



Journal of the House

State of Indiana

120th General Assembly

Second Regular Session

Twenty-Sixth Day

Tuesday Afternoon

February 27, 2018

The invocation was offered by Khalsa Singh from Gudwara Sahib in Indianapolis.

The House convened at 1:30 p.m. with Speaker Brian C. Bosma in the Chair.

The Pledge of Allegiance to the Flag was led by Representative Huston.

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

Austin	Kirchhofer
Aylesworth	Klinker
Bacon	Lawson
Baird	Lehe
Bartels	Lehman
Bartlett	Leonard
Bauer	Lindauer
Behning	Lucas
Beumer	Lyness
Borders	Macer
C. Brown	Mahan <input type="checkbox"/>
T. Brown	May
Burton	Mayfield
Candelaria Reardon	McNamara <input type="checkbox"/>
Carbaugh	Miller
Cherry	Moed
Clere	Morris
Cook <input type="checkbox"/>	Morrison
Culver	Moseley
Davisson	Negele
DeLaney	Nisly
DeVon	Ober
Dvorak	Olthoff
Eberhart	Pelath
Ellington	Pierce
Engleman	Porter
Errington	Pressel
Forestal	Pryor
Friend	Richardson
Frizzell	Saunders <input type="checkbox"/>
Frye	Schaibley
GiaQuinta	Shackleford
Goodin	Siegrist
Gutwein	Slager
Hamilton	Smaltz
Hamm	M. Smith
Harris	V. Smith
Hatfield	Soliday
Heaton	Speedy
Heine	Stemler <input type="checkbox"/>
Huston	Steuerwald
Jordan	Sullivan
Judy	Summers
Karickhoff	J. Taylor
Kersey	Thompson

Torr	Wright
VanNatter	J. Young
Washburne	Zent
Wesco	Ziemke
Wolkins	Mr. Speaker

Roll Call 221: 95 present; 5 excused. The Speaker announced a quorum in attendance. [NOTE: indicates those who were excused.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Wednesday, February 28, 2018, at 10:00 a.m.

LEHMAN

The motion was adopted by a constitutional majority.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 43, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 43 as printed February 2, 2018.)

Committee Vote: Yeas 17, Nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 50, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 5 through 9.

Page 1, line 10, delete "Sec. 2." and insert "**Sec. 1.**".

Page 1, line 11, delete "section 4" and insert "**section 3**".

Page 1, line 13, delete "Sec. 3." and insert "**Sec. 2.**".

Page 1, line 15, delete "Sec. 4." and insert "**Sec. 3.**".

Page 2, line 18, delete "degree, or an apprenticeship" and insert "**degree.**".

Page 2, delete line 19.

Page 2, line 28, delete "Sec. 5." and insert "**Sec. 4.**".

Page 2, line 38, delete "The chair of the board for technical education." and insert "**One (1) member representing the governor appointed by the governor.**".

Page 2, line 40, delete "One (1) member representing manufacturing in Indiana" and insert "**A representative of the Indiana Chamber of Commerce.**".

Page 2, line 42, delete "One (1) member representing the business community in".

Page 3, line 1, delete "Indiana" and insert "**A representative of the Indiana Manufacturers Association.**".

Page 2, run in line 42 through page 3, line 1.

Page 3, delete lines 3 through 24.

Page 3, line 25, delete "Sec. 10." and insert "**Sec. 5.**".

Page 3, delete lines 26 through 42, begin a new paragraph and insert:

"SECTION 2. IC 4-3-27 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 27. Governor's Workforce Cabinet

Sec. 1. As used in this chapter, "cabinet" refers to the governor's workforce cabinet established by section 2 of this chapter.

Sec. 2. The governor's workforce cabinet is established.

Sec. 3. (a) The cabinet consists of the following seventeen (17) members:

- (1) A member appointed by the governor, who shall serve as the chairperson.
- (2) The commissioner of the department of workforce development.
- (3) The commissioner of the Indiana commission for higher education.
- (4) The superintendent of public instruction.
- (5) The secretary of career connections and talent.
- (6) The secretary of commerce.
- (7) The president of Ivy Tech Community College.
- (8) The president of Vincennes University.
- (9) A member appointed by the governor representing labor.
- (10) A member appointed by the governor representing career and technical education providers.
- (11) A mayor or town manager appointed by the governor.
- (12) A member representing manufacturing appointed by the governor.
- (13) A member representing agriculture appointed by the governor.
- (14) A member representing the health care industry appointed by the governor.
- (15) A member representing the high technology or information technology sector appointed by the governor.
- (16) A member representing the transportation and logistics sector appointed by the governor.
- (17) A member representing the building and construction trades appointed by the governor.

(b) The members appointed under subsection (a)(12) through (a)(17) must be geographically diverse and include at least one (1) of each of the following:

- (1) A minority or woman business owner.
- (2) A veteran business owner.
- (3) An owner of a business having fewer than fifty (50) employees.

Sec. 4. (a) Not later than July 1, 2018, the cabinet shall develop a comprehensive career navigation and coaching system for Indiana that does both of the following:

- (1) Provides timely, comprehensive, relevant, and useful information on careers, including at least:
 - (A) general and industry sector based regional, state, national, and global information to identify both immediate and potential career opportunities arising from:
 - (i) current employer needs;
 - (ii) developing or foreseeable talent needs and trends; and
 - (iii) other factors identified by the cabinet;
 - (B) state, regional, and local labor market supply and demand information from the department of workforce development, industry sectors, and other verifiable sources; and
 - (C) educational requirements and attainment information from employers, the department of workforce development, and other verifiable sources.
- (2) Establishes strategies and identifies capacity to

deliver career coaching and navigation to middle school, high school, postsecondary, and adult students, with priority being given to middle school and high school students, including at least:

- (A) processes for identifying an individual's aptitude for and interest in, and the education and training required for, various career and employment opportunities;
- (B) the use of career coaches and other coaching resources, including the work one system, employers, Ivy Tech Community College, Vincennes University, and other postsecondary educational institutions; and
- (C) qualifications for career coaches and a training program to enable the career coaches to provide relevant information to the individuals being served.

(b) All high schools in Indiana shall participate in the career coaching program developed under subsection (a)(2).

Sec. 5. (a) In developing the comprehensive career navigation and coaching system under section 4 of this chapter, the cabinet shall:

- (1) receive cooperation, support, and assistance from:
 - (A) the department of workforce development, the Indiana commission for higher education, and the department of education; and
 - (B) the resources, providers, and institutions that the departments and the commission listed in clause (A) use and oversee;
 - (2) explore approaches and models from Indiana and other states and countries;
 - (3) where appropriate, use pilot programs or other scaling approaches to develop and implement the comprehensive career navigation and coaching system in a cost effective and efficient manner; and
 - (4) work to coordinate and align resources to produce effective and efficient results to K-12 educational systems, postsecondary educational systems, the workforce development community, employers, community based organizations, and other entities.
- (b)** The cabinet shall initially:
- (1) focus on:
 - (A) students in, or of the age to be in, the last two (2) years of high school; and
 - (B) working age adults; and
 - (2) use, to the extent possible, the department of workforce development, the K-12 educational system, Ivy Tech Community College, Vincennes University, and other existing resources to implement the comprehensive career navigation and coaching system with a later expansion of the system, as appropriate, to all K-12 and postsecondary schools and institutions and their students.

Sec. 6. (a) Not later than July 30, 2018, the cabinet shall submit to the governor and the legislative council in an electronic format under IC 5-14-6 a progress report concerning the cabinet's activities through June 30, 2018, to develop the comprehensive career navigation and coaching system.

(b) Not later than October 31, 2018, the cabinet shall submit to the governor and the legislative council in an electronic format under IC 5-14-6 operating and funding recommendations to implement the comprehensive career navigation and coaching system."

Delete pages 4 through 31.

Page 32, delete lines 1 through 10.

Page 33, delete line 26.

Page 33, line 27, delete "IC 2-5-41" and insert "governor".

Page 33, delete lines 30 through 42.

Page 34, delete lines 1 through 25.

Renumber all SECTIONS consecutively.

(Reference is to SB 50 as printed February 7, 2018.)
and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred Senate Bill 119, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 119 as printed January 5, 2018.)

Committee Vote: Yeas 7, Nays 0.

VANNATTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 242, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 2. IC 4-31-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 2. (a) The Indiana horse racing commission operating fund is established.

(b) The fund shall be administered by the commission.

(c) The fund does not revert to the state general fund at the end of a state fiscal year.

(d) Money in the fund is continuously appropriated for the purposes of this chapter.

SECTION 3. IC 4-33-2-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10.5. "Gaming activity information" means information related to table game and slot machine activity used to determine and confirm revenue and the computation of tax.**

SECTION 4. IC 4-33-12-0.1, AS ADDED BY P.L.220-2011, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 0.1. The following amendments to this chapter apply as follows:

(1) The amendments made to section 6 of this chapter by P.L.178-2002 apply to riverboat admissions taxes collected after June 30, 2002.

(2) The amendments made to section 1 of this chapter **(repealed)** by P.L.192-2002(ss) apply to admissions occurring and receipts received after June 30, 2002.

(3) The amendments made to section 6 of this chapter by P.L.234-2007 apply to riverboat admissions taxes remitted by an operating agent after June 30, 2007.

SECTION 5. IC 4-33-12-1 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 1. (a) Except as provided in subsection (e); a tax is imposed on admissions authorized under this article at a rate of three dollars (\$3) for each person admitted. This admission tax is imposed upon the licensed owner. This subsection does not apply to an inland casino. This subsection expires July 1, 2018.

(b) A supplemental wagering tax under this section is imposed upon the licensed owner operating a riverboat.

(c) This subsection applies to a gaming operation that has relocated from a docked riverboat to an inland casino by December 31, 2017, as described in IC 4-33-6-24. A supplemental wagering tax is:

(1) imposed and authorized under this article at a rate of three percent (3%) of adjusted gross receipts; and

(2) imposed starting the day operations begin at an inland casino.

This subsection expires July 1, 2018:

(d) Subject to subsection (e); beginning July 1, 2018; a supplemental wagering tax is authorized under this article and shall be calculated as the riverboat's adjusted gross receipts multiplied by a percentage rate of:

(1) the total riverboat admissions tax that the riverboat paid beginning July 1, 2016; and ending June 30, 2017; divided by

(2) the riverboat's adjusted gross receipts beginning July 1, 2016; and ending June 30, 2017.

(e) The supplemental wagering tax described in subsection (d):

(1) beginning July 1, 2018; and ending June 30, 2019; may not exceed four percent (4%); and

(2) beginning July 1, 2019; may not exceed three and five-tenths percent (3.5%).

SECTION 6. IC 4-33-12-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 1.5. (a) A supplemental wagering tax on the wagering occurring each day at a riverboat is imposed upon the licensed owner operating the riverboat.**

(b) Subject to subsection (c), the amount of supplemental wagering tax imposed for a particular day is determined by multiplying the riverboat's adjusted gross receipts for that day by the quotient of:

(1) the total riverboat admissions tax that the riverboat's licensed owner paid beginning July 1, 2016, and ending June 30, 2017; divided by

(2) the riverboat's adjusted gross receipts beginning July 1, 2016, and ending June 30, 2017.

(c) The quotient used under subsection (b) to determine the supplemental wagering tax liability of a licensed owner subject to subsection (b) may not exceed the following when expressed as a percentage:

(1) Four percent (4%) before July 1, 2019.

(2) Three and five-tenths percent (3.5%) after June 30, 2019."

Page 1, line 9, delete "report" and insert "report:

(1)".

Page 1, line 10, strike "admissions and" and insert "daily amount of".

Page 1, line 10, strike "collected to the".

Page 1, strike line 11.

Page 1, line 12, strike "day for the preceding day's admissions." and insert "imposed under section 1.5 of this chapter to the department at the time the taxes are paid under subsection (b); and

(2) gaming activity information to the commission daily on forms prescribed by the commission."

Page 1, line 13, strike "admissions and".

Page 1, line 14, strike "collected" and insert "imposed under section 1.5 of this chapter".

Page 1, line 16, strike "admissions and".

Page 1, line 16, strike "collected that month." and insert "imposed under section 1.5 of this chapter."

Page 2, line 1, strike "taxes collected" and insert "tax liability incurred".

Page 2, line 6, strike "an electronic".

Page 2, line 7, strike "funds transfer by automated clearinghouse." and insert "in a manner prescribed by the department."

Page 3, line 40, delete "shall" and insert "shall:

(1)".

Page 3, line 40, after "remit the" insert "daily amount of".

Page 4, line 2, delete "month. Any" and insert "month; and (2) report gaming activity information to the commission daily on forms prescribed by the commission.

Any".

Page 4, line 5, strike "an electronic".

Page 4, line 6, strike "funds transfer by automated clearinghouse." and insert "**in a manner prescribed by the department.**".

Page 4, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 9. IC 4-33-13-5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by ~~licenses~~ licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this

subdivision not later than the last business day of the month in which the tax revenue is remitted to the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2015. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(E) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Crawford County for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(F) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Paoli.

(G) Six and thirty-five hundredths percent (6.35%) shall be paid to the fiscal officer of the town of Orleans.

(H) Twenty-six and four-tenths percent (26.4%) shall be paid to the Indiana economic development

corporation established by IC 5-28-3-1 for transfer as follows:

(i) Beginning after December 31, 2017, ten percent (10%) of the amount transferred under this clause in each calendar year shall be transferred to the South Central Indiana Regional Economic Development Corporation or a successor entity or partnership for economic development for the purpose of recruiting new business to Orange County as well as promoting the retention and expansion of existing businesses in Orange County.

(ii) The remainder of the amount transferred under this clause in each calendar year shall be transferred to Radius Indiana or a successor regional entity or partnership for the development and implementation of a regional economic development strategy to assist the residents of Orange County and the counties contiguous to Orange County in improving their quality of life and to help promote successful and sustainable communities.

To the extent possible, the Indiana economic development corporation shall provide for the transfer under item (i) to be made in four (4) equal installments. However, an amount sufficient to meet current obligations to retire or refinance indebtedness or leases for which tax revenues under this section were pledged before January 1, 2015, by the Orange County development commission shall be paid to the Orange County development commission before making distributions to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships. The amount paid to the Orange County development commission shall proportionally reduce the amount payable to the South Central Indiana Regional Economic Development Corporation and Radius Indiana or their successor entities or partnerships.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

- (1) exceeds a particular city's or county's base year revenue; and
- (2) would otherwise be due to the city or county under this section;

to the state general fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the state general fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

- (1) Surplus lottery revenues under IC 4-30-17-3.
- (2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.
- (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the state general fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall reduce the amount transferred to the build Indiana fund to the amount available in the state general fund from the transfers under subsection (a)(3)

for the state fiscal year.

(e) Except as provided in subsections (l) and (m), before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have a riverboat according to the ratio that the county's population bears to the total population of the counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall distribute the money received by the county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of the following purposes:

(1) To reduce the property tax levy of the city, town, or county for a particular year (a property tax reduction under this subdivision does not reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5).

(2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for debt repayment.

(3) To fund sewer and water projects, including storm water management projects.

(4) For police and fire pensions.

(5) To carry out any governmental purpose for which the money is appropriated by the fiscal body of the city, town, or county. Money used under this subdivision does not reduce the property tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city, town, or county under IC 6-1.1-18.5.

(g) Before July 15 of each year, the treasurer of state shall determine the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year. If the treasurer of state determines that the total amount of money distributed to an entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state fiscal year was less than the entity's base year revenue (as determined under IC 4-33-12-9), the treasurer of state shall make a supplemental distribution to the entity from taxes collected under this chapter and deposited into the state general fund. Except as provided in subsection (i), the amount of an entity's supplemental distribution is equal to:

(1) the entity's base year revenue (as determined under IC 4-33-12-9); minus

(2) the sum of:

(A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and

(2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

(1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).

(2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars (\$48,000,000).

(3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

(A) forty-eight million dollars (\$48,000,000); multiplied by

(B) the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020.

If the total amount determined under subsection (g) exceeds the maximum amount determined under this subsection, the amount distributed to an entity under subsection (g) must be reduced according to the ratio that the amount distributed to the entity under IC 4-33-12-6 or IC 4-33-12-8 bears to the total amount distributed under IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental distribution.

