts determined by the organizer. However, an organizer that receives money from the state under this subsection may not use any of the money received for expenses incurred outside Indiana that are not directly related to the charter school the organizer operates in Indiana.

(e) Organizers receiving tuition support under this section may submit a consolidated audit in accordance with guidelines established by the state examiner and submit any required financial reporting to the department in a manner prescribed by the state examiner. The state examiner shall establish guidelines and prescribe reporting requirements for organizers under this section that are consistent with generally accepted accounting principles (GAAP) and the needs of the department.

SECTION 4. IC 20-31-8-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 7. If the state board adopts a rule to assign a category or designation of school improvement to a school corporation, the state board shall also adopt a rule to assign a category or designation of school improvement to a charter school organizer.**

SECTION 5. **An emergency is declared for this act**.

(Reference is to ESB 321 as printed February 24, 2014.)

SCHNEIDER	BEHNING
KRUSE	THOMPSON
Senate Conferees	House Conferees

Roll Call 521: yeas 73, nays 25. Report adopted.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action: Engrossed House Bill 1380-01 and Engrossed Senate Bills 260-01 and 367-01.

TORR, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2014, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action: Engrossed House Bill 1380-01 and Engrossed Senate Bills 260-01 and 367-01.

TORR, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1380–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1380 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-10-23-5, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 5. As used in this chapter, "gross retail base period amount" means the aggregate amount of state gross retail and use taxes remitted under IC 6-2.5 by a taxpayer **during the full calendar year of 2012** with respect to its operations in a district. ~~during the full state fiscal year that precedes the date on which the commission adopts a resolution designating the district.~~

SECTION 2. IC 4-10-23-6, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 6. As used in this chapter, "gross retail incremental amount" means the remainder of:

(1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by a taxpayer **during a calendar year** with respect to its operations in a district; ~~during a state fiscal year;~~ minus

(2) the gross retail base period amount.

SECTION 3. IC 4-10-23-7, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 7. As used in this chapter, "income tax base period amount" means the aggregate amount of state adjusted gross income taxes paid **or remitted** by or on behalf of a taxpayer **during the calendar year of 2012** with respect to income earned or attributable to the taxpayer's activities in the district. ~~for the state fiscal year that precedes the date on which the commission adopts a resolution designating the district.~~

SECTION 4. IC 4-10-23-8, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 8. As used in this chapter, "income tax incremental amount" means the remainder of:

(1) the aggregate amount of state adjusted gross income taxes paid **or remitted during a calendar year** with respect to income earned or attributable to the taxpayer's activities in the district; minus

(2) the income tax base period amount.

SECTION 5. IC 4-10-23-10, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 10. (a) Before the first business day in October of each year, the department of state revenue shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding ~~state fiscal~~ **calendar** year for the district.

(b) Businesses operating in the district shall report, in the manner and in the form prescribed by the department of state revenue, information that the department determines necessary to calculate incremental gross retail, use, and income taxes.

(c) It is the intent of this section to identify all sales, use, and income taxes of all taxpayers that are apportionable to the taxpayer's activities in the district. This section shall be broadly construed by the department of state revenue in order to achieve the purposes of IC 5-1-17.5.

SECTION 6. IC 4-10-23-11, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 11. Before the first business day in November of each year, the department of state revenue shall determine the sum of the following amounts for the preceding ~~state fiscal~~ **calendar** year for the district:

(1) The income tax incremental amount.

(2) The gross retail incremental amount.

(3) The amount of admissions fees deposited in the state general fund under IC 6-8-14.

SECTION 7. IC 4-10-23-12, AS ADDED BY P.L.233-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 12. The department of state revenue shall **annually** notify the Indiana finance authority, the commission, the budget agency, and the owner or owners of a qualified motorsports facility of **the sum of:**

(1) the amount determined under section 11 of this chapter; **and**

(2) the amount reverted to the state general fund from the motorsports facility fund established under IC 5-1-17.5-30.5;

which ~~amount~~ **sum** shall be credited to the obligations of the owner or owners of a qualified motorsports facility in accordance with the provisions of IC 5-1-17.5.

SECTION 8. IC 5-1-17.5-30.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: **Sec. 30.5. (a) If a motorsports investment district is established under this chapter, the commission shall establish a motorsports facility fund for the motorsports investment district.**

(b) During the term of the written agreement entered into by:

(1) the owner or owners of the qualified motorsports facility;

(2) the authority; and

(3) the commission;

the commission shall, in each state fiscal year, deposit in the motorsports facility fund two million dollars ($2,000,000) solely from payments established under section 37(f)(1) of this chapter.

(c) Subject to subsection (d), the commission shall request that the general assembly make an appropriation to the commission in each state fiscal year in which the written agreement described in subsection (b) is in effect. The amount of the requested appropriation must be equal to the amount that the commission is required to deposit into the motorsports facility fund under subsection (b) for that state fiscal year. An appropriation made to the commission under this subsection:

(1) must be deposited in the motorsports investment district fund established under section 30 of this chapter; and

(2) is in addition to an amount appropriated under section 30 of this chapter.

(d) The commission may not request an appropriation under subsection (c) after the earlier of:

(1) the date specified in section 30(c)(1) of this chapter; or

(2) the date specified in section 30(c)(2) of this chapter.

(e) Money in the motorsports facility fund reverts to the state general fund on June 30 of each year.

SECTION 9. IC 5-1-17.5-37, AS ADDED BY P.L.233-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 15, 2013 (RETROACTIVE)]: Sec. 37. (a) Subject to subsection (f), the authority may issue bonds for the purpose of obtaining money to pay the cost of improving, constructing, reconstructing, renovating, acquiring, or equipping improvements within a qualified motorsports facility.

(b) The terms and form of the bonds must be set out either in the resolution or in a form of trust indenture approved by the resolution.

(c) The bonds must mature within twenty (20) years.

(d) The authority shall sell the bonds at public or private sale upon the terms determined by the authority.

(e) All money received from any bonds issued under this chapter shall be applied to the payment of the cost of improving, constructing, reconstructing, renovating, acquiring, or equipping improvements within a qualified motorsports facility, or payment of the cost of refunding or refinancing outstanding bonds for which the bonds are issued. The cost may include:

(1) planning and development of the improvement and all buildings, facilities, structures, and improvements related to the improvement;

(2) acquisition of a site and clearing and preparing the site for construction;

(3) equipment, facilities, structures, and improvements that are necessary or desirable to make the capital improvement suitable for use and operations;

(4) architectural, engineering, consultant, and attorney's fees;

(5) incidental expenses in connection with the issuance and sale of bonds;

(6) reserves for principal and interest;

(7) interest during construction;

(8) financial advisory fees;

(9) insurance during construction;

(10) bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and

(11) in the case of refunding or refinancing, payment of the principal of, redemption premiums (if any) for, and interest on the bonds being refunded or refinanced.

(f) The authority may not issue bonds under this chapter unless:

(1) the owner or owners of the qualified motorsports facility, the authority, and the commission have entered into a written agreement concerning the terms of the financing of the improvements financed under this chapter, including the obligation of the owner or owners of the qualified motorsports facility to make payments in an amount equal to at least two million dollars ($2,000,000) in each state fiscal year to the commission for deposit in the motorsports ~~investment~~ **facility** fund during the term of the agreement;

(2) in connection with the issuance of such bonds, the authority has leased the equipment, structures, and capital improvements being financed with the proceeds of the

bonds to the commission under a lease under section 32 of this chapter, and the commission has entered into a sublease of such equipment, structures, and capital improvements with the owner or owners of the qualified motorsports facility. Such a sublease must include the terms described in sections 34(c) and 36(c) of this chapter; and

(3) as part of the written agreement concerning the terms of the financing of the improvements, the ultimate parent company of the qualified motorsports facility:

(A) guarantees the full and timely performance of all of the duties, responsibilities, and obligations of the qualified motorsports facility and the owner or owners of the qualified motorsports facility; and

(B) guarantees that if:

(i) the aggregate amount credited to the owner or owners of the qualified motorsports facility under IC 4-10-23-12 from income tax incremental amounts, gross retail incremental amounts, and admissions fees deposited in the state general fund under IC 6-8-14 during the thirty (30) years after the date of the adoption of the resolution establishing the motorsports improvement district; **plus**

(ii) the amounts deposited in the motorsports facility fund established under section 30.5 of this chapter;

is less than the aggregate of the amount of money appropriated to the commission and used to pay rent by the commission to the authority under any lease entered into between the authority and the commission under this chapter and any expenses that are incurred by the authority or the commission under this chapter and are not paid out of such rent, then the ultimate parent company will pay the difference to the commission.

(g) Each bond issued under this chapter must contain on its face a statement that neither the faith and credit nor the taxing power of the state is pledged to the payment of the principal of or the interest on the bond.

(h) In connection with the issuance of each series of bonds under this section, the authority (or its successor agency) and the public finance director shall be responsible for selecting all investment bankers, bond counsel, trustees, and financial advisors.

SECTION 10. IC 5-22-5-8, AS AMENDED BY P.L.148-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) This section does not apply to a political subdivision, except a school corporation (as defined in IC 20-18-2-16(a)).

(b) As used in this section, "blended biodiesel" ~~has the meaning set forth in IC 6-3.1-27-2.~~ **refers to a blend of biodiesel with petroleum diesel so that the percentage of biodiesel in the blend is at least two percent (2%) (B2 or greater). The term does not include biodiesel (B100).**

(c) As used in this section, "diesel fueled vehicle" refers to a vehicle that is capable of using diesel to fuel its primary motor.

(d) As used in this section, "ethanol" means agriculturally derived ethyl alcohol.

(e) As used in this section, "E85" has the meaning set forth in IC 6-6-1.1-103.

(f) As used in this section, "gasoline fueled vehicle" refers to a vehicle that is capable of using gasoline to fuel its primary motor.

(g) As used in this section "mid-level blend fuel" means a fuel blend consisting of:

(1) at least twenty percent (20%) but not more than seventy-three percent (73%) ethanol; and

(2) gasoline as the balance.

(h) As used in this section, "vehicle" includes the following:

(1) An automobile.

(2) A truck.

(3) A tractor.

(i) Except as provided by subsections (k) and (l), a governmental body shall whenever possible purchase mid-level blend fuel or E85 to fuel the gasoline fueled vehicles owned or operated by the governmental body.

(j) Except as provided by subsections (k) and (l), a governmental body shall whenever possible purchase blended biodiesel fuel to fuel the diesel fueled vehicles owned or operated by the governmental body.

(k) The following vehicles are exempt from the requirements of subsections (i) and (j):

(1) A vehicle that is leased by the governmental body for thirty (30) days or less.

(2) A vehicle that:

(A) is primarily powered by an electric motor; or

(B) can use only propane, compressed or liquified natural gas, or methanol as its fuel source.

(l) The following vehicles are exempt from the requirements of subsection (i) or (j), whichever is appropriate:

(1) A gasoline fueled vehicle in which the use of mid-level blend fuel or E85 has not been approved by the manufacturer.

(2) A diesel fueled vehicle in which the use of blended biodiesel fuel has not been approved by the manufacturer.

(3) A gasoline fueled vehicle in which the use of mid-level blend fuel is prohibited by the federal Clean Air Act (42 U.S.C. 7401 et seq.).

SECTION 11. IC 5-28-6-3 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 3. (a) The general assembly declares that the opportunity for the participation of underutilized small businesses, especially women and minority business enterprises, in the biodiesel and ethanol production industries is essential if social and economic parity is to be obtained by women and minority business persons and if the economy of Indiana is to be stimulated as contemplated by this section, IC 6-3.1-27, and IC 6-3.1-28. A recipient of a credit under this chapter is encouraged to purchase goods and services from underutilized small businesses, especially women and minority business enterprises.~~

~~(b) The definitions in IC 6-3.1-27 and IC 6-3.1-28 apply throughout this section. A term used in this section that is defined in both IC 6-3.1-27 and IC 6-3.1-28 refers to the term as defined in:~~

~~(1) IC 6-3.1-27 whenever this section applies to the certification of a person for a credit under IC 6-3.1-27; and~~

~~(2) IC 6-3.1-28 whenever this section applies to the certification of a person for a credit under IC 6-3.1-28.~~

~~In addition, as used in this section, "person" refers to a taxpayer or a pass through entity.~~

~~(c) As used in this section, "minority" means a member of a minority group (as defined in IC 4-13-16.5-1).~~

~~(d) As used in this section, "minority business enterprise" has the meaning set forth in IC 4-13-16.5-1.~~

~~(e) As used in this section, "women's business enterprise" has the meaning set forth in IC 4-13-16.5-1.3.~~

~~(f) A person that:~~

~~(1) begins construction of a facility or an expansion of a facility for the production of biodiesel, blended biodiesel, or ethanol in Indiana after February 28, 2005; and~~

~~(2) wishes to claim a tax credit with respect to that facility or the expansion of a facility under any combination of IC 6-3.1-27-8, IC 6-3.1-27-9, or IC 6-3.1-28-7;~~

~~must apply to the corporation for a determination of the person's eligibility for the tax credit.~~

~~(g) Subject to this section, the corporation shall issue to each qualifying applicant a certification that:~~

~~(1) certifies the person as eligible for the tax credits for which the person applied;~~

~~(2) identifies the facilities covered by the certification; and~~

~~(3) allocates to the person a credit under IC 6-3.1-27-8, IC 6-3.1-27-9, or IC 6-3.1-28-11.~~

~~(h) To qualify for certification under subsection (g), a person must do the following:~~

~~(1) Submit an application for the credit on the forms and in the manner prescribed by the corporation for the credit that is the subject of the application.~~

~~(2) Demonstrate through a business plan and other information presented to the corporation that the level of production proposed by the person is feasible and economically viable. In making a determination under this subdivision, the corporation shall consider:~~

~~(A) whether the person is sufficiently capitalized to complete the project;~~

~~(B) the person's credit rating;~~

~~(C) whether the person has sufficient technical expertise to build and operate a facility; and~~

~~(D) other relevant financial information as determined by the corporation.~~

~~(i) The corporation shall record the time of filing of each application submitted under this section. The corporation shall grant certifications under this section to qualifying applicants in the chronological order in which the applications for the same type of credit are filed until the maximum allowable credit for that type of credit is fully allocated.~~

~~(j) The corporation may terminate a certification or reduce an allocation of a credit granted under this section only if the corporation determines, after a hearing, that the person granted the certification or allocation has failed to:~~

~~(1) substantially comply with the business plan that is the basis for the certification or allocation; or~~

~~(2) submit the information needed by the corporation to determine whether the person has substantially complied with the business plan that is the basis of the certification or allocation.~~

~~If an allocation of a credit is terminated or reduced, the unused credit becomes available for allocation to other qualifying applicants in the chronological order in which the applications for the same type of credit are filed until the maximum allowable credit for that type of credit is fully allocated. The corporation may approve an amendment to a business plan or a transfer of a certificate of eligibility in conformity with the terms and conditions specified by the corporation in rules adopted by the corporation under IC 4-22-2.~~

~~(k) The corporation shall give the department of state revenue written notice of each action taken under this section.~~

SECTION 12. IC 5-28-28-4, AS AMENDED BY P.L.288-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 4. As used in this chapter, "tax credit" means a state tax liability credit under any of the following:

(1) IC 6-3.1-7.
(2) IC 6-3.1-13.
(3) IC 6-3.1-26.
~~(4) IC 6-3.1-27.~~
~~(5) IC 6-3.1-28.~~
~~(6)~~ **(4)** IC 6-3.1-30.
~~(7)~~ **(5)** IC 6-3.1-31.9.
~~(8) IC 6-3.1-33.~~

SECTION 13. IC 6-3-2-2.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 2.1. (a) This section applies only to taxable years beginning after December 31, 2013.**

(b) The following definitions apply throughout this section:

(1) "Qualified logistics services" means the provision of the warehousing, management, distribution, transportation, or other services on behalf of an unrelated party with respect to, but without taking title to, the qualified property of the unrelated party.

(2) "Qualified property" means legend drugs (as defined in IC 16-18-2-199), devices (as defined in IC 16-18-2-94), or medical supplies.

(3) "Qualified third party logistics provider" means an entity that:

(A) is licensed under IC 25-26-14;

(B) is certified by the Indiana economic development corporation under subsection (d); and

(C) provides qualified logistics services.

(4) "Unrelated party" means an entity that, with respect to a qualified third party logistics provider:

(A) is not a member of the same affiliated group within the meaning of IC 6-3-2-20(a)(1);

(B) is not related within the meaning of Section 267 of the Internal Revenue Code; and

(C) is not related within the meaning of Section 707(b) of the Internal Revenue Code.

(c) Notwithstanding any other provision of this article, with respect to an entity that has contracted with a qualified third party logistics provider for qualified logistics services, the:

(1) ownership or leasing by that entity of tangible or intangible property located at the Indiana premises of the qualified third party logistics provider;

(2) sale by that entity of qualified property shipped or distributed from the Indiana premises of the qualified third party logistics provider;

(3) activities of any kind performed by or on behalf of that entity at the Indiana premises of the qualified third party logistics provider; and

(4) activities performed by the qualified third party logistics provider in Indiana for or on behalf of that entity;

shall not cause that entity to have adjusted gross income derived from sources within Indiana for purposes of the taxes imposed by this chapter, unless that entity engages in other activities in Indiana away from the premises of the qualified third party logistics provider that exceed the protection of 15 U.S.C. 381.

(d) The Indiana economic development corporation shall develop and administer a program through which it certifies logistics providers as qualified third party logistics providers.

(e) This section expires January 1, 2016.

SECTION 14. IC 6-3.1-1-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 4. Except as otherwise expressly provided, a taxpayer may carry forward any unused tax credit from a prior taxable year to a taxable year that begins after the repeal of the statute that provided the tax credit. However, any limits on:**

(1) the amount carried forward; or

(2) the number of years to which an unused tax credit may be carried forward;

apply to any part of a tax credit carried forward under this section as if the statute allowing the unused tax credit to be carried forward had not been repealed.

SECTION 15. IC 6-3.1-1-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 5. (a) As used in this section, "qualified taxpayer" means a taxpayer whose proposed costs to build or refurbish a riverboat are certified before January 1, 2015, as qualified investments under IC 6-3.1-17 (before its repeal) by the Indiana economic development corporation.**

(b) A qualified taxpayer may claim a tax credit for the taxable year in which the qualified investment described in subsection (a) is made regardless of whether the qualified investment is made in a taxable year beginning after December 31, 2014, as if IC 6-3.1-17 had not been repealed.