(j) This subsection applies to a supplemental distribution, if any, payable to Lake County, Hammond, Gary, or East Chicago under subsections (g) and (i). Beginning in July 2016, the treasurer of state shall, after making any deductions from the supplemental distribution required by IC 6-3.1-20-7, deduct from the remainder of the supplemental distribution otherwise payable to the unit under this section the lesser of:

(1) the remaining amount of the supplemental distribution; or

(2) the difference, if any, between:

(A) three million five hundred thousand dollars (\$3,500,000); minus

(B) the amount of admissions taxes constructively received by the unit in the previous state fiscal year.

The treasurer of state shall distribute the amounts deducted under this subsection to the northwest Indiana redevelopment authority established under IC 36-7.5-2-1 for deposit in the development authority fund established under IC 36-7.5-4-1.

(k) Money distributed to a political subdivision under subsection (b):

(1) must be paid to the fiscal officer of the political subdivision and may be deposited in the political subdivision's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the maximum levy under IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate of a school corporation, but, except as provided in subsection (b)(2)(B), may be used at the discretion of the political subdivision to reduce the property tax levy of the

county, city, or town for a particular year;

(3) except as provided in subsection (b)(2)(B), may be used for any legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

Money distributed under subsection (b)(2)(B) must be used for the purposes specified in subsection (b)(2)(B).

(l) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be deposited as being received from all riverboats whose supplemental wagering tax, as calculated under ~~IC 4-33-12-1(c); IC 4-33-12-1(d);~~ **IC 4-33-12-1.5(b)**, is over three and five-tenths percent (3.5%). The amount deposited under this subsection, in each riverboat's account, is proportionate to the supplemental wagering tax received from that riverboat under ~~IC 4-33-12-1(c); IC 4-33-12-1(d);~~ **IC 4-33-12-1.5** in the month of July. The amount deposited under this subsection must be distributed in the same manner as the supplemental wagering tax collected under ~~IC 4-33-12-1(c); IC 4-33-12-1(d);~~ **IC 4-33-12-1.5**. This subsection expires June 30, 2021.

(m) After June 30, 2021, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be withheld and deposited in the state general fund.

SECTION 10. IC 4-35-2-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 5.5. "Gaming activity information" means information related to table game and slot machine activity used to determine and confirm revenue and the computation of tax.

SECTION 11. IC 4-35-7-12, AS AMENDED BY HEA 1100-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 12. (a) The Indiana horse racing commission shall enforce the requirements of this section.

(b) A licensee shall before the fifteenth day of each month distribute the following amounts for the support of the Indiana horse racing industry:

(1) An amount equal to ~~fifteen five-tenths~~ percent (~~15%~~) **(0.5%)** of the adjusted gross receipts of the slot machine wagering from the previous month at each casino operated by the licensee with respect to adjusted gross receipts received after June 30, 2013, ~~and before January 1, 2014.~~ **2018, which shall be distributed to the Indiana horse racing commission.**

(2) ~~The percentage of the adjusted gross receipts of the slot machine wagering from the previous month at each casino operated by the licensee that is determined under section 16 or 17 of this chapter with respect to adjusted gross receipts received after December 31, 2013, and before July 1, 2015.~~

~~(2)~~ **(2)** Subject to section 12.5 of this chapter, the percentage of the adjusted gross receipts of the gambling game wagering from the previous month at each casino operated by the licensee that is determined under section 16 or 17 of this chapter with respect to adjusted gross receipts received after June 30, 2015.

(c) The Indiana horse racing commission shall deposit amounts received under subsection (b)(1) into the Indiana horse racing commission operating fund established under IC 4-31-10-2.

~~(d)~~ **(d)** Except for amounts received by the Indiana horse racing commission under subsection (b)(1), the Indiana horse racing commission may not use any of the money distributed under this section for any administrative purpose or other purpose of the Indiana horse racing commission.

~~(e)~~ **(e)** A licensee shall distribute the money devoted to horse racing purses and to horsemen's associations under this subsection as follows:

(1) Five-tenths percent (0.5%) shall be transferred to horsemen's associations for equine promotion or welfare according to the ratios specified in subsection ~~(g)~~: **(h)**.

(2) Two and five-tenths percent (2.5%) shall be transferred to horsemen's associations for backside benevolence according to the ratios specified in subsection ~~(g)~~: **(h)**.

(3) Ninety-seven percent (97%) shall be distributed to promote horses and horse racing as provided in subsection ~~(f)~~: **(g)**.

~~(e)~~ **(f)** A horsemen's association shall expend the amounts distributed to the horsemen's association under subsection ~~(d)~~~~(1)~~ **(e)(1)** through ~~(d)~~~~(2)~~ **(e)(2)** for a purpose promoting the equine industry or equine welfare or for a benevolent purpose that the horsemen's association determines is in the best interests of horse racing in Indiana for the breed represented by the horsemen's association. Expenditures under this subsection are subject to the regulatory requirements of subsection ~~(h)~~: **(i)**.

~~(f)~~ **(g)** A licensee shall distribute the amounts described in subsection ~~(d)~~~~(3)~~ **(e)(3)** as follows:

(1) Forty-six percent (46%) for thoroughbred purposes as follows:

(A) Fifty-five percent (55%) for the following purposes:

(i) Ninety-seven percent (97%) for thoroughbred purses.

(ii) Two and four-tenths percent (2.4%) to the horsemen's association representing thoroughbred owners and trainers.

(iii) Six-tenths percent (0.6%) to the horsemen's association representing thoroughbred owners and breeders.

(B) Forty-five percent (45%) to the breed development fund established for thoroughbreds under IC 4-31-11-10.

(2) Forty-six percent (46%) for standardbred purposes as follows:

(A) Three hundred seventy-five thousand dollars (\$375,000) to the state fair commission to be used by the state fair commission to support standardbred racing and facilities at the state fairgrounds.

(B) One hundred twenty-five thousand dollars (\$125,000) to the state fair commission to be used by the state fair commission to make grants to county fairs and the department of parks and recreation in Johnson County to support standardbred racing and facilities at county fair and county park tracks. The state fair commission shall establish a review committee to include the standardbred association board, the Indiana horse racing commission, the Indiana county fair association, and a member of the board of directors of a county park established under IC 36-10 that provides or intends to provide facilities to support standardbred racing, to make recommendations to the state fair commission on grants under this clause. A grant may be provided to the Johnson County fair or department of parks and recreation under this clause only if the county fair or department provides matching funds equal to one dollar (\$1) for every three dollars (\$3) of grant funds provided.

(C) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) for the following purposes:

(i) Ninety-six and five-tenths percent (96.5%) for standardbred purses.

(ii) Three and five-tenths percent (3.5%) to the horsemen's association representing standardbred owners and trainers.

(D) Fifty percent (50%) of the amount remaining after the distributions under clauses (A) and (B) to the breed development fund established for standardbreds under IC 4-31-11-10.

(3) Eight percent (8%) for quarter horse purposes as follows:

(A) Seventy percent (70%) for the following purposes:

(i) Ninety-five percent (95%) for quarter horse purses.

(ii) Five percent (5%) to the horsemen's association representing quarter horse owners and trainers.

(B) Thirty percent (30%) to the breed development fund established for quarter horses under IC 4-31-11-10.

Expenditures under this subsection are subject to the regulatory requirements of subsection ~~(h)~~: **(i)**.

~~(g)~~ **(h)** Money distributed under subsection ~~(d)~~~~(1)~~ **(e)(1)** and ~~(d)~~~~(2)~~ **(e)(2)** shall be allocated as follows:

(1) Forty-six percent (46%) to the horsemen's association representing thoroughbred owners and trainers.

(2) Forty-six percent (46%) to the horsemen's association representing standardbred owners and trainers.

(3) Eight percent (8%) to the horsemen's association representing quarter horse owners and trainers.

~~(h)~~ **(i)** Money distributed under this section may not be expended unless the expenditure is for a purpose authorized in this section and is either for a purpose promoting the equine industry or equine welfare or is for a benevolent purpose that is in the best interests of horse racing in Indiana or the necessary expenditures for the operations of the horsemen's association required to implement and fulfill the purposes of this section. The Indiana horse racing commission may review any expenditure of money distributed under this section to ensure that the requirements of this section are satisfied. The Indiana horse racing commission shall adopt rules concerning the review and oversight of money distributed under this section and shall adopt rules concerning the enforcement of this section. The following apply to a horsemen's association receiving a distribution of money under this section:

(1) The horsemen's association must annually file a report with the Indiana horse racing commission concerning the use of the money by the horsemen's association. The report must include information as required by the commission.

(2) The horsemen's association must register with the Indiana horse racing commission.

The state board of accounts shall audit the accounts, books, and records of the Indiana horse racing commission, each horsemen's association, a licensee, and any association for backside benevolence containing any information relating to the distribution of money under this section.

~~(i)~~ **(j)** The commission shall provide the Indiana horse racing commission with the information necessary to enforce this section.

~~(j)~~ **(k)** The Indiana horse racing commission shall investigate any complaint that a licensee has failed to comply with the horse racing purse requirements set forth in this section. If, after notice and a hearing, the Indiana horse racing commission finds that a licensee has failed to comply with the purse requirements set forth in this section, the Indiana horse racing commission may:

(1) issue a warning to the licensee;

(2) impose a civil penalty that may not exceed one million dollars (\$1,000,000); or

(3) suspend a permit issued under IC 4-31-5 to conduct a pari-mutuel wagering horse racing meeting in Indiana.

~~(k)~~ **(l)** A civil penalty collected under this section must be deposited in the state general fund.

SECTION 12. IC 4-35-7-12.5, AS ADDED BY P.L.213-2015, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 12.5. (a) This section applies to adjusted gross receipts received after June 30, 2015.

(b) A licensee shall annually withhold the product of:

- (1) seventy-five thousand dollars (\$75,000); multiplied by
- (2) the number of racetracks operated by the licensee;

from the amount that must be distributed under section ~~12(b)(3)~~ **12(b)(2)** of this chapter.

(c) A licensee shall transfer the amount withheld under subsection (b) to the Indiana horse racing commission for deposit in the gaming integrity fund established by IC 4-35-8.7-3. Money transferred under this subsection must be used for the purposes described in IC 4-35-8.7-3(f)(1).

SECTION 13. IC 4-35-7-16, AS AMENDED BY P.L.255-2015, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 16. (a) The amount of gambling game revenue that must be distributed under section ~~12(b)(3)~~ **(12)(b)(2)** of this chapter must be determined in a distribution agreement entered into by negotiation committees representing all licensees and the horsemen's associations having contracts with licensees that have been approved by the Indiana horse racing commission.

(b) Each horsemen's association shall appoint a representative to a negotiation committee to negotiate the distribution agreement required by subsection (a). If there is an even number of horsemen's associations appointing representatives to the committee, the members appointed by each horsemen's association shall jointly appoint an at-large member of the negotiation committee to represent the interests of all of the horsemen's associations. The at-large member is entitled to the same rights and privileges of the members appointed by the horsemen's associations.

(c) Each licensee shall appoint a representative to a negotiation committee to negotiate the distribution agreement required by subsection (a). If there is an even number of licensees, the members appointed by each licensee shall jointly appoint an at-large member of the negotiation committee to represent the interests of all of the licensees. The at-large member is entitled to the same rights and privileges of the members appointed by the licensees.

(d) If a majority of the members of each negotiation committee is present, the negotiation committees may negotiate and enter into a distribution agreement binding all horsemen's associations and all licensees as required by subsection (a).

(e) The initial distribution agreement entered into by the negotiation committees:

- (1) must be in writing;
- (2) must be submitted to the Indiana horse racing commission before October 1, 2013;
- (3) must be approved by the Indiana horse racing commission before January 1, 2014; and
- (4) may contain any terms determined to be necessary and appropriate by the negotiation committees, subject to subsection (f) and section 12 of this chapter.

(f) A distribution agreement must provide that at least ten percent (10%) and not more than twelve percent (12%) of a licensee's adjusted gross receipts must be distributed under section ~~12(b)(3)~~ **(12)(b)(2)** of this chapter. A distribution agreement applies to adjusted gross receipts received by the licensee after December 31 of the calendar year in which the distribution agreement is approved by the Indiana horse racing commission.

(g) A distribution agreement may expire on December 31 of a particular calendar year if a subsequent distribution agreement will take effect on January 1 of the following calendar year. A subsequent distribution agreement:

- (1) is subject to the approval of the Indiana horse racing commission; and
- (2) must be submitted to the Indiana horse racing commission before October 1 of the calendar year preceding the calendar year in which the distribution agreement will take effect.

(h) The Indiana horse racing commission shall annually

report to the budget committee on the effect of each distribution agreement on the Indiana horse racing industry before January 1 of the following calendar year.

SECTION 14. IC 4-35-8-1, AS AMENDED BY P.L.255-2015, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. (a) A graduated slot machine wagering tax is imposed as follows on ninety-nine percent (99%) of the adjusted gross receipts received after June 30, 2012, and before July 1, 2013, on ninety-one and five-tenths percent (91.5%) of the adjusted gross receipts received after June 30, 2013, and before July 1, 2015, and on eighty-eight percent (88%) of the adjusted gross receipts received after June 30, 2015, from wagering on gambling games authorized by this article:

- (1) Twenty-five percent (25%) of the first one hundred million dollars (\$100,000,000) of adjusted gross receipts received during the period beginning July 1 of each year and ending June 30 of the following year.
- (2) Thirty percent (30%) of the adjusted gross receipts in excess of one hundred million dollars (\$100,000,000) but not exceeding two hundred million dollars (\$200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.
- (3) Thirty-five percent (35%) of the adjusted gross receipts in excess of two hundred million dollars (\$200,000,000) received during the period beginning July 1 of each year and ending June 30 of the following year.

(b) A licensee shall **do the following**:

- (1) Remit the daily amount of tax imposed by this section to the department before the close of the business day following the day the wagers are made, on the twenty-fourth calendar day of each month. Any taxes collected during the month after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.**
- (2) Report gaming activity information to the commission daily on forms prescribed by the commission.**

(c) ~~The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)). The payment of the tax under this section must be in a manner prescribed by the department.~~

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the licensee to file a monthly report to reconcile the amounts remitted to the department.

(e) The payment of the tax under this section must be on a form prescribed by the department.

SECTION 15. IC 4-35-8.7-3, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The gaming integrity fund is established.

(b) The fund shall be administered by the Indiana horse racing commission.

(c) The fund consists of gaming integrity fees deposited in the fund under this chapter and money distributed to the fund under IC 4-35-7-12.5 and IC 4-35-7-15. ~~Fifteen percent (15%) of the money deposited in the fund shall be transferred~~ For each licensee, the Indiana horse racing commission shall annually transfer:

- (1) seventy-five thousand dollars (\$75,000); multiplied by
- (2) the number of racetracks operated by the licensee;

from the fund to the Indiana state board of animal health to be used by the state board to pay the costs associated with equine health and equine care programs under IC 15-17.

(d) 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 funds may be invested.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the fund may be used by the Indiana horse racing commission only for the following purposes:

(1) To pay the cost of taking and analyzing equine specimens under IC 4-31-12-6(b) or another law or rule and the cost of any supplies related to the taking or analysis of specimens.

(2) To pay dues to the Drug Testing Standards and Practices (DTSP) Committee of the Association of Racing Commissioners International.

(3) To provide grants for research for the advancement of equine drug testing. Grants under this subdivision must be approved by the Drug Testing Standards and Practices (DTSP) Committee of the Association of Racing Commissioners International or by the Racing Mediation and Testing Consortium.

(4) To pay the costs of post-mortem examinations under IC 4-31-12-10.

(5) To pay other costs incurred by the commission to maintain the integrity of pari-mutuel racing.

(g) Money in the fund is continuously appropriated to the Indiana horse racing commission to carry out the purposes described in subsection (f).

SECTION 16. IC 5-10-1.1-4.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 4.5: (a) As used in this section, "next level Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by subsection (b):

(b) After December 31, 2017, the deferred compensation committee shall establish and maintain:

(1) an investment product for the state employees' deferred compensation plan; and

(2) a funding offering for the defined contribution plan established under section 1.5 of this chapter;

named the next level Indiana innovation and entrepreneurial fund. The deferred compensation committee shall consult with the board of trustees of the next level Indiana trust fund established under IC 8-14-15.1 and the board of trustees of the Indiana public retirement system established under IC 5-10.5-3-1 in establishing the investment objectives and policies for the next level Indiana fund. Not more than twenty-five million dollars (\$25,000,000) of the assets of the next level Indiana fund may be invested in any one (1) particular investment fund or investment firm.

(c) The following apply to a state employee who selects the next level Indiana fund:

(1) The state employee's initial transfer into the next level Indiana fund may not exceed twenty percent (20%) of the balance in the state employee's account in the state employees' deferred compensation plan; as of the day before the effective date of the state employee's selection of the next level Indiana fund.

(2) After the state employee's initial transfer into the next level Indiana fund; contributions made by the state employee, or on the state employee's behalf; into the next level Indiana fund each year may not exceed twenty percent (20%) of the total contributions to the state employee's account in the state employees' deferred compensation plan for that year.

(3) If a state employee:

(A) contributes not less than the amount the state employee initially designated to the next level Indiana fund in the state employees' deferred compensation plan for at least thirty-six (36) consecutive months; and

(B) maintains in the next level Indiana fund in the state employees' deferred compensation plan the amounts transferred and contributed during that period;

the state shall contribute on the state employee's behalf to

the next level Indiana fund offering in the defined contribution plan established under section 1.5 of this chapter as a match ten percent (10%) of the total amount contributed by the state employee or on the state employee's behalf to the next level Indiana fund in the state employees' deferred compensation plan during that thirty-six (36) month period.

(4) After the period described in subdivision (3); for each additional twelve (12) consecutive months that a state employee:

(A) contributes not less than the amount the state employee initially designated to the next level Indiana fund in the state employees' deferred compensation plan; and

(B) maintains in the next level Indiana fund in the state employees' deferred compensation plan the amounts transferred and contributed during that period;

the state shall contribute on the state employees' behalf to the next level Indiana fund offering in the defined contribution plan established under section 1.5 of this chapter as a match ten percent (10%) of the total amount contributed by the state employee or on the state employee's behalf to the next level Indiana fund in the state employees' deferred compensation plan during that twelve (12) month period. In determining the state's match under this subdivision, the total amount contributed by the state employee or on the state employee's behalf excludes the amount of any state match under this subdivision or subdivision (3).

(d) The state match under this section shall be paid from the personal services/fringe benefit contingency fund:

(e) The deferred compensation committee shall report to the budget committee every six (6) months concerning the following:

(1) The number of state employees that have funds invested in the next level Indiana fund under this section;

(2) The total amounts invested in the next level Indiana fund under this section; including the amount of any state match under this section:

SECTION 17. IC 5-10.2-2-3, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 3. (a) The annuity savings account consists of:

(1) the members' contributions; and

(2) the interest credits on these contributions in the guaranteed fund (before January 1, 2017), the gain or loss in the balance of the member's account in the stable value fund (after December 31, 2016), or the gain or loss in market value on these contributions in the alternative investment program, as specified in section 4 of this chapter **(before its expiration)**.

Each member shall be credited individually with the amount of the member's contributions and interest credits.

(b) The board shall maintain the investment program in effect on December 31, 1995, (referred to in this chapter as the guaranteed program) within the annuity savings account until January 1, 2017. In addition, the board shall establish and maintain a guaranteed program within the 1996 account until January 1, 2017. After December 31, 2016, the board shall establish an investment fund (referred to in this chapter as the stable value fund) that has preservation of capital as the primary investment objective. The board may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other actions necessary to fulfill its duty as a fiduciary of the annuity savings account, subject to the limitations and restrictions set forth in IC 5-10.3-5-3, IC 5-10.4-3-10, and IC 5-10.5-5.

(c) The board shall establish alternative investment programs within the annuity savings account of the public employees'

retirement fund, the pre-1996 account, and the 1996 account, based on the following requirements:

- (1) The board shall maintain at least one (1) alternative investment program that is an indexed stock fund and one (1) alternative investment program that is a bond fund. The board may maintain one (1) or more alternative investment programs that:
 - (A) invest in one (1) or more commingled or pooled funds that consist in part or entirely of mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6; or
 - (B) otherwise invest in mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6.
- (2) The programs should represent a variety of investment objectives under IC 5-10.3-5-3.
- (3) No program may permit a member to withdraw money from the member's account except as provided in IC 5-10.2-3 and IC 5-10.2-4.
- (4) All administrative costs of each alternative program shall be paid from the earnings on that program or as may be determined by the rules of the board.
- (5) Except as provided in section 4(e) of this chapter **(before its expiration)**, a valuation of each member's account must be completed as of:
 - (A) the last day of each quarter; or
 - (B) another time as the board may specify by rule.
- ~~(6) The board shall maintain as an alternative investment program the fund described in section 3-5 of this chapter.~~
- (d) The board must prepare, at least annually, an analysis of the guaranteed program (before January 1, 2017), the stable value fund (after December 31, 2016), and each alternative investment program. This analysis must:
 - (1) include a description of the procedure for selecting an alternative investment program;
 - (2) be understandable by the majority of members; and
 - (3) include a description of prior investment performance.
- (e) A member may direct the allocation of the amount credited to the member among the guaranteed fund (before January 1, 2017), the stable value fund (after December 31, 2016), and any available alternative investment funds, subject to the following conditions:
 - (1) A member may make a selection or change an existing selection under rules established by the board. The board shall allow a member to make a selection or change any existing selection at least once each quarter.
 - (2) The board shall implement the member's selection beginning on the first day of the next calendar quarter that begins at least thirty (30) days after the selection is received by the board or on an alternate date established by the rules of the board. This date is the effective date of the member's selection.
 - (3) A member may select any combination of the guaranteed fund (before January 1, 2017), the stable value fund (after December 31, 2016), or any available alternative investment funds, in ten percent (10%) increments or smaller increments that may be established by the rules of the board.
 - (4) A member's selection remains in effect until a new selection is made.
 - (5) On the effective date of a member's selection, the board shall reallocate the member's existing balance or balances in accordance with the member's direction, based on:
 - (A) for an alternative investment program balance, the market value on the effective date;
 - (B) for any guaranteed program balance, the account balance on the effective date; and
 - (C) for any stable value fund program balance, the balance of the member's account on the effective date.

All contributions to the member's account shall be allocated as of the last day of that quarter or at an alternate time established by the rules of the board in accordance with the member's most recent effective direction. The board shall not reallocate the member's account at any other time.

(6) The provisions concerning the transition from the guaranteed program to the stable value fund program are met, as set forth in section 24 of this chapter.

(f) When a member who participates in an alternative investment program transfers the amount credited to the member from one (1) alternative investment program to another alternative investment program, to the guaranteed program (before January 1, 2017), or to the stable value fund program (after December 31, 2016), the amount credited to the member shall be valued at the market value of the member's investment, as of the day before the effective date of the member's selection or at an alternate time established by the rules of the board. When a member who participates in an alternative investment program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the market value of the member's investment as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

(g) This subsection applies before January 1, 2017. When a member who participates in the guaranteed program transfers the amount credited to the member to an alternative investment program, the amount credited to the member in the guaranteed program is computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the effective date of the transfer. However, the board may by rule provide for an alternate valuation date. When a member who participates in the guaranteed program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus any contributions received since that date plus interest since that date. However, the board may by rule provide for an alternate valuation date.

(h) This subsection applies after December 31, 2016. When a member who participates in the stable value fund program transfers the amount credited to the member from the stable value fund program to an alternative investment program, the amount credited to the member shall be the balance of the member's account, as of the day before the effective date of the member's selection or at an alternate time established by the rules of the board. When a member who participates in the stable value fund program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the balance of the member's account as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

SECTION 18. IC 5-10.2-2-3.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 3-5: (a) As used in this section, "next level Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by subsection (b):

(b) After December 31, 2017, the board shall establish and maintain an alternative investment program within the annuity

savings account of the public employees' retirement fund; the pre-1996 account; and the 1996 account named the next level Indiana innovation and entrepreneurial fund. The board shall consult with the board of trustees of the next level Indiana trust fund established under IC 8-14-15.1 and the deferred compensation committee established under IC 5-10-1.1-4 in establishing the investment objectives and policies for the next level Indiana fund.

(c) The following apply to a member who selects the next level Indiana fund:

(1) The member's initial transfer into the next level Indiana fund may not exceed twenty percent (20%) of the balance in the member's account, as of the day before the effective date of the member's selection of the next level Indiana fund.

(2) After the member's initial transfer into the next level Indiana fund; contributions made by the member; or on the member's behalf; into the next level Indiana fund each year may not exceed twenty percent (20%) of the total contributions to the member's account for that year.

(3) If a member:

(A) contributes not less than the amount the member initially designated to the next level Indiana fund for at least thirty-six (36) consecutive months; and

(B) maintains in the next level Indiana fund the amounts transferred and contributed during that period; the state shall contribute on the member's behalf to the next level Indiana fund as a match ten percent (10%) of the total amount contributed by or on the member's behalf to the next level Indiana fund during that thirty-six (36) month period.

(4) After the period described in subdivision (3); for each additional twelve (12) consecutive months that a member:

(A) contributes not less than the amount the member initially designated to the next level Indiana fund; and

(B) maintains in the next level Indiana fund the amounts transferred and contributed during that period; the state shall contribute on the member's behalf to the next level Indiana fund as a match ten percent (10%) of the total amount contributed by or on the member's behalf to the next level Indiana fund during that twelve (12) month period. In determining the state's match under this subdivision; the total amount contributed by or on the member's behalf excludes the amount of any state match under this subdivision or subdivision (3).

(d) The state match under this section shall be paid from the personal services/fringe benefit contingency fund.

SECTION 19. IC 6-1.1-19-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 14. (a) This section applies only to the North Spencer County School Corporation (school corporation).**

(b) The school corporation governing body may adopt a resolution authorizing the submission of a petition to the department requesting approval to use a modified capital projects fund levy for the purpose of determining the school corporation's 2019 maximum permissible ad valorem property tax levy for its operations fund for purposes of IC 20-46-8. The petition must be submitted before October 1, 2018.

(c) If a petition is submitted with the department, the department shall determine the school corporation's 2019 maximum permissible ad valorem property tax levy for its operations fund for 2019 by using a replacement amount for the capital projects fund component for purposes of IC 20-46-8-1(b), STEP ONE (C), instead of the amount specified in IC 20-46-8-1(b), STEP ONE (C). The department shall determine the replacement amount as follows:

(1) Determine the school corporation's maximum

capital projects fund rate that the school corporation was authorized to use for 2017, regardless of whether the maximum rate was actually used.

(2) Determine the school corporation's net assessed value for the January 1, 2018, assessment date.

(3) Multiply the subdivision (1) amount by the subdivision (2) amount.

The department shall use the amount determined in subdivision (3) instead of the amount specified in IC 20-46-8-1(b), STEP ONE (C)."

Page 6, delete lines 38 through 42, begin a new paragraph and insert:

"SECTION 23. IC 6-2.5-5-52 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 52. Transactions involving the following tangible personal property that is purchased and used by a person that operates a hot mix asphalt plant are exempt from the state gross retail tax:**

(1) Trucks that are used to transport hot mix asphalt from that person's asphalt plant to a job site.

(2) Pavers that are used to spread that person's hot mix asphalt.

(3) Plant equipment directly used to directly produce that person's hot mix asphalt.

(4) Fuel used to operate trucks, pavers, or equipment described in subdivisions (1) through (3).

(5) Repair parts installed on trucks, pavers, or equipment described in subdivisions (1) through (3)."

Page 7, delete lines 1 through 38.

Page 10, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 25. IC 6-3-1-3.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: **Sec. 3.5.** When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) *Except as provided in subsection (c)*, add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars (\$1,000).

(4) Subtract one thousand dollars (\$1,000) for:

(A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code (as effective January 1, 2017);

(B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) one thousand five hundred dollars (\$1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code (as effective January 1, 2004);

(B) for taxable years beginning after December 31, 2017, one thousand five hundred dollars (\$1,500) for

each exemption allowed under Section 151(c) of the Internal Revenue Code **(as effective January 1, 2017)** for an individual:

- (i) who is less than nineteen (19) years of age or is a full-time student who is less than twenty-four (24) years of age;
- (ii) for whom the taxpayer is the legal guardian; and
- (iii) for whom the taxpayer does not claim an exemption under clause (A); and

(C) five hundred dollars (\$500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars (\$40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(7) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(8) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(9) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), and (5) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(10) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(11) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(12) Subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(13) Subtract an amount equal to the lesser of:

- (A) two thousand five hundred dollars (\$2,500); or
- (B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(14) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(15) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(16) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code **(concerning net operating losses)**.

(17) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

~~(18)~~ Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

~~(19)~~ (18) Subtract an amount equal to the amount of the taxpayer's qualified military income that was not excluded from the taxpayer's gross income for federal income tax purposes under Section 112 of the Internal Revenue Code.

~~(20)~~ (19) Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 **(certain income derived from patents)**; and

(B) included in the individual's federal adjusted gross income under the Internal Revenue Code.

~~(21)~~ (20) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract the amount necessary from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

~~(22)~~ (21) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

~~(23)~~ (22) Subtract an amount as described in Section 1341(a)(2) of the Internal Revenue Code to the extent, if any, that the amount was previously included in the taxpayer's adjusted gross income for a prior taxable year.

(23) Add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965 of the Internal Revenue Code. This subdivision does not apply to a deduction under Section 965 of the Internal Revenue Code as it existed before its amendment by the federal Tax Cuts and Jobs Act of 2017.

(24) Subtract any other amounts the taxpayer is entitled to deduct under IC 6-3-2.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code **(concerning charitable contributions)**.

(3) *Except as provided in subsection (c)*, add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code **(concerning foreign tax credits)**.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code **(concerning net operating losses)**.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

~~(8)~~ **Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.**

~~(9)~~ **(8)** Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.

~~(10)~~ **(9)** Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34.5 of this chapter).

~~(11)~~ **(10)** Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 **(certain income derived from patents)**; and

(B) included in the corporation's taxable income under the Internal Revenue Code.

~~(12)~~ **(11)** Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

~~(13)~~ **(12)** Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than

Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(13) Add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965 of the Internal Revenue Code. This subdivision does not apply to a deduction under Section 965 of the Internal Revenue Code before its amendment by the federal Tax Cuts and Jobs Act of 2017.

(14) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B)(ii) of the Internal Revenue Code (attributable to global intangible low-taxed income).

~~(14)~~ **(15) Add or subtract any other amounts the taxpayer is:**

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(c) The following apply to taxable years beginning after December 31, 2018, for purposes of the add back of any deduction allowed on the taxpayer's federal income tax return for wagering taxes, as provided in subsection (a)(2) if the taxpayer is an individual or subsection (b)(3) if the taxpayer is a corporation:

(1) For taxable years beginning after December 31, 2018, and before January 1, 2020, a taxpayer is required to add back under this section eighty-seven and five-tenths percent (87.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(2) For taxable years beginning after December 31, 2019, and before January 1, 2021, a taxpayer is required to add back under this section seventy-five percent (75%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(3) For taxable years beginning after December 31, 2020, and before January 1, 2022, a taxpayer is required to add back under this section sixty-two and five-tenths percent (62.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(4) For taxable years beginning after December 31, 2021, and before January 1, 2023, a taxpayer is required to add back under this section fifty percent (50%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(5) For taxable years beginning after December 31, 2022, and before January 1, 2024, a taxpayer is required to add back under this section thirty-seven and five-tenths percent (37.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(6) For taxable years beginning after December 31, 2023, and before January 1, 2025, a taxpayer is required to add back under this section twenty-five percent (25%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(7) For taxable years beginning after December 31, 2024, and before January 1, 2026, a taxpayer is required to add back under this section twelve and five-tenths percent (12.5%) of any deduction allowed on the taxpayer's federal income tax return for wagering taxes.

(8) For taxable years beginning after December 31, 2025, a taxpayer is not required to add back under this section any amount of a deduction allowed on the taxpayer's federal income tax return for wagering taxes.

~~(d)~~ *(d) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:*

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United

States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code **(concerning charitable contributions)**.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code **(concerning foreign tax credits)**.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 ~~or Section 810~~ of the Internal Revenue Code **(concerning net operating losses)**.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

~~(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.~~

~~(9) (8) Subtract income that is:~~

(A) exempt from taxation under IC 6-3-2-21.7 **(certain income derived from patents)**; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

~~(10) (9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.~~

~~(11) (10) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.~~

~~(12) (11) Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.~~

(12) Add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965 of the

Internal Revenue Code. This subdivision does not apply to a deduction under Section 965 of the Internal Revenue Code before its amendment by the federal Tax Cuts and Jobs Act of 2017.

(13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B)(ii) of the Internal Revenue Code (attributable to global intangible low-taxed income).