(c) To receive the credit allowed under this section, a

qualified taxpayer must claim the credit on the qualified taxpayer's state tax return or returns in the manner prescribed by the department. The qualified taxpayer shall submit to the department the certification of credit by the Indiana economic development corporation, proof of payment of the certified qualified investment, and all information that the department determines is necessary for the calculation of the credit provided under IC 6-3.1-17 (before its repeal) and for the determination of whether an investment cost is a qualified investment cost.

(d) The amount of tax credits allowed under this section may not exceed one million dollars ($1,000,000) in a state fiscal year.

(e) The department shall record the time of filing of each application for allowance of a credit under subsection (c) and shall approve the applications, if they otherwise qualify for a tax credit under IC 6-3.1-17 (before its repeal), in the chronological order in which the applications are filed in the state fiscal year.

(f) When the total credits approved under this section equal the maximum amount allowable in a state fiscal year, no application thereafter filed for that same fiscal year shall be approved. However, if an applicant for whom a credit has been approved fails to file the statement of proof of payment required under subsection (c), an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

SECTION 16. IC 6-3.1-6 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (Prison Investment Credits).

SECTION 17. IC 6-3.1-17 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (Indiana Riverboat Building Credit).

SECTION 18. IC 6-3.1-23 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (Voluntary Remediation Tax Credit).

SECTION 19. IC 6-3.1-27 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (Blended Biodiesel Tax Credits).

SECTION 20. IC 6-3.1-28 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (Ethanol Production Tax Credit).

SECTION 21. IC 6-3.1-31.5 IS REPEALED [EFFECTIVE JULY 1, 2014]. (Energy Savings Tax Credit).

SECTION 22. IC 6-3.1-33 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. (New Employer Tax Credit).

SECTION 23. IC 6-3.5-7-8.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 8.1. (a) This section applies to a taxable year beginning after December 31, 2014.**

(b) Except as provided in subsection (c), if for a particular taxable year a county taxpayer is liable for an income tax imposed by a county, city, town, or other local governmental entity located outside Indiana, that county taxpayer is entitled to a credit against the county taxpayer's county economic development income tax liability for that same taxable year. The amount of the credit equals the amount of tax imposed by the other governmental entity on income derived from sources outside Indiana and subject to the county economic development income tax. However, the credit provided by this section may not reduce a county taxpayer's economic development income tax liability to an amount less than would have been owed if the income subject to taxation by the other governmental entity had been ignored.

(c) The credit provided by this section does not apply to a county taxpayer to the extent that the other governmental entity described in subsection (b) provides for a credit to the taxpayer for the amount of county economic development income taxes owed under this chapter.

(d) To claim the credit provided by this section, a county taxpayer must provide the department with satisfactory evidence that the county taxpayer is entitled to the credit.

SECTION 24. IC 6-6-2.5-28, AS AMENDED BY P.L.277-2013, SECTION 10, AND AS AMENDED BY P.L.158-2013, SECTION 95, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 28. (a) A license tax of sixteen cents ($0.16) per:

(1) gallon;

(2) diesel gallon equivalent (as defined in IC 6-6-4.1-1(f)), in the case of a special fuel that is liquid natural gas; or

(3) gasoline gallon equivalent (as defined in IC 6-6-4.1-1(g)), in the case of a special fuel that is compressed natural gas; ~~or a fuel commonly or commercially known or sold as butane or propane;~~

is imposed on all special fuel sold or used in producing or generating power for propelling motor vehicles except fuel used under section 30(a)(8) or 30.5 of this chapter. The tax shall be paid at those times, in the manner, and by those persons specified in this section and section 35 of this chapter.

(b) The department shall consider it a rebuttable presumption that all undyed or unmarked special fuel, or both, received in Indiana is to be sold for use in propelling motor vehicles.

(c) Except as provided in subsection (d), the tax imposed on special fuel by subsection (a) shall be measured by invoiced gallons *(or diesel or gasoline gallon equivalents in the case of a special fuel described in subsection (a)(2) or (a)(3))* of nonexempt special fuel received by a licensed supplier in Indiana for sale or resale in Indiana or with respect to special fuel subject to a tax precollection agreement under section 35(d) of this chapter, such special fuel removed by a licensed supplier from a terminal outside of Indiana for sale for export or for export to Indiana and in any case shall generally be determined in the same manner as the tax imposed by Section 4081 of the Internal Revenue Code and Code of Federal Regulations.

(d) The tax imposed by subsection (a) on special fuel imported into Indiana, other than into a terminal, is imposed at the time the product is entered into Indiana and shall be measured by invoiced gallons received at a terminal or at a bulk plant.

(e) In computing the tax, all special fuel in process of transfer from tank steamers at boat terminal transfers and held in storage pending wholesale bulk distribution by land transportation, or in tanks and equipment used in receiving and storing special fuel from interstate pipelines pending wholesale bulk reshipment, shall not be subject to tax.

(f) The department shall consider it a rebuttable presumption that special fuel consumed in a motor vehicle plated for general highway use is subject to the tax imposed under this chapter. A person claiming exempt use of special fuel in such a vehicle must maintain adequate records as required by the department to document the vehicle's taxable and exempt use.

(g) A person that engages in blending fuel for taxable sale or use in Indiana is primarily liable for the collection and remittance of the tax imposed under subsection (a). The person shall remit the tax due in conjunction with the filing of a monthly report in the form prescribed by the department.

(h) A person that receives special fuel that has been blended for taxable sale or use in Indiana is secondarily liable to the state for the tax imposed under subsection (a).

(i) A person may not use special fuel on an Indiana public highway if the special fuel contains a sulfur content that exceeds five one-hundredths of one percent (0.05%). A person who knowingly:

(1) violates; or

(2) aids or abets another person to violate;

this subsection commits a Class A infraction. However, the violation is a Class A misdemeanor if the person has committed one (1) prior unrelated violation of this subsection, and a ~~*Class D*~~ *Level 6 felony* if the person has committed more than one (1) unrelated violation of this subsection.

SECTION 25. IC 6-8.1-4-4, AS AMENDED BY P.L.176-2006, SECTION 6, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The department shall establish a registration center to service owners of commercial motor vehicles.

(b) The registration center is under the supervision of the department through the motor carrier services division.

(c) An owner or operator of a commercial motor vehicle may apply to the registration center for the following:

(1) Vehicle registration (IC 9-18).

(2) Motor carrier fuel tax annual permit.

(3) Proportional use credit certificate (IC 6-6-4.1-4.7).

(4) Certificate of operating authority.

(5) Oversize vehicle permit (IC 9-20-3).

(6) Overweight vehicle permit (IC 9-20-4).

(7) Payment of the commercial vehicle excise tax imposed under IC 6-6-5.5.

(d) The commissioner may deny an application described in subsection (c) if the applicant fails to do any of the following with respect to a listed tax:

(1) File all tax returns or information reports.

(2) Pay all taxes, penalties, and interest.

(e) The commissioner may:

(1) deny an application for an oversize vehicle permit, an overweight vehicle permit, or a single oversize-overweight permit; or

(2) suspend any permit issued to a person;

if the applicant or permit holder is delinquent in paying escort fees to the state police department.

~~(e)~~ **(f)** The commissioner may suspend or revoke any registration, permit, certificate, or authority if the person to whom the registration, permit, certificate, or authority is issued fails to do any of the following with respect to a listed tax:

(1) File all tax returns or information reports.

(2) Pay all taxes, penalties, and interest.

~~(f)~~ **(g)** Funding for the development and operation of the registration center shall be taken from the motor carrier regulation fund (IC 8-2.1-23-1).

~~(g)~~ **(h)** The department shall recommend to the general assembly other functions that the registration center may perform.

SECTION 26. IC 6-8.1-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. (a) **This subsection does not apply to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return.** If a person responsible for filing a tax return is unable to file the return by the appropriate due date, ~~he~~ **the person** may petition the department, before that due date, for a filing extension. ~~The person must include with the petition a payment of at least ninety percent (90%) of the tax that is reasonably expected to be due on the due date.~~ When the department receives the petition, ~~and the payment,~~ the department shall grant the person a sixty (60) day extension.

(b) If a person responsible for filing a tax return has received an extension of the due date and is still unable to file the return by the extended due date, ~~he~~ **the person** may petition the department for another extension. The person must include in the petition a statement of the reasons for ~~his~~ **the person's** inability to file the return by the due date. If the department finds that the person's petition is proper and that the person has good cause for requesting the extension, the department may extend the person's due date for any period that the department deems reasonable under the circumstances. The department may allow additional, successive extensions if the person properly petitions for the extension before the end of ~~his~~ **the person's** current extension period.

(c) **The following apply only to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return:**

(1) If the Internal Revenue Service allows a person an extension on ~~his~~ **the person's** federal income tax return, the corresponding due dates for the person's Indiana income tax returns are automatically extended for the same period as the federal extension, plus thirty (30) days.

(2) If a person petitions the department for a filing extension for the person's Indiana adjusted gross income tax return or financial institutions tax return without obtaining an extension for filing the person's federal income tax return, the department shall extend the person's due date for the person's Indiana adjusted gross income tax return or financial institutions tax return for the same period that the person would have been allowed under subdivision (1) if the person had been granted an extension by the Internal Revenue Service.

(d) A person submitting a petition for an extension under this section is not required to include any payment of tax with the petition. However, ~~the~~ **a** person **obtaining an extension under this section** must pay at least ninety percent (90%) of the ~~Indiana income~~ tax that is reasonably expected to be due on the original due date by that due date, or ~~he~~ **the person** may be subject to the penalties imposed for failure to pay the tax.

~~(d)~~ **(e)** Any tax that remains unpaid during an extension period accrues interest at a rate established under IC 6-8.1-10-1 from the original due date, but that tax will not accrue any late payment penalties until the extension period has ended. **Any penalties must be determined based on the amount of tax not paid on or before the end of the extension period after application of payments provided under IC 6-8.1-8-1.5 and determined as of the deadline of the extension period.**

SECTION 27. IC 6-9-2-4, AS AMENDED BY P.L.172-2011, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The bureau may:

(1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions that the bureau considers necessary and desirable;

(2) sue and be sued;

(3) enter into contracts and agreements;

(4) make rules necessary for the conduct of its business and the accomplishment of its purposes;

(5) receive and approve, alter, or reject requests and proposals for funding by corporations qualified under subdivision (6);

(6) after its approval of a proposal, transfer money from any fund established by the bureau, the promotion fund, or the alternate revenue fund to any Indiana nonprofit corporation to promote and encourage conventions, trade shows, visitors, or special events in the county;

(7) require financial or other reports from any corporation that receives funds under this chapter;

(8) enter into leases under IC 36-1-10 for the construction, acquisition, and equipping of a visitor center; and

(9) exercise the power of eminent domain to acquire property to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county.

(b) All expenses of the bureau shall be paid from funds established by the bureau. Before December 20 of each year, the bureau shall prepare a budget for expenditures during the following year, taking into consideration the recommendations made by a corporation qualified under subsection (a)(6) A budget prepared under this section must be:

(1) submitted to the department of local government finance;

(2) published on the department's interactive and searchable Internet web site containing local government information (the Indiana gateway for governmental units); and

(3) placed on file with the county auditor.

(c) All money in the bureau's funds shall be deposited, held, secured, invested, and paid in accordance with statutes relating to the handling of public funds. The handling and expenditure of

money in the bureau's funds are subject to audit and supervision by the state board of accounts.

SECTION 28. IC 6-9-2.5-7.5, AS AMENDED BY P.L.176-2009, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7.5. (a) The county treasurer shall establish a tourism capital improvement fund.

(b) The county treasurer shall deposit money in the tourism capital improvement fund as follows:

(1) Before January 1, ~~2015,~~ **2020,** the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a three and one-half percent (3.5%) rate.

(2) After December 31, ~~2014,~~ **2019,** the county treasurer shall deposit in the tourism capital improvement fund the amount of money received under section 6 of this chapter that is generated by a four and one-half percent (4.5%) rate.

(c) The commission may transfer money in the tourism capital improvement fund to:

(1) the county government, a city government, or a separate body corporate and politic in a county described in section 1 of this chapter; or

(2) any Indiana nonprofit corporation;

for the purpose of making capital improvements in the county that promote conventions, tourism, or recreation. The commission may transfer money under this section only after approving the transfer. Transfers shall be made quarterly or less frequently under this section.

SECTION 29. IC 6-9-2.5-7.7, AS AMENDED BY P.L.176-2009, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7.7. (a) The county treasurer shall establish a convention center operating fund.

(b) Before January 1, ~~2015,~~ **2020,** the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a two percent (2%) rate. Money in the fund must be expended for the operating expenses of a convention center.

(c) After December 31, ~~2014,~~ **2019,** the county treasurer shall deposit in the convention center operating fund the amount of money received under section 6 of this chapter that is generated by a one percent (1%) rate. Money in the fund must be expended for the operating expenses of a convention center with the unused balance transferred on January 1 of each year to the tourism capital improvement fund.

SECTION 30. IC 8-22-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4.5. (a) "Aviation related property or facilities" means those properties or facilities that are utilized by a lessee, or a lessee's assigns, who provides services or accommodations:

(1) for scheduled or unscheduled air carriers and air taxis, and their passengers, air cargo operations, and related ground transportation facilities;

(2) for fixed based operations;

(3) for general aviation or military users; and

(4) as aviation **manufacturing, assembly, research and development, or** maintenance and repair facilities.

(b) The term includes any property leased to the United States, or its agencies or instrumentalities, and any leased property identified as clear zones, ~~avigation~~ **aviation** easements, safety and transition areas, as defined by the Federal Aviation Administration.

SECTION 31. IC 9-29-5-42, AS AMENDED BY P.L.107-2008, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 42. (a) Except as provided in subsection ~~(c),~~ **(d),** vehicles not subject to IC 9-18-2-8 or IC 9-18-2-8.5 shall be registered at one-half (1/2) of the regular rate, subject to IC 9-18-2-7, if the vehicle is registered after July 31 of any year. This subsection does not apply to the following:

(1) Special machinery.

(2) Semitrailers registered on a five (5) year or permanent basis under IC 9-18-10-2.

(3) An implement of agriculture designed to be operated primarily on a highway.

(b) Except as provided in subsection ~~(c),~~ **(d),** subsection (a), and IC 9-18-2-7 determine the registration fee for the registration of a vehicle subject to registration under IC 9-18-2-8(c) and acquired by an owner subsequent to the date required for the annual registration of vehicles by an owner set forth in IC 9-18-2-8.

(c) Except as provided in subsections (d) and (e), if the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration, the department of state revenue shall collect the full annual fee for vehicles in a commercial fleet registering with the department of state revenue, regardless of the date the vehicle is registered. Any vehicles registered with the department of state revenue under this subsection after the date designated for registration shall be registered at a rate determined in STEP THREE of subsection (e).

~~(c)~~ **(d)** Subject to subsection ~~(d),~~ **(e),** a vehicle subject to the International Registration Plan that is registered after September 30 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before April 1 of the following year beginning with the date of registration. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

~~(d)~~ **(e)** If the department of state revenue adopts rules under IC 9-18-2-7 to implement staggered registration for motor vehicles subject to the International Registration Plan, a motor vehicle subject to the International Registration Plan that is registered after the date designated for registration of the motor vehicle in rules adopted under IC 9-18-2-7 shall be registered at a rate determined by the following formula:

STEP ONE: Determine the number of months before the motor vehicle must be re-registered. A partial month shall be rounded to one (1) month.

STEP TWO: Multiply the STEP ONE result by one-twelfth (1/12).

STEP THREE: Multiply the annual registration fee for the vehicle by the STEP TWO result.

~~(e)~~ **(f)** A school bus subject to registration under IC 9-18-2-8.5 that is registered after January 31 for the prior calendar year shall be registered at one-half (1/2) the regular rate.

SECTION 32. IC 21-31-9-3, AS ADDED BY P.L.148-2009, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 3. (a) As used in this section, "blended biodiesel" ~~has the meaning set forth in IC 6-3.1-27-2.~~ **refers to a blend of biodiesel with petroleum diesel so that the percentage of biodiesel in the blend is at least two percent (2%) (B2 or greater). The term does not include biodiesel (B100).**

(b) As used in this section, "diesel fueled vehicle" refers to a vehicle that is capable of using diesel to fuel its primary motor.

(c) As used in this section, "ethanol" means agriculturally derived ethyl alcohol.

(d) As used in this section, "E85" has the meaning set forth in IC 6-6-1.1-103.

(e) As used in this section, "gasoline fueled vehicle" refers to a vehicle that is capable of using gasoline to fuel its primary motor.

(f) As used in this section, "mid-level blend fuel" means a fuel

blend consisting of:

(1) at least twenty percent (20%) but not more than seventy-three percent (73%) ethanol; and

(2) gasoline as the balance.

(g) As used in this section, "vehicle" includes the following:

(1) An automobile.

(2) A truck.

(3) A tractor.

(h) Except as provided by subsections (j) and (k), a state educational institution shall whenever possible purchase mid-level blend fuel or E85 to fuel the gasoline fueled vehicles owned or operated by the state educational institution.

(i) Except as provided by subsections (j) and (k), a state educational institution shall whenever possible purchase blended biodiesel fuel to fuel the diesel fueled vehicles owned or operated by the state educational institution.

(j) The following vehicles are exempt from the requirements of subsections (h) and (i):

(1) A vehicle that is leased by the state educational institution for thirty (30) days or less.

(2) A vehicle that:

(A) is primarily powered by an electric motor; or

(B) can use only propane, compressed or liquified natural gas, or methanol as its fuel source.

(k) The following vehicles are exempt from the requirements of subsection (h) or (i), whichever is appropriate:

(1) A gasoline fueled vehicle in which the use of mid-level blend fuel or E85 has not been approved by the manufacturer.

(2) A diesel fueled vehicle in which the use of blended biodiesel fuel has not been approved by the manufacturer.

(3) A gasoline fueled vehicle in which the use of mid-level blend fuel is prohibited by the federal Clean Air Act (42 U.S.C. 7401 et seq.).