~~(13) (14) Add or subtract any other amounts the taxpayer is:~~

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

~~(14) (e) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:~~

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code **(concerning charitable contributions)**.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 832(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code **(concerning foreign tax credits)**.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code **(concerning net operating losses)**.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

~~(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.~~

~~(9) (8) Subtract income that is:~~

(A) exempt from taxation under IC 6-3-2-21.7 **(certain income derived from patents)**; and

(B) included in the insurance company's taxable income under the Internal Revenue Code.

~~(10) (9) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross~~

income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

~~(11)~~ **(10)** Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code that is active financing income under Subpart F of Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

~~(12)~~ **(11)** Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(12) Add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965 of the Internal Revenue Code. This subdivision does not apply to a deduction under Section 965 of the Internal Revenue Code before its amendment by the federal Tax Cuts and Jobs Act of 2017.

(13) Add an amount equal to the deduction that was claimed by the taxpayer for the taxable year under Section 250(a)(1)(B)(ii) of the Internal Revenue Code (attributable to global intangible low-taxed income).

~~(14)~~ **(14)** Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

~~(f)~~ **(f)** In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code (**concerning net operating losses**).

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

~~(6)~~ **(6)** Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

~~(7)~~ **(6)** Subtract income that is:

(A) exempt from taxation under IC 6-3-2-21.7 (**certain income derived from patents**); and

(B) included in the taxpayer's taxable income under the Internal Revenue Code.

~~(8)~~ **(7)** Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

~~(9)~~ **(8)** Add the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011.

(9) Add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965 of the Internal Revenue Code. This subdivision does not apply to a deduction under Section 965 of the Internal Revenue Code before its amendment by the federal Tax Cuts and Jobs Act of 2017.

(10) Add an amount equal to the deduction for qualified business income that was claimed by the taxpayer for the taxable year under Section 199A of the Internal Revenue Code.

~~(11)~~ **(11)** Add or subtract any other amounts the taxpayer is:

(A) required to add or subtract; or

(B) entitled to deduct;

under IC 6-3-2.

(g) Subsections (a)(24), (b)(15), (d)(14), (e)(14), or (f)(11) may not be construed to require an add back or allow a deduction or exemption more than once for a particular add back, deduction, or exemption.

(h) For purposes of determining the interest deductible under Section 163(j) of the Internal Revenue Code, the allowance or disallowance of interest, and the carryforward of any interest deduction, the department may adopt rules or issue guidelines on the computation of the allowable deduction for Indiana adjusted gross income tax purposes.

SECTION 26. IC 6-3-1-11, AS AMENDED BY P.L.204-2016, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on ~~January 1, 2016~~ **February 11, 2018**.

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on ~~January 1, 2016~~ **February 11, 2018**, that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on ~~January 1, 2016~~ **February 11, 2018**, shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before ~~January 1, 2016~~; **February 11, 2018**, that is effective for any taxable year that began before ~~January 1, 2016~~; **February 11, 2018**, and that affects:

- (1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);
- (2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);
- (3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);
- (4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);
- (5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or
- (6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

(d) This subsection applies to a taxable year ending before January 1, 2013. The following provisions of the Internal Revenue Code that were amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are treated as though they were not amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312):

- (1) Section 1367(a)(2) of the Internal Revenue Code pertaining to an adjustment of basis of the stock of shareholders.
- (2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal Revenue Code pertaining to the treatment of certain dividends of regulated investment companies.
- (3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code pertaining to regulated investment companies qualified entity treatment.
- (4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code pertaining to the modification of tax treatment of certain payments to controlling exempt organizations.
- (5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code pertaining to the limitations on percentage depletion in the case of oil and gas wells.
- (6) Section 451(i)(3) of the Internal Revenue Code pertaining to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy for qualified electric utilities.
- (7) Section 954(c)(6) of the Internal Revenue Code pertaining to the look-through treatment of payments between related controlled foreign corporation under foreign personal holding company rules.

The department shall develop forms and adopt any necessary rules under IC 4-22-2 to implement this subsection."

Page 13, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 29. IC 6-3-2-2, AS AMENDED BY P.L.73-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 2. (a) With regard to corporations and nonresident persons, "adjusted gross income derived from sources within Indiana", for the purposes of this article, shall mean and include:

- (1) income from real or tangible personal property located in this state;
- (2) income from doing business in this state;
- (3) income from a trade or profession conducted in this state;
- (4) compensation for labor or services rendered within this state; and
- (5) income from stocks, bonds, notes, bank deposits, patents, copyrights, secret processes and formulas, good

will, trademarks, trade brands, franchises, and other intangible personal property to the extent that the income is apportioned to Indiana under this section or if the income is allocated to Indiana or considered to be derived from sources within Indiana under this section.

Income from a pass through entity shall be characterized in a manner consistent with the income's characterization for federal income tax purposes and shall be considered Indiana source income as if the person, corporation, or pass through entity that received the income had directly engaged in the income producing activity. Income that is derived from one (1) pass through entity and is considered to pass through to another pass through entity does not change these characteristics or attribution provisions. In the case of nonbusiness income described in subsection (g), only so much of such income as is allocated to this state under the provisions of subsections (h) through (k) shall be deemed to be derived from sources within Indiana. In the case of business income, only so much of such income as is apportioned to this state under the provision of subsection (b) shall be deemed to be derived from sources within the state of Indiana. In the case of compensation of a team member (as defined in section 2.7 of this chapter), only the portion of income determined to be Indiana income under section 2.7 of this chapter is considered derived from sources within Indiana. In the case of a corporation that is a life insurance company (as defined in Section 816(a) of the Internal Revenue Code) or an insurance company that is subject to tax under Section 831 of the Internal Revenue Code, only so much of the income as is apportioned to Indiana under subsection (r) is considered derived from sources within Indiana.

(b) Except as provided in subsection (l), if business income of a corporation or a nonresident person is derived from sources within the state of Indiana and from sources without the state of Indiana, the business income derived from sources within this state shall be determined by multiplying the business income derived from sources both within and without the state of Indiana by the following:

- (1) For all taxable years that begin after December 31, 2006, and before January 1, 2008, a fraction. The:
 - (A) numerator of the fraction is the sum of the property factor plus the payroll factor plus the product of the sales factor multiplied by three (3); and
 - (B) denominator of the fraction is five (5).
- (2) For all taxable years that begin after December 31, 2007, and before January 1, 2009, a fraction. The:
 - (A) numerator of the fraction is the property factor plus the payroll factor plus the product of the sales factor multiplied by four and sixty-seven hundredths (4.67); and
 - (B) denominator of the fraction is six and sixty-seven hundredths (6.67).
- (3) For all taxable years beginning after December 31, 2008, and before January 1, 2010, a fraction. The:
 - (A) numerator of the fraction is the property factor plus the payroll factor plus the product of the sales factor multiplied by eight (8); and
 - (B) denominator of the fraction is ten (10).
- (4) For all taxable years beginning after December 31, 2009, and before January 1, 2011, a fraction. The:
 - (A) numerator of the fraction is the property factor plus the payroll factor plus the product of the sales factor multiplied by eighteen (18); and
 - (B) denominator of the fraction is twenty (20).
- (5) For all taxable years beginning after December 31, 2010, the sales factor.

(c) The property factor is a fraction, the numerator of which is the average value of the taxpayer's real and tangible personal property owned or rented and used in this state during the taxable year and the denominator of which is the average value of all the taxpayer's real and tangible personal property owned

or rented and used during the taxable year. However, with respect to a foreign corporation, the denominator does not include the average value of real or tangible personal property owned or rented and used in a place that is outside the United States. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at eight (8) times the net annual rental rate. Net annual rental rate is the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The average of property shall be determined by averaging the values at the beginning and ending of the taxable year, but the department may require the averaging of monthly values during the taxable year if reasonably required to reflect properly the average value of the taxpayer's property.

(d) The payroll factor is a fraction, the numerator of which is the total amount paid in this state during the taxable year by the taxpayer for compensation, and the denominator of which is the total compensation paid everywhere during the taxable year. However, with respect to a foreign corporation, the denominator does not include compensation paid in a place that is outside the United States. Compensation is paid in this state if:

- (1) the individual's service is performed entirely within the state;
- (2) the individual's service is performed both within and without this state, but the service performed without this state is incidental to the individual's service within this state; or
- (3) some of the service is performed in this state and:
 - (A) the base of operations or, if there is no base of operations, the place from which the service is directed or controlled is in this state; or
 - (B) the base of operations or the place from which the service is directed or controlled is not in any state in which some part of the service is performed, but the individual is a resident of this state.

(e) The sales factor is a fraction, the numerator of which is the total sales of the taxpayer in this state during the taxable year, and the denominator of which is the total sales of the taxpayer everywhere during the taxable year. Sales include receipts from intangible property and receipts from the sale or exchange of intangible property. However, with respect to a foreign corporation, the denominator does not include sales made in a place that is outside the United States. Receipts from intangible personal property are derived from sources within Indiana if the receipts from the intangible personal property are attributable to Indiana under section 2.2 of this chapter. Regardless of the f.o.b. point or other conditions of the sale, sales of tangible personal property are in this state if:

- (1) the property is delivered or shipped to a purchaser that is within Indiana, other than the United States government; or
- (2) the property is shipped from an office, a store, a warehouse, a factory, or other place of storage in this state and the purchaser is the United States government.

Gross receipts derived from commercial printing as described in IC 6-2.5-1-10 and from the sale of computer software shall be treated as sales of tangible personal property for purposes of this chapter. **For a taxable year in which a taxpayer is required to include income as a result of Section 965 of the Internal Revenue Code, receipts from income that is included in federal adjusted gross income or federal taxable income as a result of Sections 951A and 965 of the Internal Revenue Code shall be included in the taxable year in which the income is included in the taxpayer's federal adjusted gross income or federal taxable income, regardless of the taxable year in which the money or property was actually received. Receipts under this section and section 2.2 of this chapter do not include receipts derived from sources outside the United States to the extent the taxpayer is allowed a deduction or exclusion in determining both the taxpayer's federal taxable**

income as a result of the federal Tax Cuts and Jobs Act of 2017 and the taxpayer's adjusted gross income under this chapter.

(f) Sales, other than receipts from intangible property covered by subsection (e) and sales of tangible personal property, are in this state if:

- (1) the income-producing activity is performed in this state; or
- (2) the income-producing activity is performed both within and without this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

(g) Rents and royalties from real or tangible personal property, capital gains, interest, dividends, or patent or copyright royalties, to the extent that they constitute nonbusiness income, shall be allocated as provided in subsections (h) through (k).

(h)(1) Net rents and royalties from real property located in this state are allocable to this state.

(2) Net rents and royalties from tangible personal property are allocated to this state:

- (i) if and to the extent that the property is utilized in this state; or
- (ii) in their entirety if the taxpayer's commercial domicile is in this state and the taxpayer is not organized under the laws of or taxable in the state in which the property is utilized.

(3) The extent of utilization of tangible personal property in a state is determined by multiplying the rents and royalties by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year, and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, tangible personal property is utilized in the state in which the property was located at the time the rental or royalty payer obtained possession.

(i)(1) Capital gains and losses from sales of real property located in this state are allocable to this state.

(2) Capital gains and losses from sales of tangible personal property are allocable to this state if:

- (i) the property had a situs in this state at the time of the sale; or
- (ii) the taxpayer's commercial domicile is in this state and the taxpayer is not taxable in the state in which the property had a situs.

(3) Capital gains and losses from sales of intangible personal property are allocable to this state if the taxpayer's commercial domicile is in this state.

(j) Interest and dividends are allocable to this state if the taxpayer's commercial domicile is in this state.

(k)(1) Patent and copyright royalties are allocable to this state:

- (i) if and to the extent that the patent or copyright is utilized by the taxpayer in this state; or
- (ii) if and to the extent that the patent or copyright is utilized by the taxpayer in a state in which the taxpayer is not taxable and the taxpayer's commercial domicile is in this state.

(2) A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the patent is utilized in the state in which the taxpayer's commercial domicile is located.

(3) A copyright is utilized in a state to the extent that

printing or other publication originates in the state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures do not reflect states of utilization, the copyright is utilized in the state in which the taxpayer's commercial domicile is located.

(l) If the allocation and apportionment provisions of this article do not fairly represent the taxpayer's income derived from sources within the state of Indiana, the taxpayer may petition for or the department may require, in respect to all or any part of the taxpayer's business activity, if reasonable:

- (1) separate accounting;
- (2) for a taxable year beginning before January 1, 2011, the exclusion of any one (1) or more of the factors, except the sales factor;
- (3) the inclusion of one (1) or more additional factors which will fairly represent the taxpayer's income derived from sources within the state of Indiana; or
- (4) the employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

Notwithstanding IC 6-8.1-5-1(c), a taxpayer petitioning for, or the department requiring, the use of an alternative method to effectuate an equitable allocation and apportionment of the taxpayer's income under this subsection bears the burden of proof that the allocation and apportionment provisions of this article do not fairly represent the taxpayer's income derived from sources within this state and that the alternative method to the allocation and apportionment provisions of this article is reasonable.

(m) In the case of two (2) or more organizations, trades, or businesses owned or controlled directly or indirectly by the same interests, the department shall distribute, apportion, or allocate the income derived from sources within the state of Indiana between and among those organizations, trades, or businesses in order to fairly reflect and report the income derived from sources within the state of Indiana by various taxpayers.

(n) For purposes of allocation and apportionment of income under this article, a taxpayer is taxable in another state if:

- (1) in that state the taxpayer is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax; or
- (2) that state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not.

(o) Notwithstanding subsections (l) and (m), the department may not, under any circumstances, require that income, deductions, and credits attributable to a taxpayer and another entity be reported in a combined income tax return for any taxable year, if the other entity is:

- (1) a foreign corporation; or
- (2) a corporation that is classified as a foreign operating corporation for the taxable year by section 2.4 of this chapter.

(p) Notwithstanding subsections (l) and (m), the department may not require that income, deductions, and credits attributable to a taxpayer and another entity not described in subsection (o)(1) or (o)(2) be reported in a combined income tax return for any taxable year, unless the department is unable to fairly reflect the taxpayer's adjusted gross income for the taxable year through use of other powers granted to the department by subsections (l) and (m).

(q) Notwithstanding subsections (o) and (p), one (1) or more taxpayers may petition the department under subsection (l) for permission to file a combined income tax return for a taxable year. The petition to file a combined income tax return must be completed and filed with the department not more than thirty (30) days after the end of the taxpayer's taxable year. A taxpayer filing a combined income tax return must petition the department within thirty (30) days after the end of the taxpayer's

taxable year to discontinue filing a combined income tax return.

(r) This subsection applies to a corporation that is a life insurance company (as defined in Section 816(a) of the Internal Revenue Code) or an insurance company that is subject to tax under Section 831 of the Internal Revenue Code. The corporation's adjusted gross income that is derived from sources within Indiana is determined by multiplying the corporation's adjusted gross income by a fraction:

- (1) the numerator of which is the direct premiums and annuity considerations received during the taxable year for insurance upon property or risks in the state; and
- (2) the denominator of which is the direct premiums and annuity considerations received during the taxable year for insurance upon property or risks everywhere.

The term "direct premiums and annuity considerations" means the gross premiums received from direct business as reported in the corporation's annual statement filed with the department of insurance.

(s) This subsection applies to receipts derived from motorsports racing.

(1) Any purse, prize money, or other amounts earned for placement or participation in a race or portion thereof, including qualification, shall be attributed to Indiana if the race is conducted in Indiana.

(2) Any amounts received from an individual or entity as a result of sponsorship or similar promotional consideration for one (1) or more races shall be in this state in the amount received, multiplied by the following fraction:

(A) The numerator of the fraction is the number of racing events for which sponsorship or similar promotional consideration has been paid in a taxable year and that occur in Indiana.

(B) The denominator of the fraction is the total number of racing events for which sponsorship or similar promotional consideration has been paid in a taxable year.

(3) Any amounts earned as an incentive for placement or participation in one (1) or more races and that are not covered under subdivision (1) or (2) or under IC 6-3-2-3.2 shall be attributed to Indiana in the proportion of the races that occurred in Indiana.

This subsection, as enacted in 2013, is intended to be a clarification of the law and not a substantive change in the law.

SECTION 30. IC 6-3-2-2.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 2.2. (a) Interest income and other receipts from assets in the nature of loans or installment sales contracts that are primarily secured by or deal with real or tangible personal property are attributable to this state if the security or sale property is located in Indiana.

(b) Interest income and other receipts from consumer loans not secured by real or tangible personal property are attributable to this state if the loan is made to a resident of Indiana, whether at a place of business, by a traveling loan officer, by mail, by telephone, or by other electronic means.

(c) Interest income and other receipts from commercial loans and installment obligations not secured by real or tangible personal property are attributable to this state if the proceeds of the loan are to be applied in Indiana. If it cannot be determined where the funds are to be applied, the income and receipts are attributable to the state in which the business applied for the loan. As used in this section, "applied for" means initial inquiry (including customer assistance in preparing the loan application) or submission of a completed loan application, whichever occurs first.

(d) Interest income, merchant discount, and other receipts including service charges from financial institution credit card and travel and entertainment credit card receivables and credit card holders' fees are attributable to the state to which the card

charges and fees are regularly billed.

(e) Receipts from the performance of fiduciary and other services are attributable to the state in which the benefits of the services are consumed. If the benefits are consumed in more than one (1) state, the receipts from those benefits are attributable to this state on a pro rata basis according to the portion of the benefits consumed in Indiana.

(f) Receipts from the issuance of traveler's checks, money orders, or United States savings bonds are attributable to the state in which the traveler's checks, money orders, or bonds are purchased.

(g) Receipts in the form of dividends from investments are attributable to this state if the taxpayer's commercial domicile is in Indiana. **For a taxable year in which a taxpayer is required to include income as a result of Section 965 of the Internal Revenue Code, receipts from income that is included in federal adjusted gross income or federal taxable income as a result of Sections 951A and 965 of the Internal Revenue Code shall be considered dividends from investments and shall be included in the taxable year in which the income is included in the taxpayer's federal adjusted gross income or federal taxable income, regardless of the taxable year in which the money or property was actually received.**

SECTION 31. IC 6-3-2-2.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 2.5. (a) This section applies to a resident person.

(b) Resident persons are entitled to a net operating loss deduction. The amount of the deduction taken in a taxable year may not exceed the taxpayer's unused Indiana net operating losses carried over to that year. A taxpayer is not entitled to carryback any net operating losses after December 31, 2011.

(c) An Indiana net operating loss equals the taxpayer's federal net operating loss for a taxable year as calculated under Section 172 of the Internal Revenue Code, adjusted for certain modifications required by IC 6-3-1-3.5 as set forth in subsection (d)(1).

(d) The following provisions apply for purposes of subsection (c):

(1) The modifications that are to be applied are those modifications required under IC 6-3-1-3.5 for the same taxable year in which each net operating loss was incurred, except that the modifications do not include the modifications required under:

- (A) IC 6-3-1-3.5(a)(3);
- (B) IC 6-3-1-3.5(a)(4);
- (C) IC 6-3-1-3.5(a)(5);
- (D) IC 6-3-1-3.5(a)(24); and
- (E) ~~IC 6-3-1-3.5(e)(10)~~; **IC 6-3-1-3.5(f)(10)**; and
- (F) **IC 6-3-1-3.5(f)(11)**.

(2) An Indiana net operating loss includes a net operating loss that arises when the applicable modifications required by IC 6-3-1-3.5 as set forth in subdivision (1) exceed the taxpayer's federal adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryover shall be available as a deduction from the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryover year provided in subsection (f).

(f) Carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years following the taxable year of the loss.

(2) ~~Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.~~

An Indiana net operating loss may not be carried over for more than twenty (20) taxable years after the taxable year of the loss.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which (as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried over as provided in subsection (f). The amount of the Indiana net operating loss carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.

(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

SECTION 32. IC 6-3-2-2.6, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 2.6. (a) This section applies to a corporation or a nonresident person.

(b) Corporations and nonresident persons are entitled to a net operating loss deduction. The amount of the deduction taken in a taxable year may not exceed the taxpayer's unused Indiana net operating losses carried over to that year. A taxpayer is not entitled to carryback any net operating losses after December 31, 2011.

(c) An Indiana net operating loss equals the taxpayer's federal net operating loss for a taxable year as calculated under Section 172 of the Internal Revenue Code, derived from sources within Indiana and adjusted for certain modifications required by IC 6-3-1-3.5 as set forth in subsection (d)(1).

(d) The following provisions apply for purposes of subsection (c):

(1) The modifications that are to be applied are those modifications required under IC 6-3-1-3.5 for the same taxable year in which each net operating loss was incurred, except that the modifications do not include the modifications required under:

- (A) IC 6-3-1-3.5(a)(3);
- (B) IC 6-3-1-3.5(a)(4);
- (C) IC 6-3-1-3.5(a)(5);
- (D) IC 6-3-1-3.5(a)(24);
- (E) IC 6-3-1-3.5(b)(14);
- (F) **IC 6-3-1-3.5(b)(15)**;
- (G) ~~IC 6-3-1-3.5(c)(13)~~; ~~IC 6-3-1-3.5(d)(13)~~;
- (H) ~~IC 6-3-1-3.5(e)(10)~~; ~~IC 6-3-1-3.5(d)(14)~~;
- (I) **IC 6-3-1-3.5(e)(13)**;
- (J) **IC 6-3-1-3.5(e)(14)**;
- (K) **IC 6-3-1-3.5(f)(10)**; and
- (L) **IC 6-3-1-3.5(f)(11)**.

(2) The amount of the taxpayer's net operating loss that is derived from sources within Indiana shall be determined in the same manner that the amount of the taxpayer's adjusted gross income derived from sources within Indiana is determined under section 2 of this chapter for the same taxable year during which each loss was incurred.

(3) An Indiana net operating loss includes a net operating loss that arises when the applicable modifications required by IC 6-3-1-3.5 as set forth in subdivision (1) exceed the taxpayer's federal taxable income (as defined in Section 63 of the Internal Revenue Code), if the taxpayer is a corporation, or when the applicable modifications required by IC 6-3-1-3.5 as set forth in subdivision (1) exceed the taxpayer's federal adjusted gross income (as defined by

Section 62 of the Internal Revenue Code), if the taxpayer is a nonresident person, for the taxable year in which the Indiana net operating loss is determined.

(e) Subject to the limitations contained in subsection (g), an Indiana net operating loss carryover shall be available as a deduction from the taxpayer's adjusted gross income derived from sources within Indiana (as defined in section 2 of this chapter) in the carryover year provided in subsection (f).

(f) Carryovers shall be determined under this subsection as follows:

(1) An Indiana net operating loss shall be an Indiana net operating loss carryover to each of the carryover years following the taxable year of the loss.

~~(2) Carryover years shall be determined by reference to the number of years allowed for carrying over net operating losses under Section 172(b) of the Internal Revenue Code.~~
An Indiana net operating loss may not be carried over for more than twenty (20) taxable years after the taxable year of the loss.

(g) The entire amount of the Indiana net operating loss for any taxable year shall be carried to the earliest of the taxable years to which (as determined under subsection (f)) the loss may be carried. The amount of the Indiana net operating loss remaining after the deduction is taken under this section in a taxable year may be carried over as provided in subsection (f). The amount of the Indiana net operating loss carried over from year to year shall be reduced to the extent that the Indiana net operating loss carryover is used by the taxpayer to obtain a deduction in a taxable year until the occurrence of the earlier of the following:

(1) The entire amount of the Indiana net operating loss has been used as a deduction.

(2) The Indiana net operating loss has been carried over to each of the carryover years provided by subsection (f).

(h) An Indiana net operating loss deduction determined under this section shall be allowed notwithstanding the fact that in the year the taxpayer incurred the net operating loss the taxpayer was not subject to the tax imposed under section 1 of this chapter because the taxpayer was:

(1) a life insurance company (as defined in Section 816(a) of the Internal Revenue Code); or

(2) an insurance company subject to tax under Section 831 of the Internal Revenue Code.

(i) In the case of a life insurance company, ~~that claims an operations loss deduction under Section 810 of the Internal Revenue Code;~~ this section shall be applied by

~~(1) substituting the corresponding provisions of Section 810 of the Internal Revenue Code in place of references to Section 172 of the Internal Revenue Code; and~~

~~(2) substituting life insurance company taxable income (as defined in Section 801 the Internal Revenue Code) in place of references to taxable income (as defined in Section 63 of the Internal Revenue Code).~~

SECTION 33. IC 6-3-2-4, AS AMENDED BY P.L.217-2017, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 4. (a) Each taxable year, an individual, or the individual's surviving spouse, is entitled to the following:

(1) An adjusted gross income tax deduction for the first five thousand dollars (\$5,000) of income, excluding adjusted gross income described in subdivision (2), received during the taxable year by the individual, or the individual's surviving spouse, for the individual's service in an active or reserve component of the armed forces of the United States, including the army, navy, air force, coast guard, marine corps, merchant marine, Indiana army national guard, or Indiana air national guard.

(2) An adjusted gross income tax deduction of six thousand two hundred fifty dollars (\$6,250) for income from retirement or survivor's benefits received during the

taxable year by the individual, or the individual's surviving spouse, for the individual's service in an active or reserve component of the armed forces of the United States, including the army, navy, air force, coast guard, marine corps, merchant marine, Indiana army national guard, or Indiana air national guard.

(b) An individual whose qualified military income is subtracted from the individual's federal adjusted gross income under ~~IC 6-3-1-3.5(a)(19)~~ **IC 6-3-1-3.5(a)(18)** for Indiana individual income tax purposes is not, for that taxable year, entitled to a deduction under this section for the same qualified military income that is deducted under ~~IC 6-3-1-3.5(a)(19)~~ **IC 6-3-1-3.5(a)(18)**.

SECTION 34. IC 6-3-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 12. (a) As used in this section, the term "foreign source dividend" means a dividend from a foreign corporation. The term:

(1) includes:

(A) any amount that a taxpayer is required to include in its gross income for a taxable year under Section 951 of the Internal Revenue Code; **and**

(B) **the gross amount included in federal adjusted gross income of a United States shareholder as a result of Section 965 of the Internal Revenue Code; and**

(2) **but the term** does not include:

(A) any amount that is treated as a dividend under Section 78 of the Internal Revenue Code; **and**

(B) **the amount included in federal taxable income of a United States shareholder under Section 951A of the Internal Revenue Code.**

(b) A corporation that includes any foreign source dividend in its adjusted gross income for a taxable year is entitled to a deduction from that adjusted gross income. The amount of the deduction equals the product of:

(1) the amount of the foreign source dividend included in the corporation's adjusted gross income for the taxable year; multiplied by

(2) the percentage prescribed in subsection (c), (d), or (e), as the case may be.

(c) The percentage referred to in subsection (b)(2) is one hundred percent (100%) if the corporation that includes the foreign source dividend in its adjusted gross income owns stock possessing at least eighty percent (80%) of the total combined voting power of all classes of stock of the foreign corporation from which the dividend is derived.

(d) The percentage referred to in subsection (b)(2) is eighty-five percent (85%) if the corporation that includes the foreign source dividend in its adjusted gross income owns stock possessing at least fifty percent (50%) but less than eighty percent (80%) of the total combined voting power of all classes of stock of the foreign corporation from which the dividend is derived.

(e) The percentage referred to in subsection (b)(2) is fifty percent (50%) if the corporation that includes the foreign source dividend in its adjusted gross income owns stock possessing less than fifty percent (50%) of the total combined voting power of all classes of stock of the foreign corporation from which the dividend is derived."

Page 14, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 36. IC 6-3-2-20, AS AMENDED BY P.L.250-2015, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 20. (a) The following definitions apply throughout this section:

(1) "Affiliated group" has the meaning provided in Section 1504 of the Internal Revenue Code, except that the ownership percentage in Section 1504(a)(2) of the Internal

Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%).

(2) "Directly related interest expenses" means interest expenses that are paid to, or accrued or incurred as a liability to, a recipient if:

(A) the amounts represent, in the hands of the recipient, income from making one (1) or more loans; and

(B) the funds loaned were originally received by the recipient from the payment of expenses by any of the following:

(i) The taxpayer.

(ii) A member of the same affiliated group as the taxpayer.

(iii) A foreign corporation.

(3) "Foreign corporation" means a corporation that is organized under the laws of a country other than the United States and would be a member of the same affiliated group as the taxpayer if the corporation were organized under the laws of the United States.

(4) "Intangible expenses" means the following amounts to the extent these amounts are allowed as deductions in determining taxable income under Section 63 of the Internal Revenue Code before the application of any net operating loss deduction and special deductions for the taxable year:

(A) Expenses, losses, and costs directly for, related to, or in connection with the acquisition, use, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property.

(B) Royalty, patent, technical, and copyright fees.

(C) Licensing fees.

(D) Other substantially similar expenses and costs.

(5) "Intangible property" means patents, patent applications, trade names, trademarks, service marks, copyrights, trade secrets, and substantially similar types of intangible assets.

(6) "Interest expenses" means amounts that are allowed as deductions under Section 163 of the Internal Revenue Code in determining taxable income under Section 63 of the Internal Revenue Code before the application of any net operating loss deductions and special deductions for the taxable year.

(7) "Makes a disclosure" means a taxpayer provides the following information regarding a transaction with a member of the same affiliated group or a foreign corporation involving an intangible expense or a directly related interest expense with the taxpayer's tax return on the forms prescribed by the department:

(A) The name of the recipient.

(B) The state or country of domicile of the recipient.

(C) The amount paid to the recipient.

(D) A copy of federal Form 851, Affiliation Schedule, as filed with the taxpayer's federal consolidated tax return.

(E) The information needed to determine the taxpayer's status under the exceptions listed in subsection (c).

(8) "Recipient" means:

(A) a member of the same affiliated group as the taxpayer; or

(B) a foreign corporation;

to which is paid an item of income that corresponds to an intangible expense or a directly related interest expense.

(9) "Unrelated party" means a person that, with respect to the taxpayer, is not a member of the same affiliated group or a foreign corporation.

(b) Except as provided in subsection (c), in determining its adjusted gross income under IC 6-3-1-3.5(b), a corporation subject to the tax imposed by IC 6-3-2-1 shall add to its taxable income under Section 63 of the Internal Revenue Code:

(1) all intangible expenses; and

(2) all directly related interest expenses; paid, accrued, or incurred with one (1) or more members of the same affiliated group or with one (1) or more foreign corporations.

(c) The addition of intangible expenses or directly related interest expenses otherwise required in a taxable year under subsection (b) is not required if one (1) or more of the following apply to the taxable year:

(1) The taxpayer and the recipient are both included in the same consolidated tax return filed under IC 6-3-4-14 or in the same combined return filed under IC 6-3-2-2(q) for the taxable year.

(2) If the recipient receives an item of income that corresponds to the directly related interest expenses and the recipient:

(A) is subject to the financial institutions tax under IC 6-5.5;

(B) files a return under IC 6-5.5; and

(C) apportions the items of income that correspond to the intangible expenses and the directly related interest expenses in accordance with IC 6-5.5.

(3) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the item of income corresponding to the intangible expenses or the directly related interest expenses was included within the recipient's income that is subject to tax in:

(i) a state or possession of the United States; or

(ii) a country other than the United States;

that is the recipient's commercial domicile and that imposes a net income tax, a franchise tax measured, in whole or in part, by net income, or a value added tax;

(B) the transaction giving rise to the intangible expenses or the directly related interest expenses between the taxpayer and the recipient was made at a commercially reasonable rate and at terms comparable to an arm's length transaction; and

(C) the transactions giving rise to the intangible expenses or the directly related interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as the principal purpose.

(4) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient regularly engages in transactions with one (1) or more unrelated parties on terms substantially similar to those of the subject transaction; and

(B) the transaction giving rise to the intangible expenses or the directly related interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as the principal purpose.

(5) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the payment was received from a person or entity that is an unrelated party, and on behalf of that unrelated party, paid that amount to the recipient in an arm's length transaction; and

(B) the transaction giving rise to the intangible expenses or the directly related interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as the principal purpose.

(6) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient paid, accrued, or incurred a liability to an unrelated party during the taxable year for an equal or greater amount that was directly for, related to, or in connection with the same property giving rise to the

expenses; and

(B) the transactions giving rise to the intangible expenses or the directly related interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as the principal purpose.

(7) The taxpayer makes a disclosure and, at the request of the department, can establish by a preponderance of the evidence that:

(A) the recipient is engaged in:

(i) substantial business activities from the acquisition, use, licensing, maintenance, management, ownership, sale, exchange, or any other disposition of intangible property; or

(ii) other substantial business activities separate and apart from the business activities described in item (i);

as evidenced by the maintenance of a permanent office space and an adequate number of full-time, experienced employees;

(B) the transactions giving rise to the intangible expenses or the directly related interest expenses between the taxpayer and the recipient did not have Indiana tax avoidance as the principal purpose; and

(C) the transaction was made at a commercially reasonable rate and at terms comparable to an arm's length transaction.