SECTION 33. [EFFECTIVE JULY 1, 2014] **(a) This SECTION applies only to Washington Township in Hamilton County.**

(b) The department of local government finance shall increase the 2015 maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for Washington Township in Hamilton County by the lesser of the following amounts:

(1) The amount determined by recalculating the 2015 maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for Washington Township in Hamilton County by using the 2007 maximum permissible ad valorem property tax levy for the township and then increasing the 2007 maximum permissible ad valorem property tax levy by applying the cumulative effect of using the assessed value growth quotient applicable to the township for each year during the period 2008 through 2015.

(2) Eighty-five thousand dollars ($85,000).

(c) The 2015 maximum permissible ad valorem property tax levy for Washington Township in Hamilton County, as increased under this SECTION, shall also be used as the township's previous year maximum permissible ad valorem property tax levy for the determination under IC 6-1.1-18.5 of the township's 2016 maximum permissible ad valorem property tax levy.

(d) This SECTION expires January 1, 2017.

SECTION 34. [EFFECTIVE JULY 1, 2014] **(a) IC 8-22-1-4.5, as amended by this act, applies to property taxes imposed for an assessment date after December 31, 2014.**

(b) This SECTION expires January 1, 2017.

SECTION 35. [EFFECTIVE JULY 1, 2014] **(a) The legislative council is urged to assign the following topics for study during the 2014 legislative interim:**

(1) Whether the proceeds of the sale of a major county asset should be held in a nonreverting trust fund of the county such that the principal of the fund is never diminished.

(2) The issue of how to define the term "major county asset".

(3) Permissible uses of the interest of a trust fund described in subdivision (1).

(b) This SECTION expires December 31, 2014.

SECTION 36. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "office of the secretary" refers to the office of the secretary of family and social services established by IC 12-8-1.5-1.**

(b) As used in this SECTION, "government assistance income" means the sum of the value of all:

(1) cash;

(2) free services; or

(3) savings from reduced fees;

received by an Indiana resident whose income does not exceed two hundred percent (200%) of the federal income poverty level.

(c) Before November 1, 2014, the office of the secretary shall study the following:

(1) The tax relief available for Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level.

(2) The availability of programs that provide financial or medical assistance to Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level, including:

(A) Medicaid;

(B) Temporary Assistance for Needy Families;

(C) supplemental nutrition assistance; or

(D) any other federal, state, or local financial or medical assistance available to Indiana residents whose incomes do not exceed two hundred percent (200%) of the federal income poverty level.

(3) The maximum government assistance income an individual could receive by pursuing and obtaining the benefits described in subdivisions (1) and (2).

(d) The office of the secretary shall submit a report of its findings not later than November 1, 2014, to the governor and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6. The report must include a detailed explanation of the calculation assumptions and methodology.

(e) This SECTION expires January 1, 2015.

SECTION 37. **An emergency is declared for this act.**

(Reference is to EHB 1380 as reprinted March 4, 2014.)

TURNER	HERSHMAN
THOMPSON	SKINNER
House Conferees	Senate Conferees

Roll Call 522: yeas 67, nays 30. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 260–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 260 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-1-4-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 20. (a) This section does not apply to units located in a county for which the total amount**

of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year.

(b) As used in this section, "active military base" means an active military installation that is used for the deployment, redeployment, mobilization, concentration, movement, exercise, or training of active or reserve components of the armed forces of the United States or of active or reserve components of the Indiana National Guard or Indiana Air National Guard. The term also includes a military installation that is used for the design, construction, maintenance, and testing of electronic devices and ordnance.

(c) Upon appropriation by the fiscal body of a unit, the unit may expend money:

(1) in direct support of:

(A) an active military base located within the unit; or

(B) an entity located within:

(i) the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed; or

(ii) any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(2) in support of any other entity that provides services or direct support to an active military base or entity described in subdivision (1).

SECTION 2. IC 36-7-14-12.2, AS AMENDED BY P.L.221-2007, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12.2. (a) The redevelopment commission may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of areas needing redevelopment that are located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the unit and its inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Enter on or into, inspect, investigate, and assess real property and structures acquired or to be acquired for redevelopment purposes to determine the existence, source, nature, and extent of any environmental contamination, including the following:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(6) Remediate environmental contamination, including the following, found on any real property or structures acquired for redevelopment purposes:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(7) Repair and maintain structures acquired for redevelopment purposes.

(8) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(9) Survey or examine any land to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes and to determine the value of that land.

(10) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commissioners.

(11) Institute or defend in the name of the unit any civil action.

(12) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the department of redevelopment.

(13) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit in the manner prescribed by section 20 of this chapter.

(14) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(15) Appoint clerks, guards, laborers, and other employees the commission considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(16) Prescribe the duties and regulate the compensation of employees of the department of redevelopment.

(17) Provide a pension and retirement system for employees of the department of redevelopment by using the Indiana public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(18) Discharge and appoint successors to employees of the department of redevelopment subject to subdivision (15).

(19) Rent offices for use of the department of redevelopment, or accept the use of offices furnished by the unit.

(20) Equip the offices of the department of redevelopment with the necessary furniture, furnishings, equipment, records, and supplies.

(21) Expend, on behalf of the special taxing district, all or any part of the money of the special taxing district.

(22) Contract for the construction of:

(A) local public improvements (as defined in IC 36-7-14.5-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the corporate boundaries of the unit; or

(B) any structure that enhances development or economic development.

(23) Contract for the construction, extension, or improvement of pedestrian skyways.

(24) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(25) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units within the district. However,

financial assistance may be provided only to individuals and families whose income is at or below the unit's median income for individuals and families, respectively.

(26) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision (25); or

(B) construct, rehabilitate, or repair commercial property within the district.

(27) Require as a condition of financial assistance to the owner of a multiple unit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission, which may not be less than five (5) years;

(B) to families whose income does not exceed eighty percent (80%) of the unit's median income for families; and

(C) at an affordable rate.

(28) This subdivision does not apply to a redevelopment commission in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the redevelopment commission, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the redevelopment commission must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the redevelopment commission. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

(b) Conditions imposed by the commission under subsection (a)(27) remain in force throughout the period determined under subsection (a)(27)(A), even if the owner sells, leases, or conveys the property. The subsequent owner or lessee is bound by the conditions for the remainder of the period.

(c) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(d) All powers that may be exercised under this chapter by the redevelopment commission may also be exercised by the redevelopment commission in carrying out its duties and purposes under IC 36-7-14.5.

SECTION 3. IC 36-7-14-39, AS AMENDED BY P.L.218-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30,

1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

(i) Make, when due, any payments required under clauses (A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(M) Expend money and provide financial assistance as authorized in section 12.2(a)(28) of this chapter.

The allocation fund may not be used for operating expenses of the commission.

(4) Except as provided in subsection (g), before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3), plus the amount necessary for other purposes described in subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3) or lessors under section 25.3 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. Those programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment in an area under a reassessment plan prepared

under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection:

(1) may not include the effect of phasing in assessed value due to property tax abatements under IC 6-1.1-12.1;

(2) may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, the reassessment under the reassessment plan, or the annual adjustment had not occurred; and

(3) may decrease base assessed value only to the extent that assessed values in the allocation area have been decreased due to annual adjustments or the reassessment under the reassessment plan.

Assessed value increases attributable to the application of an abatement schedule under IC 6-1.1-12.1 may not be included in the base assessed value of an allocation area. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 4. IC 36-7-15.1-7, AS AMENDED BY P.L.146-2008, SECTION 744, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) In carrying out its duties and purposes under this chapter, the commission may do the following:

(1) Acquire by purchase, exchange, gift, grant, lease, or condemnation, or any combination of methods, any real or personal property or interest in property needed for the redevelopment of areas needing redevelopment that are located within the redevelopment district.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, invest in, or otherwise dispose of, through any combination of methods, property acquired for use in the redevelopment of areas needing redevelopment on the terms and conditions that the commission considers best for the city and its inhabitants.

(3) Acquire from and sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the city, or to any other governmental agency, for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes, on any terms that may be agreed upon.

(4) Clear real property acquired for redevelopment purposes.

(5) Enter on or into, inspect, investigate, and assess real property and structures acquired or to be acquired for redevelopment purposes to determine the existence, source, nature, and extent of any environmental contamination, including the following:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(6) Remediate environmental contamination, including the following, found on any real property or structures acquired for redevelopment purposes:

(A) Hazardous substances.

(B) Petroleum.

(C) Other pollutants.

(7) Repair and maintain structures acquired or to be acquired for redevelopment purposes.

(8) Enter upon, survey, or examine any land, to determine whether it should be included within an area needing redevelopment to be acquired for redevelopment purposes, and determine the value of that land.

(9) Appear before any other department or agency of the city, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any area needing redevelopment within the jurisdiction of the commission.

(10) Subject to section 13 of this chapter, exercise the power of eminent domain in the name of the city, within the redevelopment district, in the manner prescribed by this chapter.

(11) Establish a uniform fee schedule whenever appropriate for the performance of governmental assistance, or for providing materials and supplies to private persons in project or program related activities.

(12) Expend, on behalf of the redevelopment district, all or any part of the money available for the purposes of this chapter.

(13) Contract for the construction, extension, or improvement of pedestrian skyways.

(14) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(15) Provide financial assistance (including grants and loans) to enable individuals and families to purchase or lease residential units within the district. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(16) Provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to:

(A) provide financial assistance for the purposes described in subdivision (15); or

(B) construct, rehabilitate, or repair commercial property within the district.

(17) Require as a condition of financial assistance to the owner of a multiunit residential structure that any of the units leased by the owner must be leased:

(A) for a period to be determined by the commission, which may not be less than five (5) years;

(B) to families whose income does not exceed eighty percent (80%) of the county's median income for families; and

(C) at an affordable rate.

Conditions imposed by the commission under this subdivision remain in force throughout the period determined under clause (A), even if the owner sells, leases, or conveys the property. The subsequent owner or

lessee is bound by the conditions for the remainder of the period.

(18) Provide programs in job training, job enrichment, and basic skill development for residents of an enterprise zone.

(19) Provide loans and grants for the purpose of stimulating business activity in an enterprise zone or providing employment for residents of an enterprise zone.

(20) Contract for the construction, extension, or improvement of:

(A) public ways, sidewalks, sewers, waterlines, parking facilities, park or recreational areas, or other local public improvements (as defined in IC 36-7-15.3-6) or structures that are necessary for redevelopment of areas needing redevelopment or economic development within the redevelopment district; or

(B) any structure that enhances development or economic development.

(21) This subdivision does not apply to a redevelopment commission in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the redevelopment commission, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the redevelopment commission must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the redevelopment commission. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

(b) In addition to its powers under subsection (a), the commission may plan and undertake, alone or in cooperation with other agencies, projects for the redevelopment of, rehabilitating, preventing the spread of, or eliminating slums or areas needing redevelopment, both residential and nonresidential, which projects may include any of the following:

(1) The repair or rehabilitation of buildings or other improvements by the commission, owners, or tenants.

(2) The acquisition of real property.

(3) Either of the following with respect to environmental contamination on real property:

(A) Investigation.

(B) Remediation.

(4) The demolition and removal of buildings or improvements on buildings acquired by the commission where necessary for any of the following:

(A) To eliminate unhealthful, unsanitary, or unsafe conditions.

(B) To mitigate or eliminate environmental contamination.

(C) To lessen density.

(D) To reduce traffic hazards.

(E) To eliminate obsolete or other uses detrimental to public welfare.

(F) To otherwise remove or prevent the conditions described in IC 36-7-1-3.

(G) To provide land for needed public facilities.

(5) The preparation of sites and the construction of improvements (such as public ways and utility connections) to facilitate the sale or lease of property.

(6) The construction of buildings or facilities for residential, commercial, industrial, public, or other uses.

(7) The disposition in accordance with this chapter, for uses in accordance with the plans for the projects, of any property acquired in connection with the projects.

(c) The commission may use its powers under this chapter relative to real property and interests in real property obtained by voluntary sale or transfer, even though the real property and interests in real property are not located in a redevelopment or urban renewal project area established by the adoption and confirmation of a resolution under sections 8(c), 9, 10, and 11 of this chapter. In acquiring real property and interests in real property outside of a redevelopment or urban renewal project area, the commission shall comply with section 12(b) through 12(e) of this chapter. The commission shall hold, develop, use, and dispose of this real property and interests in real property substantially in accordance with section 15 of this chapter.

(d) As used in this section, "pedestrian skyway" means a pedestrian walkway within or outside of the public right-of-way and through and above public or private property and buildings, including all structural supports required to connect skyways to buildings or buildings under construction. Pedestrian skyways constructed, extended, or improved over or through public or private property constitute public property and public improvements, constitute a public use and purpose, and do not require vacation of any public way or other property.

(e) All powers that may be exercised under this chapter by the commission may also be exercised by the commission in carrying out its duties and purposes under IC 36-7-15.3.

SECTION 5. IC 36-7-15.1-26, AS AMENDED BY P.L.112-2012, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 8 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as

residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(2) If an allocation provision is adopted after June 30, 1997, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) If:

(A) an allocation provision adopted before June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing a redevelopment project area expires after June 30, 1997; and

(B) after June 30, 1997, a new allocation provision is included in an amendment to the declaratory resolution;

the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision adopted after June 30, 1997, as adjusted under subsection (h).

(4) Except as provided in subdivision (5), for all other allocation areas, the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h).

(5) If an allocation area established in an economic development area before July 1, 1995, is expanded after June 30, 1995, the definition in subdivision (1) applies to the expanded part of the area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project area before July 1, 1997, is expanded after June 30, 1997, the definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

Except as provided in section 26.2 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before the allocation deadline determined under subsection (i) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A resolution previously adopted may include an allocation provision by the amendment of that resolution on or before the allocation deadline determined under subsection (i) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or

physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

(i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

The special fund may not be used for operating expenses of the commission.

(4) Before July 15 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers

for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 6. IC 36-7-30-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 9. (a) The military base reuse authority may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal military base property or interest in real military base property or other real or personal property located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of real or personal military base property or other real and personal property to private enterprise or state or local government, on the terms and conditions that the reuse authority considers best for the unit and its inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired from a military base to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for the purposes of this chapter.

(5) Repair and maintain structures acquired for the purposes of this chapter.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired from a military base.

(7) Survey or examine any land to determine whether it should be acquired for the purpose of this chapter and to determine the value of the land.

(8) Appear before any other department or agency of the unit or any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for the purposes of this chapter; or

(B) any reuse area within the jurisdiction of the reuse authority.

(9) Institute or defend in the name of the unit any civil action.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the reuse authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit in the manner prescribed by section 16 of this chapter.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, and other consultants that are necessary or desired by the authority in exercising its powers or carrying out its responsibilities under this chapter.

(13) Appoint clerks, guards, laborers, and other employees the reuse authority considers advisable. However, the appointments must be made in accordance with the merit system of the unit if the unit has a merit system.

(14) Prescribe the duties and regulate the compensation of employees of the military base reuse authority.

(15) Provide a pension and retirement system for employees of the military base reuse authority, or use the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the military base reuse authority subject to subdivision (13).

(17) Rent offices for use of the reuse authority or accept the use of offices furnished by the unit.

(18) Equip the offices of the reuse authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Expend on behalf of the special taxing district all or any part of the money of the special taxing district.

(20) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Local public improvements or structures that are necessary for the reuse of military base property within the corporate boundaries of the unit.

(B) Any structure that enhances the development, economic development, or reuse of military base property.

(21) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Provide financial assistance, in the manner that best serves the purposes of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(23) Enter into contracts for providing police, fire protection, and utility services to the military base reuse area.

(24) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the reuse authority and the execution of the power of the reuse authority under this chapter.

(25) This subdivision does not apply to a reuse

authority in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the reuse authority, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the reuse authority must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the reuse authority. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

~~(25)~~ **(26)** Take any action necessary to implement the purposes of the reuse authority.

(b) All powers that may be exercised under this chapter by the reuse authority may also be exercised by the reuse authority in carrying out its duties and purposes under IC 36-7-14.5 or IC 36-7-15.3.

SECTION 7. IC 36-7-30-25, AS AMENDED BY P.L.112-2012, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 25. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base reuse area to which an allocation provision of a declaratory resolution adopted under section 10 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment thereto, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

Clause (C) applies only to allocation areas established in a military reuse area after June 30, 1997, and to the part of an allocation area that was established before June 30, 1997, and that is added to an existing allocation area after June 30, 1997.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 10 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 13 of this chapter. The allocation provision may apply to all or part of the military base reuse area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution are made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the military base reuse district and, when collected, paid into an allocation fund for that allocation area that may be used by the military base reuse district and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the military base reuse district or any other entity for the purpose of financing or refinancing military base reuse activities in or directly serving or benefiting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the reuse authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area.

(E) Pay expenses incurred by the reuse authority, any other department of the unit, or a department of another governmental entity for local public improvements or structures that are in the allocation area or directly serving or benefiting the allocation area, including expenses for the operation and maintenance of these local public improvements or structures if the reuse

authority determines those operation and maintenance expenses are necessary or desirable to carry out the purposes of this chapter.

(F) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(G) Expend money and provide financial assistance as authorized in section 9(a)(25) of this chapter.

Except as provided in clause (E), the allocation fund may not be used for operating expenses of the reuse authority.

(4) Except as provided in subsection (g), before July 15 of each year the reuse authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the unit that established the reuse authority, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of excess property taxes that the reuse authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the reuse authority has determined that there are no excess property tax proceeds that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess property tax proceeds determined by the reuse authority. The reuse authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (3) or lessors under section 19 of this chapter.

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base reuse district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base reuse district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the reuse authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A unit that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The unit that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each general reassessment of real property in an area under IC 6-1.1-4-4 or reassessment under the county's reassessment plan under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base reuse district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base reuse district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base reuse district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the county's reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

SECTION 8. IC 36-7-30.5-15, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. The development authority may do the following:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods,

any personal military base property or interest in real military base property or other real or personal property located within the corporate boundaries of a unit that contains all or part of the military base.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of real or personal military base property or other real and personal property to private enterprise or state or local government, on the terms and conditions that the development authority considers best for the state and the state's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired from a military base to a department of a unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for the purposes of this chapter.