(8) The taxpayer and the department agree, in writing, to the application or use of an alternative method of allocation or apportionment under section 2(l) or 2(m) of this chapter.

(9) Upon request by the taxpayer, the department determines that the adjustment otherwise required by this section is unreasonable.

(d) For purposes of this section, intangible expenses or directly related interest expenses shall be considered to be at a commercially reasonable rate or at terms comparable to an arm's length transaction if the intangible expenses or directly related interest expenses meet the arm's length standards of United States Treasury Regulation 1.482-1(b).

(e) If intangible expenses or directly related interest expenses are determined not to be at a commercially reasonable rate or at terms comparable to an arm's length transaction for purposes of this section, the adjustment required by subsection (b) shall be made only to the extent necessary to cause the intangible expenses or directly related interest expenses to be at a commercially reasonable rate and at terms comparable to an arm's length transaction.

(f) For purposes of this section, transactions giving rise to intangible expenses or the directly related interest expenses between the taxpayer and the recipient shall be considered as having Indiana tax avoidance as the principal purpose if:

(1) there is not one (1) or more valid business purposes that independently sustain the transaction notwithstanding any tax benefits associated with the transaction; and

(2) the principal purpose of tax avoidance exceeds any other valid business purpose.

(g) For purposes of this article, the determination of whether an interest expense:

(1) is a directly related interest expense;

(2) is required to be added back under subsection (b); or

(3) meets an exception under subsection (c);

shall be made in the year in which the expense is incurred. If any portion of the directly related interest expense is required to be carried forward as a deduction pursuant to Section 163(j) of the Internal Revenue Code, the allowance or disallowance of the expense shall be determined by reference to the year in which the expense was incurred for federal income tax purposes. The department may adopt rules or issue guidance with regard to this section."

Page 14, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 38. IC 6-3.1-21-6, AS AMENDED BY P.L.242-2015, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 6. (a) Except as provided by ~~subsection subsections~~ (b), (d), and (e), an individual who is eligible for an earned income tax credit under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), is eligible for a credit under this chapter equal to nine percent (9%) of the amount of the federal earned income tax credit that the individual:

(1) is eligible to receive in the taxable year; and

(2) claimed for the taxable year;

under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312).

(b) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the amount of the credit is equal to the product of:

(1) the amount determined under subsection (a); multiplied by

(2) the quotient of the taxpayer's income taxable in Indiana divided by the taxpayer's total income.

(c) If the credit amount exceeds the taxpayer's adjusted gross income tax liability for the taxable year, the excess shall be refunded to the taxpayer.

(d) If a taxpayer properly elects to determine the taxpayer's earned income in accordance with the federal Bipartisan Budget Act of 2018 for purposes of the credit under Section 32 of the Internal Revenue Code for a taxable year beginning after December 31, 2016, the election shall be treated as being made for purposes of the credit under this chapter.

(e) The minimum earned income amounts and phaseout threshold amounts for the credit under this section are subject to the same cost of living adjustments provided in the Internal Revenue Code.

SECTION 39. IC 6-3.6-5-6, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2018 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 6. (a) This section applies to all counties.

(b) The adopting body may impose a tax rate under this chapter that does not exceed one and twenty-five hundredths percent (1.25%) on the adjusted gross income of local taxpayers in the county served by the adopting body.

(c) Revenues from a tax under this section may be used only for the purpose of funding a property tax credit applied on a percentage basis to reduce the property tax liability of taxpayers with tangible property located in the county as authorized under this section. Property taxes imposed due to a referendum in which a majority of the voters in the taxing unit imposing the property taxes approved the property taxes are not eligible for a credit under this section. **However, IC 6-3.6-11-2 applies in Jasper County.**

(d) The adopting body shall specify by ordinance how the revenue from the tax shall be applied *under subdivisions (1) through (4)* to provide property tax credits in subsequent years. *The allocation must be specified as a percentage of property tax relief revenue for taxpayers within each property category.* The ordinance must be adopted *before July 1 and first applies in the following year and then as provided in IC 6-3.6-3 and takes effect and applies to property taxes as specified in IC 6-3.6-3-3.* *The ordinance continues to apply thereafter until it is rescinded or modified.* The property tax credits may be allocated *to all property categories or among any combination of the following*

categories:

(1) For homesteads eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to one percent (1%).

(2) For residential property, long term care property, agricultural land, and other tangible property (if any) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to two percent (2%).

(3) For *the following types of property as a single category*:-

(A) residential property, as defined in IC 6-1.1-20.6-4.

(B) *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.*

(C) *Real property consisting of units that are regularly used to rent or otherwise furnish residential accommodations for periods of at least thirty (30) days, 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.*

(4) For nonresidential real property, personal property, and other tangible property (if any) eligible for a credit under IC 6-1.1-20.6-7.5 that limits the taxpayer's property tax liability for the property to three percent (3%). However, IC 6-3.6-11-2 applies in Jasper County.

(e) Within a category described in subsection (d) for which an ordinance grants property tax credits, the property tax credit rate must be a uniform percentage for all qualifying taxpayers with property in that category in the county. The credit percentage may be, but does not have to be, uniform for all categories of property listed in subsection (d). *The total of all tax credits granted under this section for a year may not exceed the amount of revenue raised by the tax imposed under this section. If the amount available in a year for property tax credits under this section is less than the amount necessary to provide all the property tax credits authorized by the adopting body, the county auditor shall reduce the property tax credits granted to eliminate the excess. The county auditor shall reduce credits within the categories described in subsection (d)(1) through (d)(4) as follows:*

(1) *First, against property taxes imposed on property described in subsection (d)(4).*

(2) *Second, if an excess remains after applying the reduction as described in subdivision (1), against property taxes imposed on property described in subsection (d)(3).*

(3) *Third, if an excess remains after applying the reduction as described in subdivisions (1) and (2), against property taxes imposed on property described in subsection (d)(2).*

(4) *Fourth, if an excess remains after applying the reduction as described in subdivisions (1) through (3), against property taxes imposed on property described in subsection (d)(1).*

(f) *The total of all tax credits granted under this section for a year may not exceed the amount authorized by the adopting body. If the amount available in a year for property tax credits under this section is greater than the amount necessary to provide all the property tax credits authorized by the adopting body, the county auditor shall retain and apply the excess as necessary to provide the property tax credits authorized by the adopting body for the following year. The adopting body may adopt an ordinance that directs to which categories described in subsection (d) the excess is to be uniformly applied.*

(g) (f) The county auditor shall allocate the amount of revenue applied as tax credits under this section to the taxing

units that imposed the eligible property taxes against which the credits are applied.

~~(h)~~ (g) *If the adopting body adopts an ordinance to reduce or eliminate the property tax relief credits that are in effect in the county under this chapter, the county auditor shall give notice of the adoption of the ordinance in accordance with IC 5-3-1 not later than thirty (30) days after the date on which the ordinance is adopted.*

SECTION 40. IC 6-3.6-11-2, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 2. (a) This section applies to Jasper County's allocation of property tax credits provided by a tax rate under IC 6-3.6-5.

(b) A taxpayer that owns an industrial plant located in Jasper County is ineligible for a credit under IC 6-3.6-5 against the property taxes due on the industrial plant if the assessed value of the industrial plant as of March 1, 2006, exceeded twenty percent (20%) of the total assessed value of all taxable property in the county on that date. The general assembly finds that the provisions of this subsection are necessary because the industrial plant represents such a large percentage of Jasper County's assessed valuation.

(c) The adopting body may adopt an ordinance to provide that property taxes are eligible for a credit under IC 6-3.6-5-6 if the property taxes are imposed due to a referendum in which a majority of the voters in the taxing unit imposing the property taxes approved, before July 1, 2015, the property taxes.

SECTION 41. IC 6-3-4-8.2, AS AMENDED BY P.L.182-2009(ss), SECTION 200, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 8.2. (a) Each person in Indiana who is required under the Internal Revenue Code to withhold federal tax from winnings shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department.

(b) In addition to amounts withheld under subsection (a), every person engaged in a gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) and making a payment in the course of the gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) of:

(1) winnings (not reduced by the wager) valued at one thousand two hundred dollars (\$1,200) or more from slot machine play; or

(2) winnings (reduced by the wager) valued at one thousand five hundred dollars (\$1,500) or more from a keno game;

shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department. The department's instructions must provide that amounts withheld shall be paid to the department **before the close of the business day following the day the winnings are paid; actually or constructively, on the twenty-fourth calendar day of each month. Any taxes collected during the month after the day on which the taxes are required to be paid shall be paid to the department at the same time the following month's taxes are due.** Slot machine and keno winnings from a gambling operation (as defined in IC 4-33-2-10) or a gambling game (as defined in IC 4-35-2-5) that are reportable for federal income tax purposes shall be treated as subject to withholding under this section, even if federal tax withholding is not required.

(c) The adjusted gross income tax due on prize money or prizes:

(1) received from a winning lottery ticket purchased under IC 4-30; and

(2) exceeding one thousand two hundred dollars (\$1,200) in value;

shall be deducted and retained at the time and in the amount

described in withholding instructions issued by the department, even if federal withholding is not required.

(d) In addition to the amounts withheld under subsection (a), a qualified organization (as defined in IC 4-32.2-2-24(a)) that awards a prize under IC 4-32.2 exceeding one thousand two hundred dollars (\$1, 200) in value shall deduct and retain adjusted gross income tax at the time and in the amount described in withholding instructions issued by the department. The department's instructions must provide that amounts withheld shall be paid to the department before the close of the business day following the day the winnings are paid, actually or constructively.

SECTION 42. IC 6-5.5-1-2, AS AMENDED BY P.L.250-2015, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)]: Sec. 2. (a) Except as provided in subsections (b) through (d), "adjusted gross income" means taxable income as defined in Section 63 of the Internal Revenue Code, adjusted as follows:

(1) Add the following amounts:

(A) An amount equal to a deduction allowed or allowable under Section 166, Section 585, or Section 593 of the Internal Revenue Code.

(B) An amount equal to a deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(C) An amount equal to a deduction or deductions allowed or allowable under Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by a state of the United States or levied at the local level by any subdivision of a state of the United States.

(D) The amount of interest excluded under Section 103 of the Internal Revenue Code or under any other federal law, minus the associated expenses disallowed in the computation of taxable income under Section 265 of the Internal Revenue Code.

(E) An amount equal to the deduction allowed under Section 172 or 1212 of the Internal Revenue Code for net operating losses or net capital losses.

(F) For a taxpayer that is not a large bank (as defined in Section 585(c)(2) of the Internal Revenue Code), an amount equal to the recovery of a debt, or part of a debt, that becomes worthless to the extent a deduction was allowed from gross income in a prior taxable year under Section 166(a) of the Internal Revenue Code.

(G) Add the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(H) Add the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

~~(I) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.~~

~~(I)~~ (I) Add an amount equal to any income not included in gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code. Subtract from the adjusted gross income of any taxpayer that added an amount to adjusted gross income in a previous year the amount necessary to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition after December 31, 2008, and before January 1, 2011, of an applicable debt instrument, as provided in Section 108(i) of the Internal Revenue Code.

~~(K)~~ (J) Add an amount equal to any exempt insurance income under Section 953(e) of the Internal Revenue Code for active financing income under Subpart F, Subtitle A, Chapter 1, Subchapter N of the Internal Revenue Code.

(2) Subtract the following amounts:

(A) Income that the United States Constitution or any statute of the United States prohibits from being used to measure the tax imposed by this chapter.

(B) Income that is derived from sources outside the United States, as defined by the Internal Revenue Code.

(C) An amount equal to a debt or part of a debt that becomes worthless, as permitted under Section 166(a) of the Internal Revenue Code.

(D) An amount equal to any bad debt reserves that are included in federal income because of accounting method changes required by Section 585(c)(3)(A) or Section 593 of the Internal Revenue Code.

(E) The amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation.

(F) The amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(G) Income that is:

- (i) exempt from taxation under IC 6-3-2-21.7; and
- (ii) included in the taxpayer's taxable income under the Internal Revenue Code.

(b) In the case of a credit union, "adjusted gross income" for a taxable year means the total transfers to undivided earnings minus dividends for that taxable year after statutory reserves are set aside under IC 28-7-1-24.

(c) In the case of an investment company, "adjusted gross income" means the company's federal taxable income plus the amount excluded from federal gross income under Section 103 of the Internal Revenue Code for interest received on an obligation of a state other than Indiana, or a political subdivision of such a state, that is acquired by the taxpayer after December 31, 2011, multiplied by the quotient of:

- (1) the aggregate of the gross payments collected by the company during the taxable year from old and new business upon investment contracts issued by the company

and held by residents of Indiana; divided by (2) the total amount of gross payments collected during the taxable year by the company from the business upon investment contracts issued by the company and held by persons residing within Indiana and elsewhere.

(d) As used in subsection (c), "investment company" means a person, copartnership, association, limited liability company, or corporation, whether domestic or foreign, that:

(1) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and

(2) solicits or receives a payment to be made to itself and issues in exchange for the payment:

- (A) a so-called bond;
- (B) a share;
- (C) a coupon;
- (D) a certificate of membership;
- (E) an agreement;
- (F) a pretended agreement; or
- (G) other evidences of obligation;

entitling the holder to anything of value at some future date, if the gross payments received by the company during the taxable year on outstanding investment contracts, plus interest and dividends earned on those contracts (by prorating the interest and dividends earned on investment contracts by the same proportion that certificate reserves (as defined by the Investment Company Act of 1940) is to the company's total assets) is at least fifty percent (50%) of the company's gross payments upon investment contracts plus gross income from all other sources except dividends from subsidiaries for the taxable year. The term "investment contract" means an instrument listed in clauses (A) through (G).

SECTION 43. IC 6-8.1-1-1, AS AMENDED BY P.L.256-2017, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the ~~riverboat admissions supplemental wagering~~ tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1) (repealed); the utility receipts and utility services use taxes (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1) (repealed); the county option income tax (IC 6-3.5-6) (repealed); the county economic development income tax (IC 6-3.5-7) (repealed); the local income tax (IC 6-3.6); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the vehicle excise tax (IC 6-6-5); the aviation fuel excise tax (IC 6-6-13); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax imposed on recreational vehicles and truck campers (IC 6-6-5.1); the hazardous waste disposal tax (IC 6-6-6.6) (repealed); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-20-18); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-20-18); and any other tax or fee that the department is required to collect or administer."

Page 15, line 7, delete "IC 6-8.1-16" and insert "IC 6-8.1-17".

Page 15, line 10, delete "16." and insert "17.".

Page 17, line 5, delete "Commissioner" and insert

"commissioner".

Page 19, line 9, delete "The" and insert "Only the".

Page 19, line 11, delete "or a license may" and insert "is entitled to".

Page 19, line 19, after "information." insert "**Only the state or local government agency is entitled to receive the results of all fingerprint investigations conducted under this subsection.**".

Page 19, between lines 33 and 34, begin a new paragraph and insert:

"SECTION 47. IC 16-22-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 19. (a) This section applies to a medical care trust board appointed by a county executive to govern a nonexpendable trust fund established under section 17(j) or 18(e) of this chapter.

(b) The county executive may adopt an ordinance providing that the medical care trust board is subject to this section.

(c) After the effective date of an ordinance adopted under subsection (b), the medical care trust board may do the following:

(1) Approve and the treasurer may disburse payment of a claim against the trust for payment of hospital and medical services provided to an indigent person and reasonable administrative expenses, without the necessity of filing a claim with the county auditor for approval by the county executive.

(2) **Except as provided in section 19.5 of this chapter,** invest the funds of the trust:

(A) in accordance with IC 5-13-9 and guidelines adopted by the board under IC 5-13-9-1; and

(B) without being subject to guidelines adopted by the county executive under IC 5-13-9-1.

SECTION 48. IC 16-22-3-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 19.5. (a) This section applies to a county that before 1990 sold its hospital property and established an Indiana domestic nonprofit corporation to hold the proceeds from the sale.**

(b) As used in this section, "corporation" refers to a nonprofit corporation established to hold the proceeds from the sale of a county hospital.

(c) The corporation shall contract with investment managers, investment advisors, investment counsel, trust companies, banks, or other finance professionals to assist the corporation in an investment program. Money held by the corporation must be invested in accordance with the terms of an investment policy statement developed by the board of directors of the corporation with an investment advisor that:

(1) is approved by the board of directors; and

(2) complies with the diversification, risk management, and other fiduciary requirements common to the management of charitable trusts, including that the funds of the corporation must be invested according to the prudent investor rule. The investment policy statement must include the limitation on the investment in equities specified in subsection (e).

(d) Money held by the corporation:

(1) may be invested in any legal, marketable securities; and

(2) is not subject to any other investment limitations in the law, other than the limitations under this section and the limitations in the investment policy statement.

(e) The total amount of the funds invested by the corporation in equity securities under this section may not exceed fifty-five percent (55%) of the total value of the portfolio of funds invested by the corporation under this section. However:

(1) an investment that complies with this subsection when the investment is made remains legal even if a

subsequent change in the value of the investment or a change in the value of the total portfolio of funds invested by the corporation causes the percentage of investments in equity securities to exceed the fifty-five percent (55%) limit on equity securities; and
 (2) if the total amount of the funds invested by a corporation in equity securities exceeds the fifty-five percent (55%) limit on equity securities because of a change described in subdivision (1), the investments by the corporation must be rebalanced to comply with the fifty-five percent (55%) limit on equity investments not later than one hundred twenty (120) days after the equity investments first exceed that limit.

(f) The following apply to the corporation:

- (1) The corporation must be audited annually by an independent third party auditor.
- (2) The board of directors of the corporation must meet at least quarterly to receive a quarterly compliance and performance update from the investment advisor.
- (3) Three (3) nonvoting advisors who are officers of different county designated depositories shall attend the quarterly meetings in an advisory capacity to assist the board of directors of the corporation:
 - (A) in reviewing the compliance and performance report from the investment advisor; and
 - (B) in reviewing the annual audit required by subdivision (1).

The three (3) nonvoting advisors may not vote on any action of the board of directors. The board of directors of the corporation shall by majority vote select the three (3) depositories from which the three (3) nonvoting advisors will be chosen. Each of the three (3) depositories selected under this subdivision shall select an officer of the depository to serve as one (1) of the three (3) nonvoting advisors. Each nonvoting advisor shall serve a term of three (3) years, and the nonvoting advisor shall continue to serve until a successor is selected. However, to provide for staggered terms, the board of directors of the corporation shall provide that the initial term of one (1) nonvoting advisor is one (1) year, the initial term of one (1) nonvoting advisor is two (2) years, and the initial term of one (1) nonvoting advisor is three (3) years. For purposes of avoiding a conflict of interest, a financial institution for which a nonvoting advisor is an officer (and any affiliate of such a financial institution) may not receive a commission or other compensation for investments made by the corporation under this section.

SECTION 49. IC 36-1-14-4 IS REPEALED [EFFECTIVE JULY 1, 2018]. Sec. 4. (a) This section applies to a county that before 1990 sold its hospital property and established a trust to hold the proceeds from the sale:

(b) As used in this section, "trust" refers to a charitable trust established to hold the proceeds from the sale of a county hospital:

(e) The trustees of a trust shall contract with investment managers, investment advisors, investment counsel, trust companies, banks, or other finance professionals to assist the trustees in an investment program. Money held by the trust must be invested in accordance with the terms of an investment policy statement developed by the trustees with an investment advisor that:

- (1) is approved by the trustees; and
- (2) complies with the diversification, risk management, and other fiduciary requirements common to the management of charitable trusts, including that the funds of the trust must be invested according to the prudent investor rule. However, the investment policy statement may not allow the trust to invest in any investments in which the political subdivision that established the trust is

not permitted to invest under the Constitution of the State of Indiana. The investment policy statement must include the limitation on the investment in equities specified in subsection (e):

(d) Money held by the trust:

- (1) may be invested in any legal, marketable securities; and
- (2) is not subject to any other investment limitations in the law, other than the limitations under this section and the limitations in the investment policy statement.

(e) The total amount of the funds invested by a trust in equity securities under this section may not exceed fifty-five percent (55%) of the total value of the portfolio of funds invested by the trust under this section. However:

- (1) an investment that complies with this subsection when the investment is made remains legal even if a subsequent change in the value of the investment or a change in the value of the total portfolio of funds invested by the trust causes the percentage of investments in equity securities to exceed the fifty-five percent (55%) limit on equity securities; and
- (2) if the total amount of the funds invested by a trust in equity securities exceeds the fifty-five percent (55%) limit on equity securities because of a change described in subdivision (1), the investments by the trust must be rebalanced to comply with the fifty-five percent (55%) limit on equity investments not later than one hundred twenty (120) days after the equity investments first exceed that limit.

(f) The following apply if a trust is established under this section:

- (1) To the extent that investment income earned on the principal amount of the trust during a calendar year exceeds five percent (5%) of the amount of the principal at the beginning of the calendar year, that excess investment income shall, for purposes of this section, be added to and be considered a part of the principal amount of the trust.
- (2) An expenditure or transfer of any money that is part of the principal amount of the trust may be made only upon unanimous approval of the trustees.
- (3) The trust must be audited annually by an independent third party auditor.
- (4) The trustees must meet at least quarterly to receive a quarterly compliance and performance update from the investment advisor.
- (5) Three (3) nonvoting advisors who are officers of different county designated depositories shall attend the quarterly meetings in an advisory capacity to assist the trustees:

- (A) in reviewing the compliance and performance report from the investment advisor; and
- (B) in reviewing the annual audit required by subdivision (3).

The three (3) nonvoting advisors may not vote on any action of the board of trustees. The trustees shall by majority vote select the three (3) depositories from which the three (3) nonvoting advisors will be chosen. Each of the three (3) depositories selected under this subdivision shall select an officer of the depository to serve as one (1) of the three (3) nonvoting advisors. Each nonvoting advisor shall serve a term of three (3) years, and the nonvoting advisor shall continue to serve until a successor is selected. However, to provide for staggered terms, the trustees shall provide that the initial term of one (1) nonvoting advisor is one (1) year, the initial term of one (1) nonvoting advisor is two (2) years, and the initial term of one (1) nonvoting advisor is three (3) years. For purposes of avoiding a conflict of interest, a financial institution for which a nonvoting advisor is an officer (and

any affiliate of such a financial institution) may not receive a commission or other compensation for investments made by the trust under this section.

SECTION 50. IC 36-7-25-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 8. (a) A member of a redevelopment commission shall annually present information to the governing body of every school corporation that has territory within an allocation area of the commission. The presentation must include the following:**

- (1) The commission's budget with respect to allocated property tax proceeds.**
- (2) The long term plans for the allocation area.**
- (3) The impact on the school corporation.**

(b) A governing body of the school corporation may adopt a resolution waiving its right to have a presentation by a redevelopment commission under this section.

SECTION 51. IC 36-10-3-38 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 38. (a) This section applies in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).**

(b) This section applies only if a municipality annexes or has annexed territory that is part of a district under this chapter after June 1, 1976.

(c) Any annexed territory that is in the district before the effective date of the annexation ordinance remains a part of the district, and the property in the annexed territory is subject to the same levy for park and recreational purposes as other property within the district. The annexing municipality may not impose an additional levy on the property in the annexed territory for park and recreational purposes.

(d) Notwithstanding subsection (c), the district's fiscal officer shall semiannually transfer to the annexing municipality's department one-half (1/2) of the property tax revenue attributable to property taxes imposed by the district on property that is within the annexed territory and that was annexed after June 1, 1976, and before March 4, 1988.

(e) The fiscal officer for a district shall make the transfer required under subsection (d) on June 1 and December 1 of each calendar year beginning after December 31, 2018.

SECTION 52. [EFFECTIVE UPON PASSAGE] **(a) For purposes of IC 6-3-4-8.2(b), as amended by this act, the amounts withheld after June 30, 2018, and before July 25, 2018, are required to be paid to the department of revenue on July 24, 2018.**

(b) This SECTION expires July 1, 2019.

SECTION 53. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding the June 30, 2018, date set forth in HEA 1001-2017, SECTION 167, regarding the trustees of Ivy Tech Community College issuing and selling bonds for the Kokomo campus renovation and addition and the Muncie campus renovation and addition, the trustees may instead issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, after the effective date of this SECTION.**

(b) This SECTION expires June 30, 2019.

SECTION 54. [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)] **(a) IC 6-3-1-3.5, IC 6-3-2-2, IC 6-3-2-2.2, IC 6-3-2-2.5, IC 6-3-2-2.6, IC 6-3-2-4, IC 6-3-2-12, IC 6-3-2-20, and IC 6-5.5-1-2, all as amended by this act, apply to taxable years beginning after December 31, 2017, unless an earlier taxable year is specified in any of these provisions.**

(b) This SECTION expires June 30, 2021."

Renumber all SECTIONS consecutively.

(Reference is to SB 242 as reprinted February 6, 2018.)
Committee Vote: yeas 16, nays 7. and when so amended that said bill do pass.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 261, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning local government.

Delete everything after the enacting clause and insert:

SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to an appropriate interim study committee the task of studying issues relating to municipal annexation, including the following:**

- (1) The effect of annexation laws on economic development.**
- (2) Extraterritorial municipal jurisdiction regarding zoning and control of natural resources.**
- (3) The effect of eliminating involuntary annexations.**
- (4) Property owner participation in the issuance of political subdivision debt and lease rental obligations.**
- (5) Annexation remonstrance waivers, including:**
 - (A) the basis for annexation remonstrance waivers and the consequences of voiding existing contracts;**
 - (B) requiring disclosure of annexation remonstrance waivers on real estate sales disclosure forms;**
 - (C) a municipality's best practices in extending services outside its boundaries, if annexation remonstrance waivers are phased out or eliminated;**
 - and**
 - (D) a process for municipalities to bring property benefitting from multiple municipal services into the boundaries of the municipality.**
- (6) Contiguity requirements, including the effect of contiguity on annexations under IC 36-4-3-4.1.**
- (7) Require the signatures of fifty-one percent (51%) of the owners of property or the owners of sixty-five percent (65%) of the assessed value of property in the annexation territory to void an annexation ordinance.**
- (8) Tie levy increases for the annexing municipality with the new non-utility services added by the annexing municipality.**
- (9) Require the local income tax loss to the non-annexing political subdivisions to be in proportion to the services assumed by the annexing municipality from the entity.**
- (10) Require the annexing municipality to repay the circuit breaker loss to other units as a result of the higher levy and additional tax rate.**
- (11) If municipal services are not provided to the annexation territory as promised:**
 - (A) lower taxes within the annexed area; and**
 - (B) require the municipality to pay taxpayers' attorney's fees.**
- (12) Amend IC 36-4-3-13(c)(1)(B) to read: "needed and can be used in its entirety by the municipality for its development in the reasonably near future within three (3) years from the date the annexation ordinance is adopted."**
- (13) Clarify the following regarding remonstrance petitions:**

(A) A signature on a remonstrance does not have to be exactly similar to a signature on a bond remonstrance.

(B) Each parcel has one (1) vote.

(14) Amend IC 36-4-3-11.6 regarding attorney's fees.

(15) The special provisions in IC 36-4-3-11.4 regarding annexations involving an economic development project.

(16) Limiting the number of annexations or the size of an annexation that could occur in a calendar year.

(17) Authorize the board of county commissioners to approve involuntary annexations.

(18) Creating a moratorium on involuntary annexations while annexation is studied by the general assembly.

(b) This SECTION expires January 1, 2019.

SECTION 2. An emergency is declared for this act.

(Reference is to SB 261 as reprinted February 2, 2018.) and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

MAHAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred Senate Bill 281, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 281 as printed January 12, 2018.)

Committee Vote: Yeas 8, Nays 0.

VANNATTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 296, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 296 as printed January 23, 2018.)

Committee Vote: Yeas 9, Nays 0.

MAHAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 303, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 10-21-1-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. On or before December 1, 2018, and periodically thereafter, the board shall conduct a review and submit a report to the legislative council, in an electronic format under IC 5-14-6. The report:**

(1) must provide an overview of the current status of school safety across the state; and

(2) may make recommendations to improve the safety of elementary and secondary school students."

Page 1, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 2. IC 20-26-5-10, AS AMENDED BY P.L.185-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 10. (a) This section applies to a:**

- (1) school corporation;
- (2) charter school; or
- (3) nonpublic school that employs one (1) or more employees.

(b) A school corporation, a charter school, and a nonpublic school shall adopt a policy concerning criminal history information for individuals who:

- (1) apply for:
 - (A) employment with the school corporation, charter school, or nonpublic school; or
 - (B) employment with an entity with which the school corporation, charter school, or nonpublic school contracts for services;
- (2) seek to enter into a contract to provide services to the school corporation, charter school, or nonpublic school; or
- (3) are employed by an entity that seeks to enter into a contract to provide services to the school corporation, charter school, or nonpublic school;

if the individuals are likely to have direct, ongoing contact with children within the scope of the individuals' employment.

(c) Except as provided in subsections (f) and (g), a school corporation, a charter school, and a nonpublic school shall administer a policy adopted under this section uniformly for all individuals to whom the policy applies.

(d) A policy adopted under this section must require that the school corporation, charter school, or nonpublic school conduct an expanded criminal history check concerning each applicant for employment who is likely to have direct, ongoing contact with children within the scope of the individual's employment before or not later than thirty (30) days after the start date of the applicant's employment by the school corporation, charter school, or nonpublic school.

(e) A policy adopted under this section:

- (1) must require that the school corporation, charter school, or nonpublic school conduct an **Indiana** expanded child protection index check; **and**
- (2) **may require that the school corporation, charter school, or nonpublic school conduct an expanded child protection index check in other states;**

concerning each applicant for employment who is likely to have direct, ongoing contact with children within the scope of the individual's employment. **An Indiana expanded child protection index check must be completed** before or not later than sixty (60) days after the start date of the applicant's employment by the school corporation, charter school, or nonpublic school. **An expanded child protection index check made under this section must include inquiries to each state in which information necessary to complete the expanded child protection index check is available.**

(f) A policy adopted under this section must state that the school corporation, charter school, or nonpublic school requires an expanded criminal history check concerning an employee of the school corporation, charter school, or nonpublic school. The checks must be conducted every five (5) years. A school corporation, charter school, or nonpublic school may adopt a policy to require an employee to obtain an expanded child protection index check every five (5) years.

(g) In implementing subsection (f), and subject to subsection (j), a school corporation, charter school, or nonpublic school may update the checks required under subsection (f) for employees who are employed by the school corporation, charter school, or nonpublic school as of July 1, 2017, over a period not to exceed five (5) years by annually conducting updated expanded criminal history checks and expanded child protection index checks for at least one-fifth (1/5) of the number of employees who are employed by the school corporation, charter school, or nonpublic school on July 1, 2017.

(h) An applicant or employee may be required to provide a written consent for the school corporation, charter school, or nonpublic school to request an expanded criminal history check

and an expanded child protection index check concerning the individual before the individual's employment by the school corporation, charter school, or nonpublic school. The school corporation, charter school, or nonpublic school may require the individual to provide a set of fingerprints and pay any fees required for the expanded criminal history check and expanded child protection index check. Each applicant for employment or employee described in subsection (f) may be required:

- (1) at the time the individual applies or updates an expanded criminal history check under subsection (f); or
- (2) while an expanded criminal history check or expanded child protection index check is being conducted;

to answer questions concerning the individual's expanded criminal history check and expanded child protection index check. The failure to answer honestly questions asked under this subsection is grounds for termination of the employee's employment.

(i) An applicant is responsible for all costs associated with obtaining the expanded criminal history check and expanded child protection index check unless the school corporation, charter school, or nonpublic school agrees to pay the costs. A school corporation, charter school, or nonpublic school may agree to pay the costs associated with obtaining an expanded criminal history background check for an employee. An employee of a school corporation, charter school, or nonpublic school may not be required to pay the costs of an expanded child protection index check.

(j) An applicant or employee may not be required by a school corporation, charter school, or nonpublic school to obtain an expanded criminal history check more than one (1) time during a five (5) year period. However, a school corporation, charter school, or nonpublic school may obtain an expanded criminal history check or an expanded child protection index check at any time if the school corporation, charter school, or nonpublic school has reason to believe that the applicant or employee:

- (1) is the subject of a substantiated report of child abuse or neglect; or
- (2) has been charged with or convicted of a crime listed in section 11(b) of this chapter.