(5) Repair and maintain structures acquired for the purposes of this chapter.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired from a military base.

(7) Survey or examine any land to determine whether it should be acquired for the purpose of this chapter and to determine the value of the land.

(8) Appear before any other department or agency of a unit or any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for the purposes of this chapter; or

(B) any development area within the jurisdiction of the development authority.

(9) Institute or defend in the name of the development authority any civil action.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the development authority.

(11) Exercise the power of eminent domain within military base property in the manner prescribed by section 21 of this chapter.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, and other consultants that are necessary or desired by the authority in exercising its powers or carrying out its responsibilities under this chapter.

(13) Appoint clerks, guards, laborers, and other employees the development authority considers advisable.

(14) Prescribe the duties and regulate the compensation of employees of the development authority.

(15) Provide a pension and retirement system for employees of the development authority.

(16) Discharge and appoint successors to employees of the development authority.

(17) Rent offices for use of the development authority or accept the use of offices furnished by a unit.

(18) Equip the offices of the development authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Expend on behalf of the counties represented on the development authority all or any part of the money of the development authority.

(20) Design, order, contract for, construct, reconstruct, improve, or renovate the following:

(A) Local public improvements or structures that are necessary for the development of military base property.

(B) Any structure that enhances the development, economic development, or reuse of military base property.

(21) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Provide financial assistance, in the manner that best serves the purposes of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the state.

(23) Enter into contracts for providing police, fire protection, and utility services to the military base development area.

(24) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the development authority and the execution of the power of the development authority under this chapter.

(25) Adopt a seal.

(26) This subdivision does not apply to a development authority located in a county for which the total amount of net property taxes allocated to all allocation areas or other tax increment financing areas established by a redevelopment commission, military base reuse authority, military base development authority, or another similar entity in the county in the preceding calendar year exceeded nineteen percent (19%) of the total net property taxes billed in the county in the preceding calendar year. Subject to prior approval by the fiscal body of the unit that established the development authority, expend money and provide financial assistance (including grants and loans):

(A) in direct support of:

(i) an active military base located within the unit; or

(ii) an entity located in the territory or facilities of a military base or former military base within the unit that is scheduled for closing or is completely or partially inactive or closed, or an entity that is located in any territory or facilities of the United States Department of Defense within the unit that are scheduled for closing or are completely or partially inactive or closed;

including direct support for the promotion of the active military base or entity, the growth of the active military base or entity, and activities at the active military base or entity; and

(B) in support of any other entity that provides services or direct support to an active military base or entity described in clause (A).

The fiscal body of the unit that established the development authority must separately approve each grant, loan, or other expenditure for financial assistance under this subdivision. The terms of any loan that is made under this subdivision may be changed only if the change is approved by the fiscal body of the unit that established the development authority. As used in this subdivision, "active military base" has the meaning set forth in IC 36-1-4-20.

~~(26)~~ **(27)** Take any action necessary to implement the purposes of the development authority.

SECTION 9. IC 36-7-30.5-30, AS AMENDED BY P.L.112-2012, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 30. (a) The following definitions apply throughout this section:

(1) "Allocation area" means that part of a military base development area to which an allocation provision of a declaratory resolution adopted under section 16 of this chapter refers for purposes of distribution and allocation of property taxes.

(2) "Base assessed value" means:

(A) the net assessed value of all the property as finally

determined for the assessment date immediately preceding the adoption date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A) or (C), the net assessed value of any and all parcels or classes of parcels identified as part of the base assessed value in the declaratory resolution or an amendment to the declaratory resolution, as finally determined for any subsequent assessment date; plus

(C) to the extent that it is not included in clause (A) or (B), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the effective date of the allocation provision.

(3) "Property taxes" means taxes imposed under IC 6-1.1 on real property.

(b) A declaratory resolution adopted under section 16 of this chapter before the date set forth in IC 36-7-14-39(b) pertaining to declaratory resolutions adopted under IC 36-7-14-15 may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution in accordance with the procedures set forth in section 18 of this chapter. The allocation provision may apply to all or part of the military base development area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the development authority and, when collected, paid into an allocation fund for that allocation area that may be used by the development authority and only to do one (1) or more of the following:

(A) Pay the principal of and interest and redemption premium on any obligations incurred by the development authority or any other entity for the purpose of financing or refinancing military base development or reuse activities in or directly serving or benefiting that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the development authority, including lease rental revenues.

(C) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(D) Reimburse any other governmental body for expenditures made for local public improvements (or structures) in or directly serving or benefiting that allocation area.

(E) For property taxes first due and payable before 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the development authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; by

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 32 of this chapter (before its repeal) in the same year.

(F) Pay expenses incurred by the development authority for local public improvements or structures that were in the allocation area or directly serving or benefiting the allocation area.

(G) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made not more than three (3) years after the date on which the investments that are the basis for the increment financing are made.

(H) Expend money and provide financial assistance as authorized in section 15(26) of this chapter.

The allocation fund may not be used for operating expenses of the development authority.

(4) Except as provided in subsection (g), before July 15 of each year the development authority shall do the following:

(A) Determine the amount, if any, by which property taxes payable to the allocation fund in the following year will exceed the amount of property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivisions (2) and (3).

(B) Provide a written notice to the appropriate county auditors and the fiscal bodies and other officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is

wholly or partly located within the allocation area. The notice must:

(i) state the amount, if any, of the excess property taxes that the development authority has determined may be paid to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the development authority has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditors shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the development authority. The development authority may not authorize a payment to the respective taxing units under this subdivision if to do so would endanger the interest of the holders of bonds described in subdivision (3) or lessors under section 24 of this chapter. Property taxes received by a taxing unit under this subdivision before 2009 are eligible for the property tax replacement credit provided under IC 6-1.1-21 (before its repeal).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by a taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the military base development district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the military base development district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the development authority, reassess the taxable property situated upon or in or added to the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and the making of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the development authority shall create funds as specified in this subsection. A development authority that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. The development authority shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata part of such current property tax proceeds from the part of the enterprise zone that is within the allocation area as compared to all such current property tax proceeds derived from the allocation area. A development authority that does not have obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) that are derived from property in the enterprise zone in the fund. The development authority that creates the special zone fund shall use the fund (based on the recommendations of the urban enterprise association) for programs in job training, job enrichment, and basic skill development that are designed to benefit residents and employers in the enterprise zone or for other purposes specified in subsection (b)(3), except that where reference is made in subsection (b)(3) to an allocation area it shall refer for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone. The programs shall reserve at least one-half (1/2) of their enrollment in any session for residents of the enterprise zone.

(h) After each general reassessment of real property in an area under IC 6-1.1-4-4 or reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the military base development district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the military base development district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the military base development district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the county's reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(Reference is to ESB 260 as printed February 18, 2014.)

HERSHMAN	MESSMER
R. YOUNG	BARTLETT
Senate Conferees	House Conferees

Roll Call 523: yeas 98, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 367–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 367 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-13-6-3, AS AMENDED BY P.L.89-2010, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. (a) All taxes collected by the county treasurer shall be deposited as one (1) fund in the several depositories selected for the deposit of county funds and, except as provided in subsection (b), remain in the depositories until distributed at the following semiannual distribution made by the county auditor.

(b) Every county treasurer who, by virtue of the treasurer's office, is the collector of any taxes for any political subdivision wholly or partly within the county shall, not later than thirty (30) days after receipt of a written request for funds filed with the treasurer by a proper officer of any political subdivision within the county, **provide to the county auditor the amount available for distribution, as certified for each semiannual distribution under IC 6-1.1-27-2. The county auditor shall** advance to that political subdivision a portion of the taxes

collected before the semiannual distribution. The amount advanced may not exceed the lesser of:

(1) ninety-five percent (95%) of the total amount collected at the time of the advance; or

(2) ninety-five percent (95%) of the amount to be distributed at the semiannual distribution.

(c) Upon notice from the county treasurer of the amount to be advanced, the county auditor shall draw a warrant upon the county treasurer for the amount. The amount of the advance must be available immediately for the use of the political subdivision.

(d) At the semiannual distribution all the advances made to any political subdivision under subsection (b) shall be deducted from the total amount due any political subdivision as shown by the distribution.

(e) If a county auditor fails to make a distribution of tax collections by the deadline for distribution under subsection (b), a political subdivision that was to receive a distribution may recover interest on the undistributed tax collections under IC 6-1.1-27-1.

SECTION 2. IC 6-1.1-12-37, AS AMENDED BY SEA 24-2014, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 37. (a) The following definitions apply throughout this section:

(1) "Dwelling" means any of the following:

(A) Residential real property improvements that an individual uses as the individual's residence, including a house or garage.

(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.

(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.

(2) "Homestead" means an individual's principal place of residence:

(A) that is located in Indiana;

(B) that:

(i) the individual owns;

(ii) the individual is buying under a contract; recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence;

(iii) the individual is entitled to occupy as a tenant-stockholder (as defined in 26 U.S.C. 216) of a cooperative housing corporation (as defined in 26 U.S.C. 216); or

(iv) is a residence described in section 17.9 of this chapter that is owned by a trust if the individual is an individual described in section 17.9 of this chapter; and

(C) that consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

Except as provided in subsection (k), the term does not include property owned by a corporation, partnership, limited liability company, or other entity not described in this subdivision.

(b) Each year a homestead is eligible for a standard deduction from the assessed value of the homestead for an assessment date. *Except as provided in subsection (p),* the deduction provided by this section applies to property taxes first due and payable for an assessment date only if an individual has an interest in the homestead described in subsection (a)(2)(B) on:

(1) the assessment date; or

(2) any date in the same year after an assessment date that a statement is filed under subsection (e) or section 44 of this chapter, if the property consists of real property.

Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or

(2) forty-five thousand dollars ($45,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

(1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;

(2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;

(3) the names of:

(A) the applicant and the applicant's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is an individual; or

(B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is not an individual; and

(4) either:

(A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or

(B) if the applicant or the applicant's spouse (if any) ~~do~~ **does** not have a Social Security number, any of the following for that individual:

(i) The last five (5) digits of the individual's driver's license number.

(ii) The last five (5) digits of the individual's state identification card number.

(iii) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the federal government and determined by the department of local government finance to be acceptable.

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are

confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this section:

(1) changes the use of the individual's property so that part or all of the property no longer qualifies for the deduction under this section; or

(2) is no longer eligible for a deduction under this section on another parcel of property because:

(A) the individual would otherwise receive the benefit of more than one (1) deduction under this chapter; or

(B) the individual maintains the individual's principal place of residence with another individual who receives a deduction under this section;

the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use, not more than sixty (60) days after the date of that change. An individual who fails to file the statement required by this subsection is liable for any additional taxes that would have been due on the property if the individual had filed the statement as required by this subsection plus a civil penalty equal to ten percent (10%) of the additional taxes due. The civil penalty imposed under this subsection is in addition to any interest and penalties for a delinquent payment that might otherwise be due. One percent (1%) of the total civil penalty collected under this subsection shall be transferred by the county to the department of local government finance for use by the department in establishing and maintaining the homestead property data base under subsection (i) and, to the extent there is money remaining, for any other purposes of the department. This amount becomes part of the property tax liability for purposes of this article.

(g) The department of local government finance shall adopt rules or guidelines concerning the application for a deduction under this section.

(h) This subsection does not apply to property in the first year for which a deduction is claimed under this section if the sole reason that a deduction is claimed on other property is that the individual or married couple maintained a principal residence at the other property on March 1 in the same year in which an application for a deduction is filed under this section or, if the application is for a homestead that is assessed as personal property, on March 1 in the immediately preceding year and the individual or married couple is moving the individual's or married couple's principal residence to the property that is the subject of the application. Except as provided in subsection (n), the county auditor may not grant an individual or a married couple a deduction under this section if:

(1) the individual or married couple, for the same year, claims the deduction on two (2) or more different applications for the deduction; and

(2) the applications claim the deduction for different property.

(i) The department of local government finance shall provide secure access to county auditors to a homestead property data base that includes access to the homestead owner's name and the numbers required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.5.

(j) A county auditor may require an individual to provide evidence proving that the individual's residence is the individual's principal place of residence as claimed in the certified statement filed under subsection (e). The county auditor may limit the evidence that an individual is required to submit to a state income tax return, a valid driver's license, or a valid voter registration card showing that the residence for which the deduction is claimed is the individual's principal place of residence. The department of local government finance shall work with county auditors to develop procedures to determine whether a property owner that is claiming a standard deduction or homestead credit is not eligible for the standard deduction or homestead credit because the property owner's principal place of residence is outside Indiana.

(k) As used in this section, "homestead" includes property that satisfies each of the following requirements:

(1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

(2) The property is the principal place of residence of an individual.

(3) The property is owned by an entity that is not described in subsection (a)(2)(B).

(4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.

(5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

(1) imposed for an assessment date in 2009; and

(2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For ~~*assessments*~~ *assessment* dates after 2009, the term "homestead" includes:

(1) a deck or patio;

(2) a gazebo; or

(3) another residential yard structure, as defined in rules adopted by the department of local government finance (other than a swimming pool);

that is assessed as real property and attached to the dwelling.

(n) A county auditor shall grant an individual a deduction under this section regardless of whether the individual and the individual's spouse claim a deduction on two (2) different applications and each application claims a deduction for different property if the property owned by the individual's spouse is located outside Indiana and the individual files an affidavit with the county auditor containing the following information:

(1) The names of the county and state in which the individual's spouse claims a deduction substantially similar to the deduction allowed by this section.

(2) A statement made under penalty of perjury that the following are true:

(A) That the individual and the individual's spouse maintain separate principal places of residence.

(B) That neither the individual nor the individual's spouse has an ownership interest in the other's principal place of residence.

(C) That neither the individual nor the individual's spouse has, for that same year, claimed a standard or substantially similar deduction for any property other than the property maintained as a principal place of residence by the respective individuals.

A county auditor may require an individual or an individual's spouse to provide evidence of the accuracy of the information

contained in an affidavit submitted under this subsection. The evidence required of the individual or the individual's spouse may include state income tax returns, excise tax payment information, property tax payment information, driver license information, and voter registration information.

(o) If:

(1) a property owner files a statement under subsection (e) to claim the deduction provided by this section for a particular property; and

(2) the county auditor receiving the filed statement determines that the property owner's property is not eligible for the deduction;

the county auditor shall inform the property owner of the county auditor's determination in writing. If a property owner's property is not eligible for the deduction because the county auditor has determined that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) An individual is entitled to the deduction under this section for a homestead for a particular assessment date if:

(1) either:

(A) the individual's interest in the homestead as described in subsection (a)(2)(B) is conveyed to the individual after the assessment date, but within the calendar year in which the assessment date occurs; or

(B) the individual contracts to purchase the homestead after the assessment date, but within the calendar year in which the assessment date occurs;

(2) on the assessment date:

(A) the property on which the homestead is currently located was vacant land; or

(B) the construction of the dwelling that constitutes the homestead was not completed;

(3) either:

(A) the individual files the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs to claim the deduction under this section; or

(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before December 31 of the calendar year for the individual's purchase of the homestead; and

(4) the individual files with the county auditor on or before December 31 of the calendar year in which the assessment date occurs a statement that:

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and

(B) cancels the deduction described in clause (A) for that property.

An individual who satisfies the requirements of subdivisions (1) through (4) is entitled to the deduction under this section for the homestead for the assessment date, even if on the assessment date the property on which the homestead is currently located was vacant land or the construction of the dwelling that constitutes the homestead was not completed. The county auditor shall apply the deduction for the assessment date and for the assessment date in any later year in which the homestead remains eligible for the deduction. A homestead that qualifies for the deduction under this section as provided in this subsection is considered a homestead for purposes of section 37.5 of this chapter and IC 6-1.1-20.6. The county auditor shall cancel the deduction under this section for any property that is located in the county and is listed on the statement filed by the individual under subdivision (4). If the property listed on the statement filed under subdivision (4) is located in another county, the county auditor who receives the statement shall forward the statement to the county auditor of that other county, and the county auditor of that other county shall cancel the deduction under this section for that property.

~~*(p)*~~ **(q)** *This subsection applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013. Notwithstanding any other provision of this section, an individual buying a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property under a contract providing that the individual is to pay the property taxes on the mobile home or manufactured home is not entitled to the deduction provided by this section unless the parties to the contract comply with IC 9-17-6-17.*

~~*(q)*~~ **(r)** *This subsection:*

(1) applies to an application for the deduction provided by this section that is filed for an assessment date occurring after December 31, 2013; and

(2) does not apply to an individual described in subsection ~~*(p).*~~ **(q).**

The owner of a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property must attach a copy of the owner's title to the mobile home or manufactured home to the application for the deduction provided by this section.

(s) For assessment dates after 2013, the term "homestead" includes property that is owned by an individual who:

(1) is serving on active duty in any branch of the armed forces of the United States;

(2) was ordered to transfer to a location outside Indiana; and

(3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction provided by this section until the individual ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. However, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter.

SECTION 3. IC 6-1.1-18.5-13.7, AS ADDED BY P.L.172-2011, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13.7. (a) Notwithstanding any other provision of this chapter, Fairfield Township in Tippecanoe County may request that the department of local government finance make an adjustment to the township's maximum permissible property tax levy. ~~The request by the township under this section must be filed before September 1, 2011.~~

(b) The amount of the requested adjustment may not exceed one hundred thirty thousand dollars ($130,000) for each year.

(c) ~~If the~~ **For a** township ~~makes~~ **that made** a request for an

adjustment in an amount not exceeding the limit prescribed by subsection (b), the department of local government finance shall make the adjustment ~~each year (beginning with property taxes first due and payable in 2012)~~ **a permanent adjustment** to the township's maximum permissible ad valorem property tax levy. ~~for the number of years requested by the township (but not to exceed a total of four (4) years).~~

~~(d) This section expires July 1, 2016.~~

SECTION 4. IC 6-1.1-20.6-4, AS AMENDED BY P.L.288-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 4. As used in this chapter, "residential property" refers to real property that consists of any of the following:

(1) A single family dwelling that is not part of a homestead and the land, not exceeding one (1) acre, on which the dwelling is located.

(2) Real property that consists of:

(A) a building that includes two (2) or more dwelling units;

(B) any common areas shared by the dwelling units (including any land that is a common area, as described in section 1.2(b)(2) of this chapter); and

(C) the land on which the building is located.