(k) As used in this subsection, "offense requiring license revocation" means an offense listed in IC 20-28-5-8(c). A policy adopted under this section must prohibit a school corporation, charter school, or nonpublic school from hiring a person who has been convicted of an offense requiring license revocation, unless the conviction has been reversed, vacated, or set aside on appeal.

(l) Information obtained under this section must be used in accordance with law."

Page 3, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 6. IC 20-30-7-1, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The state board may prescribe a program of summer school education for public schools. The state board shall adopt rules under IC 4-22-2 to provide for:

- (1) summer school programs; and
- (2) the state distribution formula for any money appropriated by the general assembly for summer school education to allow for the reimbursement for:
 - (A) instructional costs; and
 - (B) costs of tuition for an applicable online summer school course.

SECTION 7. IC 20-30-7-2, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A school corporation may conduct a program of summer school education.

(b) A school corporation may provide summer school educational services through an online provider."

Page 7, delete lines 3 through 27, begin a new paragraph and insert:

"SECTION 15. [EFFECTIVE UPON PASSAGE] (a) 511 IAC 12-2-2(b) is void. The publisher of the Indiana Administrative Code and Indiana Register shall remove this subsection from the Indiana Administrative Code.

(b) This SECTION expires July 1, 2019.

SECTION 17. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 303 as reprinted February 6, 2018.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred Senate Bill 373, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Page 13, delete lines 18 through 29.

Renumber all SECTIONS consecutively.

(Reference is to SB 373 as printed January 26, 2018.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

VANNATTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 387, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 5 through 16, begin a new paragraph and insert:

"SECTION 2. IC 20-28-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: **Sec. 1.5. (a) At least ninety percent (90%) of the individuals who teach full time in a public school must either:**

(1) hold any license or permit to teach in a public school in Indiana described in:

(A) this chapter; or

(B) rules adopted by the state board concerning the licensing of teachers; or

(2) be in the process of obtaining a license to teach in a public school in Indiana under the transition to teaching program established by IC 20-28-4-2.

(b) An individual described in subsection (a)(2) must complete the transition to teaching program not later than three (3) years after beginning to teach at a public school.

(c) An individual who provides to students in a public school a service:

(1) that is not teaching; and

(2) for which a license is required under Indiana law; must have the appropriate license to provide the service in Indiana.

(d) This section expires July 1, 2021."

Delete pages 2 through 3.

Page 4, delete lines 1 through 13.

Page 4, line 38, delete "except as provided under subsection (c)."

Page 4, delete lines 41 through 42.

Page 5, delete lines 1 through 35.

Page 5, line 36, reset in roman "(c)".

Page 5, line 36, delete "(f)".

Page 5, line 39, reset in roman "(d)".

Page 5, line 39, delete "(g)".

Page 6, line 3, reset in roman "(e)".

Page 6, line 3, delete "(h)".

Page 6, delete lines 7 through 12.

Page 6, line 30, after "scale" insert "(or its equivalent if another grading scale is used)".

Page 6, between lines 33 and 34, begin a new line double block indented and insert:

"(C) demonstrates proficiency in the area of pedagogy under procedures prescribed by the department;".

Page 6, line 34, delete "(C)" and insert "(D)".

Page 6, line 38, delete "(D)" and insert "(E)".

Page 6, after line 42, begin a new line double block indented and insert:

"(B) demonstrates proficiency in the area of pedagogy under procedures prescribed by the department;".

Page 7, line 1, delete "(B)" and insert "(C)".

Page 7, line 5, delete "(C)" and insert "(D)".

Page 7, line 6, delete "(1)(D)." and insert "(1)(E)."

Page 7, line 31, delete "teacher;" and insert **"professional;"**.

Page 7, line 35, strike "math or reading and" and insert **"math, reading, or"**.

Page 8, between lines 14 and 15, begin a new paragraph and insert:

"(c) To provide greater flexibility and options, school corporations may differentiate the amount of salary increases granted to teachers utilizing the factors set forth in subsection (b). The salary increase amount attributed to an individual factor can be differentiated among individual teachers."

Page 8, line 15, strike "(c)" and insert "(d)".

Page 8, line 15, strike "(d)," and insert "(e)".

Page 8, line 23, strike "(d)" and insert "(e)".

Page 8, line 23, strike "(c)" and insert "(d)".

Page 8, line 30, strike "(e)" and insert "(f)".

Page 8, line 31, strike "(c)" and insert "(d)".

Page 8, line 36, strike "(f)" and insert "(g)".

Page 8, line 39, strike "(g)" and insert "(h)".

Page 9, line 3, strike "(h)" and insert "(i)".

Page 9, line 8, strike "(i)" and insert "(j)".

Page 9, line 12, strike "(j)" and insert "(k)".

Page 9, after line 14, begin a new paragraph and insert:

"SECTION 9. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 20 apply throughout this SECTION.

(b) Not later than September 1, 2018, the department shall issue a request for proposals for an educator licensing exam. The exam may include a pedagogy performance assessment.

(c) This SECTION expires July 1, 2021.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" means the department of education established by IC 20-19-3-1.

(b) The department shall prepare a report that includes the following information:

(1) A list and description of each examination available in Indiana that is or could be used for teacher licensing.

(2) Any reciprocity for teacher licensing that other states, if any, allow for each examination under subdivision (1).

(3) The pass rates in other states for each examination under subdivision (1).

(4) For each examination under subdivision (1), whether the individual taking the examination is responsible for paying the cost of the examination.

(c) The department shall, not later than November 1, 2018, submit the report described in subsection (b) to the legislative council in an electronic format under IC 5-14-6.

(d) This SECTION expires July 1, 2019.

SECTION 11. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 387 as reprinted February 6, 2018.) and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 3.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred Senate Bill 419, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 12-32-1-6, AS ADDED BY P.L. 171-2011, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. An agency or a political subdivision required to verify the eligibility of an individual under section 5 of this chapter shall:

(1) require the individual to execute a verification stating under penalty of perjury that the individual is a:

(A) United States citizen; or

(B) qualified alien (as defined under 8 U.S.C. 1641); and or

(C) otherwise authorized by the federal government to reside and work in the United States as provided by 8 U.S.C. 1621(b); and

(2) maintain a verification executed in accordance with subdivision (1) for at least five (5) years."

Page 2, between lines 4 and 5, begin a new line block indented and insert:

"(4) A requirement for a license for an individual to practice an occupation or profession when the unit determines the establishment and enforcement of health and safety standards for the occupation or profession is appropriate and necessary to protect the public."

Page 2, after line 8, begin a new paragraph and insert:

"SECTION 3. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to SB 419 as printed February 2, 2018.) and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

MAHAN, Chair

Report adopted.

RESOLUTIONS ON FIRST READING

House Resolution 36

Representatives Kirchhofer and Bosma introduced House Resolution 36:

A HOUSE RESOLUTION recognizing and acknowledging the significant contributions that American Sikhs have made across the United States and to the State of Indiana on the occasion of Vaisakhi as "National Sikh Day".

Whereas, Sikhism is a monotheistic religion that was founded over 500 years ago and believes in one omnipresent God;

Whereas, Guru Nanak was the founder and first guru of Sikhs;

Whereas, Baisakhi is an annual event celebrated in the month of April in the Punjab region of India, and American Sikhs celebrate Vaisakhi as "National Sikh Day";

Whereas, Sikhism today has a following of over 30 million people worldwide and is currently the fifth largest religion;

Whereas, Among other things, Sikhism preaches a message of devotion, truthful living, equality of mankind, and social justice;

Whereas, Key tenants of Sikhism include living the life of a householder, earning an honest living, and avoiding worldly temptations and sins;

Whereas, Sikhs believe that people of different races, religion, or gender are all equal in the eyes of God and in the full equality of all humans;

Whereas, There are nearly one million Sikhs living in the United States and an estimated 10,000 Sikhs living in Indiana;

Whereas, The Sikh place of worship is known as Gurdwara, and there are currently more than 20 Gurdwaras all over Indiana;

Whereas, A hallmark of Sikh values and tradition is the community kitchen, known as Langar; Langar is the term used in the Sikh religion for the common kitchen where food is served in all Gurdwaras to all the visitors, without distinction of faith, religion, or background and always free;

Whereas, The initiated, baptized Sikhs are known as Khalsa;

Whereas, Khalsa was created in 1699 by the 10th and last Guru, Gobind Singh;

Whereas, Khalsa is a fearless army of God; a saint soldier who is always ready as a voluntary soldier to protect the weak and helpless;

Whereas, Khalsa show their allegiance by the five Ks: kangha, kara, kesh, kirpan, and kuccha. The most notable is kesh, long uncut beard and hair covered by the turban which is worn as a beacon of hope;

Whereas, Sikhs are one of the fastest growing business communities in Indiana;

Whereas, Indiana is home to about 3,500 Sikh-owned businesses, including gas stations, convenience stores, restaurants, commercial real estate, and trucking and transportation businesses;

Whereas, Sikhs in the United States pursue diverse professions and walks of life, making rich contributions to the economic vibrancy of the United States as farmers, engineers, doctors, scientists, and business owners;

Whereas, Sikhs continue to make strides toward securing religious liberty as patriotic members of the United States armed forces;

Whereas, Sikhs have served on local, state, and federal levels of government in the United States;

Whereas, Sikhs proved significant contributions to and continue to serve our country, our state, and our communities;

Whereas, The faithful service of the Sikh community to this state and the country merits appreciation as an integral thread in the fabric of American plurality; and

Whereas, It is fitting that the Indiana House of Representatives recognizes and acknowledges the significant contributions that American Sikhs have made across the United States, to the State of Indiana, and to the local communities on the great occasion of Vaisakhi as "National Sikh Day": 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 Representative recognizes and acknowledges the significant contributions that American Sikhs have made across the United States and to the State of Indiana on the great occasion of Vaisakhi as "National Sikh Day".

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Gurinder Singh Khalsa, founder and chairman of SikhsPAC.

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

House Concurrent Resolution 54

Representative Judy introduced House Concurrent Resolution 54:

A CONCURRENT RESOLUTION congratulating the Whitko High School art students who participated in the 48th World School Children's Art Exhibition.

Whereas, The World School Children's Art Exhibition is held "to promote mutual understanding and friendship among the young generation of the world through the exchange of children's art work";

Whereas, The exhibition is organized by the Association for Education through Art, the Republic of China, and the Association of Formative Art Education for the Republic of China;

Whereas, The exhibition is open to schoolchildren ages 6 through 15;

Whereas, Students from Whitko High School, South Whitley, participated in the 48th World School Children's Art Exhibition in Taipei in the Republic of China, receiving seven of 12 awards presented to the United States;

Whereas, Art students from all over the world submitted oil paintings, watercolors, woodcut prints, pencil sketches, crayon drawings, pastels, collages, etchings, graphic designs, and various other art as entries into the 48th World School Children's Art Exhibition;

Whereas, It is through international interactions such as the 48th World School Children's Art Exhibition that the youth of our nation and state will learn to create a better, more understanding world; and

Whereas, Whitko High School art students have received 37 state, 43 national, and 141 international awards for their exceptional artwork: Therefore,

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

SECTION 1. That the Indiana General Assembly congratulates the Whitko High School art students who have used their great creativity and their artistic expression to forge new friendships and understanding across the world at the 48th World School Children's Art Exhibition in Taipei in the Republic of China.

SECTION 2. That Brielle Harrison, Megan Licata, Chase Meade, Katarina Rojas, Julia Seifert, Derek Stouder, and Trysten Tucker and their art teacher, Daniel Malicki, are to be commended for their accomplishments.

SECTION 3. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Brielle Harrison, Megan Licata, Chase Meade, Katarina Rojas, Julia Seifert, Derek Stouder, and Trysten Tucker, art teacher Daniel

Malicki, Principal John Snyder, and Superintendent Steve Clason.

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 Zay.

House Concurrent Resolution 55

Representatives Frye, Baird, Ellington and Forestal introduced House Concurrent Resolution 55:

A CONCURRENT RESOLUTION honoring Indiana Task Force One.

Whereas, Indiana Task Force One is one of 28 urban search and rescue teams in the country;

Whereas, In existence since 1992, the team is made up of 70 multifaceted, cross-trained personnel who serve in six major functional areas: search, rescue, medical, hazardous materials, logistics, and planning;

Whereas, Indiana Task Force One is sponsored by the city of Indianapolis under the Indianapolis Fire Department as well as 29 other participating agencies, many of which are located within central Indiana;

Whereas, Indiana Task Force One is comprised of emergency responders from fire departments in and around Marion County and civilians, including physicians, paramedics, engineers, damage-structure specialists, and search dogs and their handlers;

Whereas, Indiana Task Force One has been deployed three times in Indiana to assist local emergency personnel in search and rescue operations resulting from tornados in Klondike, Evansville, and Henryville;

Whereas, The task force has also deployed to national disasters such as the Oklahoma City bombing, the World Trade Center disaster on September 11, 2001, Hurricane Katrina, Hurricane Harvey in Houston, Texas, Hurricane Irma in Florida, and Hurricane Maria in Puerto Rico;

Whereas, Indiana Task Force One also deployed a Mission Ready Package-Water (14 personnel) to assist in search and rescue operations with other federal and state of Texas personnel in the Houston, Beaumont, and Port Arthur, Texas, metro areas and supported the Federal Emergency Management Agency (FEMA) Hazardous Materials Equipment Push Package by sending four additional personnel to support decontamination of personnel and equipment during Hurricanes Harvey and Irma; and

Whereas, It is the efforts of these brave men and women that help to keep Americans safe during times of disaster whether they be natural or manmade: Therefore,

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

SECTION 1. That the Indiana General Assembly expresses its sincere gratitude to the members of Indiana Task Force One for their dedication to protecting those in need here at home and around the nation.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the city of Indianapolis and each member of Indiana Task Force One.

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 sponsors: Senators Crider, Merritt and Perfect.

Senate Concurrent Resolution 17

The Speaker handed down Senate Concurrent Resolution 17, sponsored by Representative Friend:

A CONCURRENT RESOLUTION congratulating Jim Wildermuth for being named the 2017 Indiana Rural Teacher of the Year.

Whereas, Jim Wildermuth has been teaching for a total of seventeen years and has been teaching at North Miami Community Middle School and High School since 2013;

Whereas, Wildermuth teaches Agriculture Power Structure and Technology of Small Engines, Agribusiness Management, Animal Science, Introduction to Agriculture, Food and Natural Resources, National Resources and FFA/ SAE at North Miami Community Schools;

Whereas, Wildermuth serves as the district advisor for the local Future Farmers of America Program, which has won multiple national championships under his direction and which set an all-time record of having four North Miami soil-judging teams qualify for nationals in 2016;

Whereas, Wildermuth makes it a point to visit every new or incoming freshman at their home to get to know them;

Whereas, Wildermuth was nominated by students, staff, and administrators, which noted that students and families with no agriculture background felt at home in Wildermuth's classes under his professional, dedicated, forward-thinking, and understanding nature;

Whereas, Wildermuth's dedication and engaging personality have made his agriculture classes some of the most popular courses in the district;

Whereas, Wildermuth was named the 2017 Indiana Rural Teacher of the Year by the Indiana Small and Rural School Association, which represents over 70 school districts, over 6,000 teachers, and more than 95,000 students; and

Whereas, Wildermuth aptly represented Indiana in the selection process of the 2017 National Rural Education Association's National Rural Teacher of the Year: 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 Jim Wildermuth for being named the 2017 Indiana Rural Teacher of the Year and for his continued dedication to young Hoosiers.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Jim Wildermuth

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 Concurrent Resolution 47

The Speaker handed down Senate Concurrent Resolution 47, sponsored by Representative Steuerwald:

A CONCURRENT RESOLUTION congratulating Larry A. Landis on his retirement from the Indiana Public Defender Council.

Whereas, Larry A. Landis graduated from IU Bloomington in 1969 and received his Juris Doctorate from Indiana University School of Law - Indianapolis in 1973;

Whereas, Larry worked as a deputy state public defender representing inmates in post-convicting proceedings from 1973 to 1976, where he witnessed the poor quality of lawyering and general disregard for indigent individuals accused of crimes and in 1976, began a training program for trial level public defenders in Indiana through LEAA grant funding;

Whereas, In 1977, Larry worked with the Indiana General Assembly to create the Indiana Public Defender Council, which now sits as a multi-faceted support agency with a \$1.4 million budget under Larry's leadership;

Whereas, As executive director of the Indiana