(3) Land rented or leased for the placement of a manufactured home or mobile home, including any common areas shared by the manufactured homes or mobile homes.

The term includes a single family dwelling that is under construction and the land, not exceeding one (1) acre, on which the dwelling will be located. The term does not include real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.

SECTION 5. IC 6-1.1-21.4-2, AS AMENDED BY P.L.145-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "eligible school corporation" refers to ~~either~~ **any** of the following:

(1) A school corporation located in a county in which distributions of property tax revenue for 2007 or 2008 to the taxing units (as defined in IC 6-1.1-1-21) of the county:

(A) have not been made; or

(B) were delayed by more than sixty (60) days after either due date specified in IC 6-1.1-22-9.

(2) A school corporation that is:

(A) designated by the distressed unit appeal board as a distressed political subdivision under IC 6-1.1-20.3; or

(B) approved for a loan by the distressed unit appeal board under IC 6-1.1-20.3-8.3.

(3) A school corporation that had a loan from the counter-cyclical revenue and economic stabilization fund denied in October 2013. However, the school corporation is not an eligible school corporation if in 2014 the voters approve a referendum tax levy for the school corporation under IC 20-46-1.

SECTION 6. IC 6-1.1-21.4-3, AS AMENDED BY P.L.145-2012, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) An eligible school corporation may apply to the board for a loan from the counter-cyclical revenue and economic stabilization fund.

(b) Subject to subsections (c) and (d) and section 3.5 of this chapter, an eligible school corporation described in section 2(2) of this chapter may apply to the board for a loan. The maximum amount of a loan that the board may approve for the eligible school corporation is the lesser of the following:

(1) Five million dollars ($5,000,000).

(2) The product of:

(A) one thousand dollars ($1,000); multiplied by

(B) the school corporation's 2012 ADM.

(c) At the time the distressed unit appeal board designates a school corporation as a distressed political subdivision under IC 6-1.1-20.3 or recommends under IC 6-1.1-20.3-8.3 that a loan from the fund be approved for a school corporation, the distressed unit appeal board may also recommend to the state board of finance that a loan from the fund to the school corporation be contingent upon any of the following:

(1) The sale of specified unused property by the school board.

(2) The school corporation modifying one (1) or more specified contracts entered into by the school corporation.

(d) In making a loan from the fund to a school corporation, the state board of finance may make the loan contingent upon any condition recommended by the distressed unit appeal board under subsection (c).

(e) This subsection applies only to an eligible school corporation described in section 2(3) of this chapter. The board shall make the loan to the eligible school corporation. The following apply to a loan made under this subsection:

(1) The maximum amount of a loan set forth in subsection (b).

(2) Sections 3.5 through 7 of this chapter.

In addition, an eligible school corporation receiving a loan under this subsection shall sell any unimproved land owned by the eligible school corporation that on April 1, 2014, is not contiguous to the grounds of any school.

SECTION 7. IC 6-1.1-24-1, AS AMENDED BY P.L.203-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) On or after January 1 of each calendar year in which a tax sale will be held in a county and not later than fifty-one (51) days after the first tax payment due date in that calendar year, the county treasurer (or county executive, in the case of property described in subdivision (2)) shall certify to the county auditor a list of real property on which any of the following exist:

(1) In the case of real property other than real property described in subdivision (2), any property taxes or special assessments certified to the county auditor for collection by the county treasurer from the prior year's spring installment or before are delinquent as determined under IC 6-1.1-37-10 and the delinquent property ~~tax or~~ **taxes,** special assessments, **penalties, fees, or interest** due exceed twenty-five dollars ($25).

(2) In the case of real property for which a county executive has certified to the county auditor that the real property is:

(A) vacant; or

(B) abandoned;

any property taxes or special assessments from the prior year's fall installment or before that are delinquent as determined under IC 6-1.1-37-10. The county executive must make a certification under this subdivision not later than sixty-one (61) days before the earliest date on which application for judgment and order for sale may be made. The executive of a city or town may provide to the county executive of the county in which the city or town is located a list of real property that the city or town has determined to be vacant or abandoned. The county executive shall include real property included on the list provided by a city or town executive on the list certified by the county executive to the county auditor under this subsection.

(3) Any unpaid costs are due under section 2(b) of this chapter from a prior tax sale.

(b) The county auditor shall maintain a list of all real property eligible for sale. Except as provided in section 1.2 or another provision of this chapter, the taxpayer's property shall remain on the list. The list must:

(1) describe the real property by parcel number and common address, if any;

(2) for a tract or item of real property with a single owner, indicate the name of the owner; and

(3) for a tract or item with multiple owners, indicate the name of at least one (1) of the owners.

(c) Except as otherwise provided in this chapter, the real property so listed is eligible for sale in the manner prescribed in this chapter.

(d) Not later than fifteen (15) days after the date of the county treasurer's certification under subsection (a), the county auditor shall mail by certified mail a copy of the list described in subsection (b) to each mortgagee who requests from the county auditor by certified mail a copy of the list. Failure of the county auditor to mail the list under this subsection does not invalidate an otherwise valid sale.

SECTION 8. IC 6-1.1-24-1.2, AS AMENDED BY P.L.48-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1.2. (a) Except as provided in subsection (c), a tract or an item of real property may not be removed from the list certified under section 1 of this chapter before the tax sale unless all:

(1) delinquent taxes and special assessments due before the date the list on which the property appears was certified under section 1 of this chapter; and

(2) penalties due on the delinquency, interest, and costs directly attributable to the tax sale;

have been paid in full.

(b) A county treasurer may accept partial payments of delinquent property taxes, assessments, penalties, interest, or costs under subsection (a) after the list of real property is certified under section 1 of this chapter. However, a partial payment does not remove a tract or an item from the list certified under section 1 of this chapter unless the taxpayer complies with subsection (a) or (c) before the date of the tax sale.

(c) A county auditor shall remove a tract or an item of real property from the list certified under section 1 of this chapter before the tax sale if the county treasurer and the taxpayer agree to a mutually satisfactory arrangement for the payment of the delinquent taxes.

(d) The county auditor shall remove the tract or item from the list certified under section 1 of this chapter if:

(1) the arrangement described in subsection (c):

(A) is in writing;

(B) is signed by the taxpayer; and

(C) requires the taxpayer to pay the delinquent taxes in full not later than the last business day before July 1 of the year after the date the agreement is signed; and

(2) the county treasurer has provided a copy of the written agreement to the county auditor.

(e) If the taxpayer fails to make a payment under the arrangement described in subsection (c):

(1) the arrangement is void; and

(2) the county auditor shall immediately place the tract or item of real property on the list of real property eligible for sale at a tax sale.

(f) ~~If the county auditor acts under subsection (e) with respect to a tract or item subject to an arrangement described in subsection (c), the taxpayer may not enter into another arrangement under subsection (c) with respect to that tract or item after the due date of the payment referred to in subsection (d) and before the date that succeeds by five (5) years the date on which the original arrangement would have expired if the arrangement had not become void under subsection (e).~~ **If a taxpayer fails to make a payment under an arrangement entered into under subsection (c), the county treasurer and the taxpayer may enter into a subsequent arrangement and avoid the penalties under subsection (e).**

SECTION 9. IC 6-2.5-2-3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 3. (a) As used in this section, "motor vehicle" means a vehicle that would be subject to the annual license excise tax imposed under IC 6-6-5 if the vehicle were to be used in Indiana.**

(b) Notwithstanding section 2 of this chapter, the state gross retail tax rate on a motor vehicle that a purchaser intends to:

(1) transport to a destination outside Indiana within thirty (30) days after delivery; and

(2) title or register for use in another state or country; is the rate of that state or country (excluding any locally imposed tax rates) as certified by the seller and purchaser in an affidavit satisfying the requirements of subsection (c).

(c) The department of state revenue shall prescribe the form of the affidavit required by subsection (b). In addition to the certification required by subsection (b), the affidavit must include the following:

(1) The name of the state or country in which the motor vehicle will be titled or registered.

(2) An affirmation by the purchaser under the penalties for perjury that the information contained in the affidavit is true.

(3) Any other information required by the department of state revenue for the purpose of verifying the information contained in the affidavit.

(d) The department may audit affidavits submitted under this section and make a proposed assessment of the amount of unpaid tax due with respect to any incorrect information submitted in an affidavit required by this section.

SECTION 10. IC 6-2.5-5-46, AS AMENDED BY P.L.288-2013, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 46. (a) Transactions involving tangible personal property (including materials, parts, equipment, and engines) are exempt from the state gross retail tax, if the property is:

(1) used;

(2) consumed; or

(3) installed;

in furtherance of, or in, the repair, maintenance, refurbishment, remodeling, or remanufacturing of an aircraft or an avionics system of an aircraft.

(b) The exemption provided by this section applies to a transaction only if:

(1) the retail merchant, at the time of the transaction, possesses a valid repair station certificate issued by the Federal Aviation Administration under 14 CFR 145 et seq. or other applicable law or regulation; **or**

(2) the:

(A) retail merchant has leased a facility at a public use airport for the maintenance of aircraft and meets the public use airport owner's minimum standards for an aircraft maintenance facility; and

(B) work is performed by a mechanic who is certified by the Federal Aviation Administration.

(c) The owner of a public use airport shall annually provide to the department the names of retail merchants that have a lease with the public use airport and that perform aircraft maintenance at the public use airport.

SECTION 11. IC 6-3.1-9-1, AS AMENDED BY P.L.1-2007, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) As used in this chapter, "authority" means the Indiana housing and community development authority established by IC 5-20-1-3.

(b) As used in this chapter, "business firm" means any business entity authorized to do business in the state of Indiana that has state tax liability.

(c) As used in this chapter, "community services" means any type of:

(1) counseling and advice;

(2) emergency assistance;

(3) medical care;

(4) recreational facilities;
(5) housing facilities; or
(6) economic development assistance;
provided to individuals, economically disadvantaged households, groups, or neighborhood organizations in an economically disadvantaged area **or provided to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.**

(d) As used in this chapter, "crime prevention" means any activity which aids in the reduction of crime in an economically disadvantaged area or an economically disadvantaged household.

(e) As used in this chapter, "economically disadvantaged area" means an enterprise zone, or any other federally or locally designated economically disadvantaged area in Indiana. The certification shall be made on the basis of current indices of social and economic conditions, which shall include but not be limited to the median per capita income of the area in relation to the median per capita income of the state or standard metropolitan statistical area in which the area is located.

(f) As used in this chapter, "economically disadvantaged household" means a household with an annual income that is at or below eighty percent (80%) of the area median income or any other federally designated target population.

(g) As used in this chapter, "education" means any type of scholastic instruction or scholarship assistance to an individual who:

(1) resides in an economically disadvantaged area; **or**

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to prepare for better life opportunities.

(h) As used in this chapter, "enterprise zone" means an enterprise zone created under IC 5-28-15.

(i) As used in this chapter, "job training" means any type of instruction to an individual who:

(1) resides in:

~~(1)~~ **(A)** an economically disadvantaged area; or

~~(2)~~ **(B)** an economically disadvantaged household; **or**

(2) is an ex-offender who has completed the individual's criminal sentence or is serving a term of probation or parole;

that enables the individual to acquire vocational skills so that the individual can become employable or be able to seek a higher grade of employment.

(j) As used in this chapter, "neighborhood assistance" means either:

(1) furnishing financial assistance, labor, material, and technical advice to aid in the physical or economic improvement of any part or all of an economically disadvantaged area; or

(2) furnishing technical advice to promote higher employment in any neighborhood in Indiana.

(k) As used in this chapter, "neighborhood organization" means any organization, including but not limited to a nonprofit development corporation doing both of the following:

(1) Performing community services:

(A) in an economically disadvantaged area; ~~or~~

(B) for an economically disadvantaged household; **or**

(C) for individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole.

(2) Holding a ruling:

(A) from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; and

(B) from the department of state revenue that the organization is exempt from income taxation under IC 6-2.5-5-21.

(l) As used in this chapter, "person" means any individual subject to Indiana gross or adjusted gross income tax.

(m) As used in this chapter, "state fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

(n) As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

(2) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

(o) As used in this chapter, "tax credit" means a deduction from any tax otherwise due and payable under IC 6-3 or IC 6-5.5.

SECTION 12. IC 6-3.1-9-2, AS AMENDED BY P.L.1-2007, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2. (a) A business firm or a person who contributes to a neighborhood organization that engages in the activities of providing:

(1) neighborhood assistance, job training, or education for individuals not employed by the business firm or person; ~~or for~~

(2) community services or crime prevention in an economically disadvantaged area; **or**

(3) community services, education, or job training services to individuals who are ex-offenders who have completed the individuals' criminal sentences or are serving a term of probation or parole;

shall receive a tax credit as provided in section 3 of this chapter if the authority approves the proposal of the business firm or person, setting forth the program to be conducted, the area selected, the estimated amount to be invested in the program, and the plans for implementing the program.

(b) The authority, after consultation with the community services agency and the commissioner of revenue, may adopt rules for the approval or disapproval of these proposals.

SECTION 13. IC 6-3.1-11-24 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: **Sec. 24. (a) If a pass through entity does not have state income tax liability against which the tax credit provided by this chapter may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:**

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

(b) The credit provided under subsection (a) is in addition to a tax credit to which a shareholder, partner, or member of a pass through entity is otherwise entitled under this chapter.

SECTION 14. IC 6-3.1-16-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 15. IC 6-3.1-16-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archaeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 16. IC 6-3.1-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation

of historic property and obtains the certifications required under section 8 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the ~~division.~~ **office.**

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 17. IC 6-3.1-16-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. **(a)** A taxpayer qualifies for a credit under section 7 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 7(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division.~~ **office.**

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is:

(A) actively used in a trade or business;

(B) held for the production of income; or

(C) held for the rental or other use in the ordinary course of the taxpayer's trade or business.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

(b) The division of historic preservation and archaeology of the department of natural resources shall assist the office, as requested and at no expense to the office, in making the certifications under this section.

SECTION 18. IC 6-3.1-16-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. (a) The ~~division~~ **office** shall provide the certifications referred to in section 8(3) and 8(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office** and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board.~~ **tax court.**

SECTION 19. IC 6-3.1-16-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 8 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 20. IC 6-3.1-16-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 12. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division.~~ **office.**

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 21. IC 6-3.1-16-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 15. **(a)** The following may adopt rules under IC 4-22-2 to carry out this chapter:

(1) The department of state revenue.

(2) The ~~division.~~ **office.**

(b) The rules in 312 IAC 23 are transferred to the office, and after December 31, 2014, those rules are treated as if they had been adopted by the office.

SECTION 22. IC 6-3.1-20-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 1. As used in this chapter, "~~earned~~ **"Indiana** income" means the ~~sum of the:~~

~~(1) wages, salaries, tips, and other employee compensation; and~~

~~(2) net earnings from self-employment (as computed under Section 32(c)(2) of the Internal Revenue Code);~~

adjusted gross income of an individual taxpayer, and the individual's spouse, if the individual files a joint adjusted gross income tax return.

SECTION 23. IC 6-3.1-20-4, AS AMENDED BY P.L.13-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 4. (a) Except as provided in subsection (b), an individual is entitled to a credit under this chapter if:

(1) the individual's ~~earned~~ **Indiana** income for the taxable year is less than eighteen thousand six hundred dollars ($18,600); and

(2) the individual pays property taxes in the taxable year on a homestead that:

(A) the individual:

(i) owns; or

(ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

(B) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(15) for the homestead for that same taxable year.

SECTION 24. IC 6-3.1-20-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with ~~earned~~ **Indiana** income of less than eighteen thousand dollars ($18,000) for the taxable year, the amount of the credit is equal to the lesser of:

(1) three hundred dollars ($300); or

(2) the amount of property taxes described in section

4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with ~~earned~~ **Indiana** income that is at least eighteen thousand dollars ($18,000) but less than eighteen thousand six hundred dollars ($18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

(1) An amount determined under the following STEPS:

STEP ONE: Determine the result of:

(i) eighteen thousand six hundred dollars ($18,600); minus

(ii) the individual's ~~earned~~ **Indiana** income for the taxable year.

STEP TWO: Determine the result of:

(i) the STEP ONE amount; multiplied by

(ii) five-tenths (0.5).

(2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

SECTION 25. IC 6-3.1-20-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 7. (a) The department shall before July 1 of each year determine **the greater of:**

(1) eight million five hundred thousand dollars ($8,500,000); or

(2) the amount of credits allowed under this chapter for taxable years ending before January 1 of the year.

(b) **Except as provided in subsection (d),** one-half (1/2) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable to the county under IC 4-33-12-6(d)(2); and

(2) paid instead to the state general fund.

(c) **Except as provided in subsection (d),** one-sixth (1/6) of the amount determined by the department under subsection (a) shall be:

(1) deducted during the year from the riverboat admissions tax revenue otherwise payable under IC 4-33-12-6(d)(1) to each of the following:

(A) The largest city by population located in the county.

(B) The second largest city by population located in the county.

(C) The third largest city by population located in the county; and

(2) paid instead to the state general fund.

(d) If the amount determined by the department under subsection (a)(2) is less than eight million five hundred thousand dollars ($8,500,000), the difference of:

(1) eight million five hundred thousand dollars ($8,500,000); minus

(2) the amount determined by the department under subsection (a)(2);

shall be paid to the northwest Indiana regional development authority established by IC 36-7.5-2-1 instead of the state general fund. Any amounts paid under this subsection shall be used by the northwest Indiana regional development authority only to establish or improve public mass rail transportation systems in Lake County.

SECTION 26. IC 6-3.1-22-1 IS REPEALED [EFFECTIVE JANUARY 1, 2015]. ~~Sec. 1. The definitions set forth in:~~

~~(1) IC 14-8-2 that apply to IC 14-21-1; and~~

~~(2) IC 14-21-1;~~

~~apply throughout this chapter.~~

SECTION 27. IC 6-3.1-22-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 2. As used in this chapter, ~~"division"~~ **"office"** means the ~~division of historic preservation and archeology of the department of natural resources.~~ **office of community and rural affairs established by IC 4-4-9.7-4.**

SECTION 28. IC 6-3.1-22-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 8. (a) Subject to section 14 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability in the taxable year in which the taxpayer completes the preservation or rehabilitation of historic property and obtains the certifications required under section 9 of this chapter.

(b) The amount of the credit is equal to twenty percent (20%) of the qualified expenditures that:

(1) the taxpayer makes for the preservation or rehabilitation of historic property; and

(2) are approved by the ~~division.~~ **office.**

(c) In the case of a husband and wife who:

(1) own and rehabilitate a historic property jointly; and

(2) file separate tax returns;

the husband and wife may take the credit in equal shares or one (1) spouse may take the whole credit.

SECTION 29. IC 6-3.1-22-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 9. **(a)** A taxpayer qualifies for a credit under section 8 of this chapter if all of the following conditions are met:

(1) The historic property is:

(A) located in Indiana;

(B) at least fifty (50) years old; and

(C) except as provided in section 8(c) of this chapter, owned by the taxpayer.

(2) The ~~division~~ **office** certifies that the historic property is listed in the register of Indiana historic sites and historic structures.

(3) The ~~division~~ **office** certifies that the taxpayer submitted a proposed preservation or rehabilitation plan to the ~~division~~ **office** that complies with the standards of the ~~division.~~ **office.**

(4) The ~~division~~ **office** certifies that the preservation or rehabilitation work that is the subject of the credit substantially complies with the proposed plan referred to in subdivision (3).

(5) The preservation or rehabilitation work is completed in not more than:

(A) two (2) years; or

(B) five (5) years if the preservation or rehabilitation plan indicates that the preservation or rehabilitation is initially planned for completion in phases.

The time in which work must be completed begins when the physical work of construction or destruction in preparation for construction begins.

(6) The historic property is principally used and occupied by the taxpayer as the taxpayer's residence.

(7) The qualified expenditures for preservation or rehabilitation of the historic property exceed ten thousand dollars ($10,000).

(b) The division of historic preservation and archaeology of the department of natural resources shall assist the office, as requested and at no expense to the office, in making the certifications under this section.

SECTION 30. IC 6-3.1-22-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 10. (a) The ~~division~~ **office** shall provide the certifications referred to in section 9(3) and 9(4) of this chapter if a taxpayer's proposed preservation or rehabilitation plan complies with the standards of the ~~division~~ **office** and the taxpayer's preservation or rehabilitation work complies with the plan.

(b) The taxpayer may appeal a ~~decision~~ **final determination** by the ~~division~~ **office** under this chapter to the ~~review board.~~ **tax court.**

SECTION 31. IC 6-3.1-22-11 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 11. To obtain a credit under this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue the certifications by the ~~division~~ **office** required under section 9 of this chapter and all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 32. IC 6-3.1-22-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015]: Sec. 13. (a) A credit claimed under this chapter shall be recaptured from the taxpayer if:

(1) the property is transferred less than five (5) years after completion of the certified preservation or rehabilitation work; or

(2) less than five (5) years after completion of the certified preservation or rehabilitation, additional modifications to the property are undertaken that do not meet the standards of the ~~division.~~ **office.**

(b) If the recapture of a credit is required under this section, an amount equal to the credit recaptured shall be added to the tax liability of the taxpayer for the taxable year during which the credit is recaptured.

SECTION 33. IC 6-7-1-37 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 37. (a) All reports required to be filed under this chapter must be filed in an electronic format prescribed by the department.**

(b) All taxes required to be remitted under this chapter must be remitted in an electronic format prescribed by the department.

SECTION 34. IC 6-7-2-12, AS AMENDED BY P.L.172-2011, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 12. Before the fifteenth day of each month, each distributor liable for the tax imposed by this chapter shall:

(1) file a return with the department that includes all information required by the department including, but not limited to:

(A) name of distributor;

(B) address of distributor;

(C) license number of distributor;

(D) invoice date;

(E) invoice number;

(F) name and address of person from whom tobacco products were purchased or name and address of person to whom tobacco products were sold;

(G) the wholesale price for tobacco products other than moist snuff; and

(H) for moist snuff, the weight of the moist snuff; and

(2) pay the tax for which it is liable under this chapter for the preceding month minus the amount specified in section 13 of this chapter.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

SECTION 35. IC 6-9-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 5. (a) When the tax is levied under section 3 of this chapter, there is created a seven (7) member visitor and convention commission (referred to as the commission in this chapter) to promote the development and growth of the convention and visitor industry in the county.

(b) The executive of the city with the largest population in the county shall appoint five (5) members of the commission as follows:

(1) Two (2) members must be engaged in the lodging business in the county.

(2) Two (2) members must be engaged in business in the county.

(3) One (1) member must be engaged in the ~~travel~~ business ~~in the county.~~ **tourism and hospitality industry.**

(c) The county fiscal body shall appoint two (2) members of the commission. Each member must be engaged in business in the county.

(d) All terms of office of commission members begin on January 1. Members of the commission serve terms of two (2) years. A member whose term expires may be reappointed to serve another term. If an initial appointment is not made by February 1 or a vacancy is not filled within thirty (30) days, the commission shall appoint a member by majority vote to serve for the remainder of the term.

(e) A member of the commission may be removed for cause by his appointing authority.

(f) Members of the commission may not receive a salary. However, commission members are entitled to reimbursement for necessary expenses incurred in the performance of their respective duties.

(g) Each commission member, before taking office, shall take an oath of office in the usual form, to be endorsed upon the member's certificate of appointment and promptly filed with the clerk of the circuit court of the county.

(h) The commission shall meet after January 1 each year for the purpose of organization. It shall elect one (1) of its members president, another vice president, another secretary, and another treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The officers chosen shall serve from the date of their election until their successors are elected and qualified. A majority of the commission constitutes a quorum, and the concurrence of a majority of the commission is necessary to authorize any action.

SECTION 36. IC 7.1-4-6-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. ~~Filing of Returns.~~ A person who is liable for the payment of an excise tax levied by this title shall file a monthly return with the department on or before the twentieth day of the month following the month in which the liability for the tax accrues by reason of the manufacture, sale, gift, or the withdrawal for sale or gift, of alcoholic beverages within this state. **The return must be filed in an electronic format as prescribed by the department.** Payment of the excise tax due shall accompany the return, **and shall be remitted electronically. Any other returns or forms required to be filed under this title must also be filed in an electronic format and on a date prescribed by the department.**

SECTION 37. IC 8-22-3-11, AS AMENDED BY P.L.139-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. **(a)** The board may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

(1) As a municipal corporation, to sue and be sued in its own name.

(2) To have all the powers and duties conferred by statute upon boards of aviation commissioners. The board supersedes all boards of aviation commissioners within the district. The board has exclusive jurisdiction within the district.

(3) To protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes in accordance with this chapter.

(A) The board may not levy taxes on property in excess of the ~~following,~~ ~~rate schedule,~~ **tax rate specified in subsection (b),** except as provided in sections 17 and 25 of this chapter.

~~Total Assessed Property Valuation~~	~~Rate Per $100 Of Assessed Valuation~~
~~$300 million or less~~	~~$0.10~~
~~More than $300 million but not more than $450 million~~	~~$0.0833~~

~~More than $450 million~~
~~but not more than $600 million~~ ~~$0.0667~~
~~More than $600 million~~
~~but not more than $900 million~~ ~~$0.05~~
~~More than $900 million~~ ~~$0.0333~~

(B) Clause (A) ~~does~~ **and subsection (b) do** not apply to an authority that was established under IC 19-6-2 or IC 19-6-3 (before their repeal on April 1, 1980).

(C) The board of an authority that was established under IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes on property not in excess of six and sixty-seven hundredths cents ($0.0667) on each one hundred dollars ($100) of assessed valuation.

(5) To incur indebtedness in the name of the authority in accordance with this chapter.

(6) To adopt administrative procedures, rules, and regulations.

(7) To acquire property, real, personal, or mixed, by deed, purchase, lease, condemnation, or otherwise and dispose of it for use or in connection with or for administrative purposes of the airport; to receive gifts, donations, bequests, and public trusts and to agree to conditions and terms accompanying them and to bind the authority to carry them out; to receive and administer federal or state aid; and to erect buildings or structures that may be needed to administer and carry out this chapter.

(8) To determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise.

(9) To adopt a schedule of reasonable charges and to collect them from all users of facilities and services within the district.

(10) To purchase supplies, materials, and equipment to carry out the duties and functions of the board in accordance with procedures adopted by the board.

(11) To employ personnel that are necessary to carry out the duties, functions, and powers of the board.

(12) To establish an employee pension plan. The board may, upon due investigation, authorize and begin a fair and reasonable pension or retirement plan and program for personnel, the cost to be borne by either the authority or by the employee or by both, as the board determines. If the authority was established under IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must be borne by the authority, and ordinances creating the plan or making changes in it must be approved by the mayor of the city. The plan may be administered and funded by a trust fund or by insurance purchased from an insurance company licensed to do business in Indiana or by a combination of them. The board may also include in the plan provisions for life insurance, disability insurance, or both.

(13) To sell surplus real or personal property in accordance with law. If the board negotiates an agreement to sell trees situated in woods or forest areas owned by the board, the trees are considered to be personal property of the board for severance or sale.

(14) To adopt and use a seal.

(15) To acquire, establish, construct, improve, equip, maintain, control, lease, and regulate municipal airports, landing fields, and other air navigation facilities, either inside or outside the district; to acquire by lease (with or without the option to purchase) airports, landing fields, or navigation facilities, and any structures, equipment, or related improvements; and to erect, install, construct, and maintain at the airport or airports facilities for the servicing of aircraft and for the comfort and accommodation of air travelers and the public. The Indiana department of transportation must grant its approval before land may be purchased for the establishment of an airport or landing field and before an airport or landing field may be established.

(16) To fix and determine exclusively the uses to which the airport lands may be put, including land use planning and zoning. All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable. The jurisdiction granted under this subdivision is superior to that of any other local government unit or entity with respect to airport lands.

(17) To elect a secretary from its membership, or to employ a secretary, an airport director, superintendents, managers, a treasurer, engineers, surveyors, attorneys, clerks, guards, mechanics, laborers, and all employees the board considers expedient, and to prescribe and assign their respective duties and authorities and to fix and regulate the compensation to be paid to the persons employed by it in accordance with the authority's appropriations. All employees shall be selected irrespective of their political affiliations.

(18) To make all rules and regulations, consistent with laws regarding air commerce, for the management and control of its airports, landing fields, air navigation facilities, and other property under its control.

(19) To acquire by lease the use of an airport or landing field for aircraft pending the acquisition and improvement of an airport or landing field.

(20) To manage and operate airports, landing fields, and other air navigation facilities acquired or maintained by an authority; to lease all or part of an airport, landing field, or any buildings or other structures, and to fix, charge, and collect rentals, tolls, fees, and charges to be paid for the use of the whole or a part of the airports, landing fields, or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; to construct public recreational facilities that will not interfere with air operational facilities; to fix, charge, and collect fees for public admissions and privileges; and to make contracts for the operation and management of the airports, landing fields, and other air navigation facilities; and to provide for the use, management, and operation of the air navigation facilities through lessees, its own employees, or otherwise. Contracts for the maintenance, operation, or use of the airport or any part of it may be made for a term not exceeding fifteen (15) years and may be extended for similar terms of years. However, the airport, including all or part of its land, facilities, or structures, may be leased for any use connected with the operation and convenience of the airport for an initial term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose character, experience, and financial responsibility have been determined satisfactory by the board offers to erect a permanent structure that facilitates and is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease. The board may not grant an exclusive right for the use of a landing area under its jurisdiction. However, this does not prevent the making of leases in accordance with other provisions of this chapter. All contracts, and leases, are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities. For the airport authority established by the city of Gary, the board may approve a lease, management agreement, or other contract:

(A) with a person:

(i) who is selected by the board using the procedures

under IC 36-1-9.5; and

(ii) whose character, experience, and financial responsibility have been determined satisfactory by the board; and

(B) to use, plan, design, acquire, construct, reconstruct, improve, extend, expand, lease, operate, repair, manage, maintain, or finance all or any part of the airport and its landing fields, air navigation facilities, and other buildings and structures for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease, management agreement, or other contract. All contracts, leases, and management agreements are subject to restrictions and conditions that the board prescribes. The authority may lease its property and facilities for any commercial or industrial use it considers necessary and proper, including the use of providing airport motel facilities. A lease, management agreement, or other contract entered into under this section or any other provision of this chapter may be entered into without complying with IC 5-23.

(21) To sell machinery, equipment, or material that is not required for aviation purposes. The proceeds shall be deposited with the treasurer of the authority.

(22) To negotiate and execute contracts for sale or purchase, lease, personal services, materials, supplies, equipment, or any other transaction or business relative to an airport under the board's control and operation. However, whenever the board determines to sell part or all of aviation lands, buildings, or improvements owned by the authority, the sale must be in accordance with law.

(23) To vacate all or parts of roads, highways, streets, or alleys, whether inside or outside the district, in the manner provided by statute.

(24) To annex lands to itself if the lands are owned by the authority or are streets, roads, or other public ways.

(25) To approve any state, county, city, or other highway, road, street or other public way, railroad, power line, or other right-of-way to be laid out or opened across an airport or in such proximity as to affect the safe operation of the airport.

(26) To construct drainage and sanitary sewers with connections and outlets as are necessary for the proper drainage and maintenance of an airport or landing field acquired or maintained under this chapter, including the necessary buildings and improvements and for the public use of them in the same manner that the authority may construct sewers and drains. However, with respect to the construction of drains and sanitary sewers beyond the boundaries of the airport or landing field, the board shall proceed in the same manner as private owners of property and may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of land that is necessary for the safety of operation. The board must also consent before overhead electric power lines carrying a voltage of more than four thousand four hundred (4,400) volts and having poles, standards, or supports over thirty (30) feet in height within one-half (1/2) mile of a landing area acquired or maintained under this chapter may be installed.

(27) To contract with any other state agency or instrumentality or any political subdivision for the rendition of services, the rental or use of equipment or facilities, or the joint purchase and use of equipment or facilities that are necessary for the operation, maintenance, or construction of an airport operated under this chapter.

(28) To provide air transportation in furtherance of the duties and responsibilities of the board.

(29) To promote or encourage aviation-related trade or commerce at the airports that it operates.

(30) To provide aviation services to public use airports within or outside Indiana either directly or through an affiliate entity established by the board.

(b) Except as provided in sections 17 and 25 of this chapter, a board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars ($300,000,000) or less, a tax rate of ten cents ($0.10) per one hundred dollars ($100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred million dollars ($300,000,000) but not more than four hundred fifty million dollars ($450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) three hundred thousand dollars ($300,000); plus

(B) the amount that would be raised by applying a tax rate of eight and thirty-three hundredths cents ($0.0833) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds three hundred million dollars ($300,000,000).

(3) If the total assessed valuation is more than four hundred fifty million dollars ($450,000,000) but not more than six hundred million dollars ($600,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) three hundred seventy-four thousand eight hundred fifty dollars ($374,850); plus

(B) the amount that would be raised by applying a tax rate of six and sixty-seven hundredths cents ($0.0667) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds four hundred fifty million dollars ($450,000,000).

(4) If the total assessed valuation is more than six hundred million dollars ($600,000,000) but not more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) four hundred thousand two hundred dollars ($400,200); plus

(B) the amount that would be raised by applying a tax rate of five cents ($0.05) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds six hundred million dollars ($600,000,000).

(5) If the total assessed valuation is more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) four hundred fifty thousand dollars ($450,000); plus

(B) the amount that would be raised by applying a tax rate of three and thirty-three hundredths cents ($0.0333) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds nine hundred million dollars ($900,000,000).

SECTION 38. IC 8-22-3-25, AS AMENDED BY P.L.139-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) Subject to subsection (c), the board may provide a cumulative building fund in compliance with IC 6-1.1-41 to provide for the acquisition of real property, and the construction, enlarging, improving, remodeling, repairing, or equipping of buildings, structures, runways, or other facilities for use in connection with the airport needed to carry out this chapter and to facilitate and support commercial air transportation.

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed:

(1) thirty-three hundredths of one cent ($0.0033) on each one hundred dollars ($100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;

(2) one and thirty-three hundredths cents ($0.0133) on each one hundred dollars ($100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and

(3) for any other district not described in subdivision (1) or (2), the ~~following:~~ **tax rate specified in subsection (c).**

~~Total Assessed Property Valuation~~	~~Rate Per $100 Of Assessed Valuation~~
~~$300 million or less~~	~~$0.0167~~
~~More than $300 million but not more than $450 million~~	~~$0.0133~~
~~More than $450 million but not more than $600 million~~	~~$0.01~~
~~More than $600 million but not more than $900 million~~	~~$0.0067~~
~~More than $900 million~~	~~$0.0033~~

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

(c) For any district not described in subsection (b)(1) or (b)(2), the board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars ($300,000,000) or less, a tax rate of one and sixty-seven hundredths cents ($0.0167) per one hundred dollars ($100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred million dollars ($300,000,000) but not more than four hundred fifty million dollars ($450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) fifty thousand one hundred dollars ($50,100); plus

(B) the amount that would be raised by applying a tax rate of one and thirty-three hundredths cents ($0.0133) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds three hundred million dollars ($300,000,000).

(3) If the total assessed valuation is more than four hundred fifty million dollars ($450,000,000) but not more than six hundred million dollars ($600,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) fifty-nine thousand eight hundred fifty dollars ($59,850); plus

(B) the amount that would be raised by applying a tax rate of one cent ($0.01) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds four hundred fifty million dollars ($450,000,000).

(4) If the total assessed valuation is more than six hundred million dollars ($600,000,000) but not more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) sixty thousand dollars ($60,000); plus

(B) the amount that would be raised by applying a tax rate of sixty-seven hundredths of a cent ($0.0067) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds six hundred million dollars ($600,000,000).

(5) If the total assessed valuation is more than nine hundred million dollars ($900,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:

(A) sixty thousand three hundred dollars ($60,300); plus

(B) the amount that would be raised by applying a tax rate of thirty-three hundredths of a cent ($0.0033) (as adjusted under IC 6-1.1-18-12) per one hundred dollars ($100) of assessed valuation that exceeds nine hundred million dollars ($900,000,000).

~~(c)~~ **(d)** Spending under subsection (a) to facilitate and support commercial intrastate air transportation is subject to a maximum of one million dollars ($1,000,000) cumulatively for all years in which money is spent under that subsection.

SECTION 39. IC 8-22-3-31, AS AMENDED BY P.L.182-2009(ss), SECTION 270, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) The authority, acting by and through its board under IC 8-21-8, may accept, receive, and receipt for federal, other public, or private monies for the acquisition, construction, enlargement, improvement, maintenance, equipment, or operation of airports, other air navigation facilities, and sites for them, and comply with federal laws made for the expenditure of federal monies upon airports and other air navigation facilities.

(b) Subject to IC 8-21-8, the board has exclusive power to submit to the proper state and federal agencies applications for grants of funds for airport development and to make or execute representations, assurances and contracts, to enter into covenants and agreements with state or federal agency or agencies relative to the development of an airport, and to comply with all federal and state laws pertaining to the acquisition, development, operation, and administration of airports and properties by the authority.

(c) This subsection applies only to the airport authority established by the city of Gary. The authority may assign the powers described in this section to a lessee or other operator with whom it enters into a lease, management agreement, or other contract under ~~section 11(20)~~ **section 11(a)(20)** of this chapter if the board has determined that the lessee or other operator has the expertise and experience to operate the facilities of the authority in accordance with prudent airport operating standards.

SECTION 40. IC 20-46-1-8, AS AMENDED BY SEA 207-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. (a) Subject to this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for either of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.

(2) The governing body of the school corporation determines that a referendum tax levy under this chapter

should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.

(b) The governing body of the school corporation shall certify a copy of the resolution, ~~including the proposed public question language required by section 10 of this chapter,~~ to the following:

(1) The department of local government finance, **including (in the case of a resolution certified to the department of local government finance after April 30, 2011) the language for the question required by section 10 of this chapter. In the case of a resolution certified to the department of local government finance after April 30, 2011, the department shall review the language for compliance with section 10 of this chapter and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.**

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only). ~~and~~

(3) The circuit court clerk of each county in which the school corporation is located.

~~(c) If the certification under subsection (b) is made not later than the applicable time set forth in IC 3-10-9-3:~~

~~(1) the certification required by IC 3-10-9-3 is considered to have been made; and~~

~~(2) the referendum shall be held at the next primary, municipal primary, municipal, or general election, as applicable under IC 3-10-9-3.~~

SECTION 41. IC 20-46-1-13, AS AMENDED BY SEA 207-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. ~~(a)~~ Each circuit court clerk shall, upon receiving the question certified by the governing body of a school corporation under this chapter, call a meeting of the county election board to make arrangements for the referendum.

~~(b) The county election board shall review the proposed public question language.~~

~~(c) If the county election board determines that the proposed public question language fairly describes the referendum tax levy, the county election board shall approve the proposed language.~~

~~(d) If the county election board determines that the proposed public question language does not fairly describe the referendum tax levy, the county election board shall revise the public question language.~~

~~(e) If the county election board revises the public question language under subsection (d), the governing body of the school corporation may request the Indiana election commission to review the county election board's revision. If the governing body of the school corporation requests a review under this subsection, the Indiana election commission shall do one (1) of the following:~~

~~(1) Approve the public question language originally proposed by the governing body.~~

~~(2) Approve the public question language as revised by the county election board.~~

~~(3) Prescribe the public question language to be used for the referendum.~~

~~In determining what the public question language should be, the Indiana election commission shall determine what language most fairly describes the referendum tax levy.~~

~~(f) If the Indiana election commission does not make a determination under subsection (e) before:~~

~~(1) sixty (60) days before a primary election, if the question is to be placed on the primary or municipal primary election ballot; or~~

~~(2) August 1, if the question is to be placed on the general or municipal election ballot;~~

~~the determination of the county election board is considered approved.~~

~~(g) The public question language as determined under subsection (c), (d), (e), or (f), whichever is applicable, is the public question language that must be used for the referendum.~~

SECTION 42. IC 20-46-1-14, AS AMENDED BY SEA 207-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) The referendum shall be held in the next primary election, general election, or municipal election in which all the registered voters who are residents of the appellant school corporation are entitled to vote after certification **of the question under IC 3-10-9-3. The certification of the question must occur not later than noon:**

(1) sixty (60) days before a primary election if the question is to be placed on the primary or municipal primary election ballot; or

(2) August 1 if the question is to be placed on the general or municipal election ballot.

However, ~~section 8 of this chapter. (b)~~ if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this chapter and if the appellant school corporation requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than **noon:**

(1) sixty (60) days before a special election to be held in May (if the special election is to be held in May); or

(2) on August 1 (if the special election is to be held in November). ~~the applicable time set forth in IC 3-10-9-3.~~

(b) If the referendum is **not** conducted at a **primary election, general election, or municipal election,** ~~special election,~~ the appellant school corporation in which the referendum is to be held shall pay all the costs of holding the referendum.

SECTION 43. IC 36-6-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) When the executive prepares the annual report required by section 12 of this chapter, the executive shall also prepare, on forms prescribed by the state board of accounts, an abstract of receipts and expenditures:

(1) showing the sum of money in each fund of the township at the beginning of the year;

(2) showing the sum of money received in each fund of the township during the year;

(3) showing the sum of money paid from each fund of the township during the year;

(4) showing the sum of money remaining in each fund of the township at the end of the year;

(5) containing a statement of receipts, showing their source; and

(6) containing a statement of expenditures, showing the combined gross payment, according to classification of expense, to each person.

(b) Within four (4) weeks after the third Tuesday following the first Monday in ~~January,~~ **February,** the executive shall publish the abstract prescribed by subsection (a) in accordance with IC 5-3-1. The abstract must state that a complete and detailed annual report and the accompanying vouchers showing the names of persons paid money by the township have been filed with the county auditor, and that the chairman of the township legislative body has a copy of the report that is available for inspection by any taxpayer of the township.

(c) An executive who fails to comply with this section

commits a Class C infraction.

SECTION 44. [EFFECTIVE JANUARY 1, 2015] **(a) IC 6-3.1-20-1, IC 6-3.1-20-4, and IC 6-3.1-20-5, all as amended by this act, apply to taxable years beginning after December 31, 2014.**

(b) This SECTION expires January 1, 2018.

SECTION 45. [EFFECTIVE UPON PASSAGE] **(a) IC 8-22-3-11 and IC 8-22-3-25, both as amended by this act, apply to property taxes imposed for assessment dates that occur after February 28, 2014.**

(b) This SECTION expires July 1, 2018.

SECTION 46. [EFFECTIVE JULY 1, 2014] **(a) As used in this SECTION, "office" refers to the office of management and budget established by IC 4-3-22-3.**

(b) The office shall prepare a land use study that must include the following:

(1) A study of the feasibility of constructing a facility on land north of the state house to house the judiciary, provide additional legislative office space, and provide parking for employees and visitors to the facility, including controlled access parking.

(2) A study of ways to enhance public access to the activities of the legislative and judicial branches of state government, including providing additional space for legislative hearings.

(3) A study of ways to enhance security while enhancing public access.

(c) The office may review and use an architectural study prepared for the budget agency under P.L.273-1999, SECTION 31, or any other study that the office considers relevant to the study required by subsection (b).

(d) The office shall submit the study required by subsection (b) to the legislative council in an electronic format under IC 5-14-6 before December 1, 2015.

(e) This SECTION expires January 1, 2016.

SECTION 47. SEA 118-2014, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 39. (a) During the 2014 legislative interim, ~~the commission on state tax and financing policy~~ **an appropriate study committee determined by the legislative council** shall study redevelopment commissions, authorities, and departments.

(b) Redevelopment commissions, authorities, and departments shall submit the information requested to fulfill the requirements of the report in subsection (c) to the department of local government finance before July 1, 2014, in the manner prescribed by the department of local government finance.

(c) The department of local government finance, with the assistance of the state board of accounts, shall prepare a report on redevelopment that covers at least the following:

(1) The activities of each redevelopment commission, authority, and department throughout Indiana, including projects proposed and projects completed.

(2) The budgets for 2009 through 2013 for each redevelopment commission, authority, and department, including a summary of these budgets.

(3) The audit findings for 2009 through 2013 for each redevelopment commission, authority, and department audited by the state board of accounts, including a summary of these audits.

(4) The actual increase in assessed values in redevelopment areas compared to the estimated increases set forth in the redevelopment plan.

(5) The actual increase in assessed values in redevelopment areas compared to the increase in assessed values outside redevelopment areas.

(6) Suggested changes in the law with regard to redevelopment commissions, authorities, and departments.

Before ~~August~~ **October** 1, 2014, the department of local government finance shall deliver the report concerning redevelopment commissions, authorities, and departments to the executive director of the legislative services agency in an electronic format under IC 5-14-6 for distribution to each member of the ~~commission on state tax and financing policy~~ **appropriate study committee determined by the legislative council.** The department of local government finance and the state board of accounts shall be available to present the report and respond to questions at a meeting specified by the ~~commission.~~ **study committee.**

~~(b)~~ **(d)** This SECTION expires June 30, 2015.

SECTION 48. **An emergency is declared for this act.**

(Reference is to ESB 367 Printer's Error as reprinted February 28, 2014.)

HERSHMAN	TURNER
TALLIAN	T. BROWN
Senate Conferees	House Conferees

Roll Call 524: yeas 73, nays 24. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1075–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1075 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-3-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The surviving spouse of each individual who:

(1) serves as governor; and

(2) is entitled to a retirement benefit under section 1.1 of this chapter;

is entitled to an annual pension.

(b) The pension to which a governor's surviving spouse is entitled under this section shall be paid in equal monthly installments by the treasurer of state on warrant of the auditor of state after a claim has been made for the pension to the auditor by:

(1) the surviving spouse; or

(2) a person acting on behalf of the surviving spouse.

(c) The annual pension to which a governor's surviving spouse is entitled under this section is equal to the following:

(1) For the surviving spouse of a governor who died before July 1, 1998, the greater of:

(A) the annual retirement benefit received by the surviving spouse during the year beginning July 1, 1998; or

(B) ten thousand dollars ($10,000).

(2) For the surviving spouse of a governor who dies after June 30, 1998, the greater of:

(A) fifty percent (50%) of the annual retirement benefit that the governor to whom the surviving spouse was married was receiving or was entitled to receive on the date of the governor's death; or

(B) ten thousand dollars ($10,000).

(d) The surviving spouse of a governor must make the election required under subsection (c)(1) or (c)(2). Once a surviving spouse has received any pension payment under this section, the election is irrevocable.

(e) A governor's surviving spouse is entitled to receive the pension provided under this section for life. ~~unless the surviving spouse remarries.~~

(f) Notwithstanding any other law to the contrary, the pension provided under this section is in addition to any other retirement benefits a governor's surviving spouse is entitled to receive.

SECTION 2. IC 5-10-1.1-3.5, AS AMENDED BY P.L.242-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3.5. (a) This section applies to an individual who becomes an employee of the state after June 30, 2007.

(b) Unless an employee notifies the state that the employee does not want to enroll in the deferred compensation plan, on day thirty-one (31) of the employee's employment:

(1) the employee is automatically enrolled in the deferred compensation plan; and

(2) the state is authorized to begin deductions as otherwise allowed under this chapter.

(c) The auditor of state shall provide written notice to an employee of the provisions of this chapter. The notice provided under this subsection must:

(1) be provided:

(A) with the employee's first paycheck; and

(B) on paper that is a color that is separate and distinct from the color of the employee's paycheck;

(2) contain a statement concerning:

(A) the purposes of;

(B) procedures for notifying the state that the employee does not want to enroll in;

(C) the tax consequences of; and

(D) the details of the state match for employee contribution to;

the deferred compensation plan; and

(3) list the telephone number, electronic mail address, and other contact information for the auditor of state, who serves as plan administrator.

(d) This subsection applies to contributions made before July 1, 2011. Notwithstanding IC 22-2-6, except as provided by subsection (h), the state shall deduct from an employee's compensation as a contribution to the deferred compensation plan established by the state under this chapter an amount equal to the maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(e) This subsection applies to contributions made after June 30, 2011, and before July 1, 2013. Notwithstanding IC 22-2-6 and except as provided by subsection (h), during the first year an employee is enrolled under subsection (b) in the deferred compensation plan, the state shall deduct each pay period from the employee's compensation as a contribution to the deferred compensation plan an amount equal to the greater of the following:

(1) The maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(2) One-half percent (0.5%) of the employee's base salary.

(f) This subsection applies to contributions made after June 30, 2013. Notwithstanding IC 22-2-6 and except as provided by subsection (h), during the first year an employee is enrolled under subsection (b) in the deferred compensation plan, the state shall deduct each pay period from the employee's compensation as a contribution to the deferred compensation plan an amount equal to the greater of the following:

(1) The maximum amount of any match provided by the state on behalf of the employee to a defined contribution plan established under section 1.5(a) of this chapter.

(2) Two percent (2%) of the employee's base salary.

(g) This subsection applies to a year:

(1) after the first year in which an employee is enrolled in the deferred compensation plan; and

(2) in which the employee does not affirmatively choose a contribution amount under subsection (h).

The percentage of the employee's base salary used for the year in subsection (e)(2) or (f)(2) to determine the employee's contribution increases by one-half percent (0.5%) from the percentage determined in the immediately preceding year. The maximum percentage of an employee's base salary that may be deducted under this subsection is ~~three~~ **five** percent ~~(3%).~~ **(5%).** The contribution increase occurs on the anniversary date of the employee's enrollment in the deferred compensation plan.

(h) An employee may contribute to the deferred compensation plan established by the state under this chapter an amount other than the amount described in subsections (d) through (g) by affirmatively choosing to contribute:

(1) a higher amount;

(2) a lower amount; or

(3) zero (0).

SECTION 3. IC 5-10.2-4-4, AS AMENDED BY P.L.115-2008, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The computation of benefits under this section is subject to IC 5-10.2-2-1.5.

(b) For retirement benefits payable on and after July 1, 1975, for a member retired on and after January 1, 1956, the pension (p) is computed as follows:

STEP ONE: Multiply one and one-tenths percent (1.1%) times the average of the annual compensation (aac) and obtain a product.

STEP TWO: To obtain the pension, multiply the STEP ONE product by the total creditable service (scr) completed by the member on the member's retirement date.

Expressed mathematically:

p = (.011) times (aac) times (scr)

(c) Unless the member:

(1) has chosen a lump sum payment under section 2(b) of this chapter;

(2) has elected to withdraw the entire amount in the member's annuity savings account under IC 5-10.2-3-6.5; or

(3) elects to defer receiving in any form the member's annuity savings account under section 2(c) of this chapter;

the annuity is the amount purchasable on the member's retirement date by the amount credited to the member in the annuity savings account. The amount purchasable is based on actuarial tables adopted by the board under IC 5-10.2-2-10 at an interest rate determined by the board **under IC 5-10.5-4-2.6.**

SECTION 4. IC 5-10.5-4-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. Notwithstanding any other provision in this article, IC 5-10.2, IC 5-10.3, or IC 5-10.4, the board may not, before January 1, 2017, enter into an agreement with a third party provider to provide annuities for retiring members of:**

(1) the public employees' retirement fund; or

(2) the teachers' retirement fund.

SECTION 5. IC 5-10.5-4-2.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.6. (a) This subsection applies after September 30, 2014, and before January 1, 2017.The following interest rates shall be used to determine the annuity amount purchasable by a member of the public employees' retirement fund or the teachers' retirement fund who elects to receive, as part of the member's retirement or disability benefit, an annuity provided by the amount credited to the member in the member's annuity savings account:**

(1) After September 30, 2014, and before October 1, 2015, five and seventy-five hundredths percent (5.75%).

(2) After September 30, 2015, and before January 1, 2017, the greater of:

(A) the interest rate for similar annuities being purchased in the private market as determined by

the board; or

(B) four and one-half percent (4.5%).

(b) This subsection applies after December 31, 2016, whenever the board enters into an agreement with a third party provider to provide annuities for retiring members of the public employees' retirement fund or the teachers' retirement fund. The interest rate used to determine the annuity amount purchasable by a member is equal to the rate for similar annuities being purchased in the private market as recommended by the third party provider.

SECTION 6. **An emergency is declared for this act.**

(Reference is to EHB 1075 as reprinted February 26, 2014.)

BURTON	KENLEY
NIEZGODSKI	TALLIAN
House Conferees	Senate Conferees

Representatives V. Smith, Klinker, Austin, Kersey, Riecken, Battles, DeVon, Wolkins, Bauer, Price and Rhoads were excused from voting, pursuant to House Rule 47. Roll Call 525: yeas 89, nays 0. Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

HOUSE MOTION

Mr. Speaker: I move that Representative Goodin be removed as cosponsor of Engrossed Senate Bill 273.

CHERRY

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Arnold, Austin, Bacon, Baird, Bartlett, Battles, Bauer, Behning, Beumer, Braun, T. Brown, C. Brown, Burton, Candelaria Reardon, Carbaugh, Cherry, Clere, Cox, Culver, Davisson, Delaney, DeVon, Dermody, Dvorak, Eberhart, Errington, Forestal, Friend, Frizzell, Frye, GiaQuinta, Goodin, Gutwein, Hale, Hamm, Harman, Heaton, Heuer, Huston, Karickhoff, Kersey, Kirchhofer, Klinker, Koch, Kubacki, Lawson, Lehe, Lehman, Leonard, Lucas, Lutz, Macer, Mahan, Mayfield, McMillin, McNamara, Messmer, Moed, Morris, Morrison, Moseley, Neese, Negele, Niemeyer, Niezgodski, Ober, Pierce, Porter, Price, Pryor, Rhoads, Richardson, Riecken, Saunders, Shackleford, Slager, Smaltz, V. Smith, M. Smith, Soliday, Speedy, Stemler, Steuerwald, Sullivan, Thompson, Torr, Truitt, Turner, Ubelhor, VanDenburgh, VanNatter, Washburne, Wesco, Wolkins, Zent and Ziemke be added as coauthors of House Resolution 57.

HARRIS

Motion prevailed.

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 282, Roll Call 262, on February 24, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when I intended to vote Aye."

MAYFIELD

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 262 to 62 yeas, 36 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on second reading amendment 6 to Engrossed Senate Bill 284, Roll Call 323, on February 27, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when I intended to vote Aye."

DERMODY

There being a constitutional majority voting in favor of the petition, the petition was adopted.

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on second reading amendment 6 to Engrossed Senate Bill 284, Roll Call 323, on February 27, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when I intended to vote Aye."

TRUITT

There being a constitutional majority voting in favor of the petition, the petition was adopted.

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on second reading amendment 6 to Engrossed Senate Bill 284, Roll Call 323, on February 27, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when I intended to vote Aye."

SOLIDAY

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: adoption of the petitions of Representatives Dermody, Truitt and Soliday changes the vote tally for Roll Call 323 to 35 yeas, 60 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I petition to change my voting record on passage of Conference Committee Report 1 on Engrossed House Bill 1005, Roll Call 513, on March 13, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when I intended to vote Aye."

HALE

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 513 to 79 yeas, 19 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I petition to change my voting record on the concurrence on Engrossed House Bill 1140, Roll Call 392, on March 4, 2014. In support of this petition, I submit the following reason:

"I was present and in the chamber, but when I attempted to vote, I inadvertently pushed the Aye button when. I intended to vote Nay."

HALE

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 392 to 75 yeas, 14 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I petition to change my voting record on passage of Conference Committee Report

1 on Engrossed House Bill 1388, Roll Call 501, on March 13, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when . I intended to vote Aye."

FORESTAL

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 501 to 75 yeas, 23 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 63, Roll Call 229, on February 18, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote the machine had closed. I intended to vote Aye."

MOED

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 229 to 94 yeas, 1 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 19, Roll Call 219, on February 17, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote the machine had closed. I intended to vote Aye."

CHERRY

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 219 to 93 yeas, 2 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I petition to change my voting record on passage of Conference Committee Report 1 on Engrossed Senate Bill 225, Roll Call 506, on March 13, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when. I intended to vote Aye."

PORTER

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 506 to 80 yeas, 19 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on second reading amendment 10 to Engrossed Senate Bill 340, Roll Call 269, on February 25, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Aye button when I intended to vote Nay."

VANDENBURGH

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 269 to 65 yeas, 31 nays.*]

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the third reading of Engrossed Senate Bill 359, Roll Call 284, on February 25, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote the machine had closed. I intended to vote Aye."

RIECKEN

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 284 to 95 yeas, 0 nays.*]

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed Senate Bills 1, 4, 32, 44, 52, 53, 80, 106, 169, 176, 179, 180, 225, 229, 233, 235, 236, 249, 260, 266, 308, 321, 329, 349, 357, 367, 406 and 408.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed Senate Bills 59, 111, 222, 255, 375, 421 and 350.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed House Bills 1046, 1141, 1235, 1237 and 1323.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed House Bills 1002, 1003, 1004, 1006, 1036, 1116, 1139, 1187, 1196, 1204, 1216, 1217, 1218, 1234, 1258, 1266, 1307, 1321 and 1380.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed House Bills 1005, 1028, 1061, 1062, 1075, 1083, 1206, 1269, 1318, 1319, 1347, 1358, 1388 and 1391.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 31 and 61 and the same are herewith returned to the House.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has concurred in the House amendments to Engrossed Senate Bills 91, 118, 338, 350, 354, 385, 396, 420 and 422.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolution 53 and the same are herewith transmitted to the House for further action.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1001:

Conferees: Senator Hershman and Tallian
Advisors: Senators Kenley, Skinner, Charbonneau and Mishler

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1002:

Conferees: Senators Kenley and Skinner
Advisors: Senators Hershman, Tallian, Wyss and Yoder

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1003:

Conferees: Senators Smith and Broden
Advisors: Senators Schneider, Skinner and Hershman

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1004:

Conferees: Senators Pete Miller and Rogers
Advisors: Senators Kenley, Broden, Kruse, Yoder and Mrvan

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1005:

Conferees: Senators Schneider and Randolph
Advisors: Senators Kenley, Lanane and Bray

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1006:

Conferees: Senators Steele and Tallian
Advisors: Senators R. Michael Young, Taylor, Head, Hume and Kenley

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1020:

Conferees: Senators Hershman and Broden
Advisors: Senators Pete Miller, Breaux and Crider

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1028:

Conferees: Senators Yoder and Tallian
Advisors: Senators Kruse, Randolph and Bray

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1036:

Conferees: Senators Walker and Taylor
Advisors: Senators Holdman and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1046:

Conferees: Senators Waterman and Hume
Advisors: Senators Hershman, Skinner and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1061:

Conferees: Senators Leising and Breaux
Advisors: Senators Pat Miller, Stoops and Mishler

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1062:

Conferees: Senators Pete Miller and Skinner
Advisors: Senators Mishler, Lanane, Head and Bray

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1075:

Conferees: Senators Walker and Tallian
Advisors: Senators Boots, Skinner and Becker

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1083:

Conferees: Senators Boots and Tallian
Advisors: Senators Glick, Arnold and Bray

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1097:

Conferees: Senators Pat Miller and Arnold
Advisors: Senators Pete Miller, Lanane and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1116:

Conferees: Senators Yoder and Randolph
Advisors: Senators Alting and Arnold

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1139:

Conferees: Senators Pat Miller and Breaux
Advisors: Senators Alting and Broden

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1141:

Conferees: Senators Head and Arnold
Advisors: Senators Merritt and Lanane

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1187:

Conferees: Senators Charbonneau and Stoops
Advisors: Senators Merritt, Randolph and Hershman

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1196:

Conferees: Senators Hershman and Taylor
Advisors: Senators Boots, Broden and Buck

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1204:

Conferees: Senators Yoder and Broden
Advisors: Senators Kruse and Rogers

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1206:

Conferees: Senators Paul and Mrvan
Advisors: Senators Holdman and R. Young

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1216:

Conferees: Senators Head and Stoops
Advisors: Senators Eckerty and R. Young

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1217:

Conferees: Senators Yoder and Randolph
Advisors: Senators Hershman and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1218:

Conferees: Senators Pat Miller and Mrvan
Advisors: Senators Grooms and Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1234:

Conferees: Senators Pete Miller and Hume
Advisors: Senators Holdman, Rogers and Hershman

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1235:

Conferees: Senators Holdman and Taylor
Advisors: Senators Leising, Mrvan and Alting

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1237:

Conferees: Senators Wyss and Arnold
Advisors: Senators Merritt and Hume

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1242:

Conferees: Senators Yoder and Arnold
Advisors: Senators Hershman and Skinner

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1258:

Conferees: Senators Pat Miller and Breaux
Advisors: Senators Charbonneau, Taylor and Becker

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1266:

Conferees: Senators Hershman and Broden
Advisors: Senators Holdman, Tallian, Mishler and Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1269:

Conferees: Senators M. Young and Randolph
Advisors: Senators Steele and Taylor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1290:

Conferees: Senators Kruse and Arnold
Advisors: Senators Becker, Skinner and Yoder

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1306:

Conferees: Senators Holdman and Arnold
Advisors: Senators Head and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1307:

Conferees: Senators Yoder and R. Young
Advisors: Senators Holdman and Skinner

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1318:

Conferees: Senators Pete Miller and Arnold
Advisors: Senators Zakas, Lanane and Head

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1319:

Conferees: Senators Kruse and Broden
Advisors: Senators Yoder, Rogers and Pete Miller

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1321:

Conferees: Senators Pete Miller and Taylor
Advisors: Senators Kenley, Breaux and Kruse

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1323:

Conferees: Senators Pat Miller and Randolph
Advisors: Senators Grooms and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1346:

Conferees: Senators Boots and Tallian
Advisors: Senators Kruse and Arnold

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1346:

Conferees: Senator Wyss replacing Boots
Senator Arnold replacing Tallian
Advisors: Senator Holdman replacing Kruse
Senator Broden replacing Arnold

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1347:

Conferees: Senators Steele and Hume
Advisors: Senators Head, Randolph, Breaux and Schneider

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1351:

Conferees: Senators M. Young and Tallian
Advisors: Senators Steele, Hume, Yoder and Smith

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1351:

Conferees: Senator Steele replacing Tallian

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1358:

Conferees: Senators Pat Miller and Breaux
Advisors: Senators Becker and Rogers

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1361:

Conferees: Senators Kenley and Tallian
Advisors: Senators Buck, Skinner and Pete Miller

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1380:

Conferees: Senators Hershman and Skinner
Advisors: Senators Holdman, Hume and Kenley

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1388:

Conferees: Senators Yoder and Broden
Advisors: Senators Kruse and Rogers

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1391:

Conferees: Senators Becker and Breaux
Advisors: Senators Eckerty, Broden and Mishler

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1403:

Conferees: Senators Holdman and R. Young
Advisors: Senators Head, Randolph and Bray

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 1:

Conferees: Senator Hershman, Chairman; and Senator Tallian
Advisors: Senators Kenley, Skinner and Mishler

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 1:

Conferee: Senator Kenley replacing Tallian

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 4:

Conferees: Senator Steele, Chairman; and Senator Hume
Advisors: Senators Kruse, R. Young, Crider and Glick

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 32:

Conferees: Senator Tomes, Chairman; and Senator R. Young
Advisors: Senators Buck, Stoops and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 44:

Conferees: Senator Pat Miller, Chairman; and Senator Breaux
Advisors: Senators Charbonneau and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 52:

Conferees: Senator Steele, Chairman; and Senator Randolph
Advisors: Senators Crider and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 53:

Conferees: Senator Zakas, Chairman; and Senator Broden
Advisors: Senators Charbonneau and Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 59:

Conferees: Senator Bray, Chairman; and Senator Broden
Advisors: Senators Head, Randolph and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 80:

Conferees: Senator Long, Chairman; and Senator Lanane

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 106:

Conferees: Senator Charbonneau, Chairman; and Senator R. Young
Advisors: Senators Hershman and Tallian

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 106:

Conferee: Senator Rogers replacing Senator R. Young

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 111:

Conferees: Senator Leising, Chairman; and Senator Skinner
Advisors: Senators Eckerty, R. Young and Walker

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 118:

Conferees: Senator Pete Miller, Chairman; and Senator Hume
Advisors: Senators Walker, Stoops, Kenley, Smith and Hershman

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of

the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 118:

Conferee: Senator Stoops replacing Senator Hume
Advisor: Senator Hume replacing Senator Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 143:

Conferees: Senator Pat Miller, Chairman; and Senator Skinner
Advisors: Senators Charbonneau, Tallian and Eckerty

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 159:

Conferees: Senator Kenley, Chairman; and Senator Taylor
Advisors: Senators Kruse and Randolph

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 169:

Conferees: Senator M. Young, Chairman; and Senator Arnold
Advisors: Senators Merritt, Hume and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 173:

Conferees: Senator Pat Miller, Chairman; and Senator R. Young
Advisors: Senators Mishler, Breaux and Leising

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 176:

Conferees: Senator Pat Miller, Chairman; and Senator Breaux
Advisors: Senators Waltz, Lanane, Hershman and Taylor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 179:

Conferees: Senator Banks, Chairman; and Senator R. Young
Advisors: Senators Yoder, Skinner and Hershman

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 179:

Conferee: Senator Yoder replacing Senator Banks

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 180:

Conferees: Senator Banks, Chairman; and Senator Stoops
Advisors: Senators Hershman, R. Young and Crider

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 180:

Conferee: Senator Hershman replacing Senator Banks

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 222:

Conferees: Senator Holdman, Chairman; and Senator Stoops
Advisors: Senators Alting and Mrvan

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 225:

Conferees: Senator Kenley, Chairman; and Senator Skinner
Advisors: Senators Charbonneau, Rogers and Hershman

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 229:

Conferees: Senator Tomes, Chairman; and Senator R. Young
Advisors: Senators Hershman, Hume and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of

the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 229:

Conferee: Senator Broden replacing R. Young
Advisor: Senator R. Young added

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 229:

Conferee: Senator Hershman replacing Broden

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 233:

Conferees: Senator Grooms, Chairman; and Senator Mrvan
Advisors: Senators Pat Miller, Breaux and Bray

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 235:

Conferees: Senator M. Young, Chairman; and Senator Taylor
Advisors: Senators Pat Miller and Randolph

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 236:

Conferees: Senator R. Michael Young, Chairman; and Senator Randolph
Advisors: Senators Pete Miller and Taylor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 249:

Conferees: Senator Buck, Chairman; and Senator Tallian
Advisors: Senators Hershman and Skinner

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 255:

Conferees: Senator Pat Miller, Chairman; and Senator Lanane
Advisors: Senators Charbonneau and Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 260:

Conferees: Senator Banks, Chairman; and Senator R. Young
Advisors: Senators Holdman and Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84(b) of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed Senate Bill 260:

Conferee: Senator Hershman replacing Senator Banks

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 266:

Conferees: Senator Schneider, Chairman; and Senator Randolph
Advisors: Senators Pat Miller, Tallian and Kenley

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 273:

Conferees: Senator Buck, Chairman; and Senator R. Young
Advisors: Senators Crider, Breaux and Boots

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 308:

Conferees: Senator Wyss, Chairman; and Senator Tallian
Advisors: Senators Holdman, Taylor, Breaux, Kruse, Merritt and Kenley

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 321:

Conferees: Senator Schneider, Chairman; and Senator Rogers
Advisors: Senator Yoder, Mrvan and Kruse

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 329:

Conferees: Senator Head, Chairman; and Senator Rogers
Advisors: Senator Bray and Randolph

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 335:

Conferees: Senator Waltz, Chairman; and Senator Stoops
Advisors: Senator Wyss, R. Young and R. Michael Young

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 349:

Conferees: Senator Merritt, Chairman; and Senator Taylor
Advisors: Senator Eckerty, Mrvan and Head

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 350:

Conferees: Senator Wyss, Chairman; and Senator Arnold
Advisors: Senator Glick and Lanane

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 357:

Conferees: Senator Yoder, Chairman; and Senator R. Young
Advisors: Senator Bray, Hume and Steele

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 367:

Conferees: Senator Hershman, Chairman; and Senator Tallian
Advisors: Senator Kenley, Breaux and Eckerty

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 375:

Conferees: Senator Holdman, Chairman; and Senator Taylor
Advisors: Senator Head and Mrvan

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 385:

Conferees: Senator Pete Miller, Chairman; and Senator Arnold
Advisors: Senator Pat Miller, Tallian and Walker

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 406:

Conferees: Senator Mishler, Chairman; and Senator Mrvan
Advisors: Senators Charbonneau and Taylor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 408:

Conferees: Senator Becker, Chairman; and Senator Breaux
Advisors: Senators Pat Miller, Rogers and Leising

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore has appointed the following Senators a conference committee to confer on Engrossed Senate Bill 421:

Conferees: Senator Head, Chairman; and Senator Taylor
Advisors: Senators Kruse and Mrvan

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1005.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1006.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1008.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1116.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1237-01.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1237-02.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed House Bill 1343.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed Senate Bill 185.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed Senate Bill 260.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has accepted and approved the Joint Rule 20 correction on Engrossed Senate Bill 350.

JENNIFER L. MERTZ
Principal Secretary of the Senate

ENROLLED ACTS SIGNED

The Speaker announced that he had signed House Enrolled Acts 1002, 1004, 1008, 1019, 1020, 1036, 1037, 1045, 1046, 1058, 1063, 1074, 1079, 1080, 1104, 1110, 1123, 1139, 1141, 1155, 1181, 1183, 1187, 1196, 1204, 1217, 1218, 1219, 1235, 1242, 1253, 1258, 1279, 1290, 1307, 1321, 1323, 1336, 1342, 1346, 1360, 1361, 1378, 1385, 1403, Enrolled House Joint Resolution 3 and Senate Enrolled Acts 27, 50, 63, 85, 88, 114, 139, 158, 161, 205, 207, 208, 220, 238, 292, 294, 312, 330, 331, 332, 340, 344, 359, 363, 377, 394, 397, 405, and Enrolled Senate Joint Resolution 9 on March 13.

ADJOURNMENT OF THE SECOND REGULAR SESSION

HOUSE MOTION

Mr. Speaker: I move that all requests for interim studies, including those made by resolution, bills which failed to pass both Houses of the General Assembly, or written or oral requests to the Speaker of the House are hereby referred to the Legislative Council for further consideration as it deems necessary or appropriate.

TORR

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to confer with the Senate for the purpose of ascertaining if the Senate has any further legislative business to transact with the House of Representatives.

TORR

Motion prevailed. The Speaker appointed Representatives Cox, Beumer, Shackleford, and Moed.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to ascertain if the Senate has further legislative business to transact with the House of Representatives has performed the duties assigned to them. The committee reports that the Senate has no further legislative business to transact with the House of Representatives.

COX SHACKLEFORD
BEUMER MOED

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to confer with the Governor for the purpose of ascertaining if the Governor has any further communication to make to the House of Representatives.

TORR

Motion prevailed. The Speaker appointed Representatives Sullivan, Ubelhor, Stemler, and Errington.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to ascertain if the Governor has any further communication to make to the House of Representatives has performed the duties assigned to them. The committee reports that the Governor has no further communication to make to the House of Representatives.

SULLIVAN STEMLER
UBELHOR ERRINGTON

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to inform the Senate that the House of Representatives has completed its business and is ready to adjourn.

TORR

Motion prevailed. The Speaker appointed Representatives Messmer, Niemeyer, Bartlett, and Summers.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to inform the Senate that the House of Representatives has completed its business and is ready to adjourn has performed the duties assigned to them. The committee reports that they have informed the Senate that the House of Representatives has completed its business and is ready to adjourn.

MESSMER BARTLETT
NIEMEYER SUMMERS

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to inform the Governor that the House of Representatives has completed its business and is ready to adjourn.

TORR

Motion prevailed. The Speaker appointed Representatives T. Brown, Davisson, Battles, and VanDenburgh.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to inform the Governor that the House of Representatives has completed its business and is ready to adjourn has performed the duties assigned to them. The committee reports that they have informed the Governor that the House of Representatives has completed its business and is ready to adjourn.

T. BROWN BATTLES
DAVISSON VANDENBURGH

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the House of Representatives of the Second Regular Session of the 118th General Assembly do now adjourn *sine die* at 10:20 p.m., this thirteenth day of March, 2014.

NEESE

Motion prevailed; the House adjourned *sine die*.

BRIAN C. BOSMA
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives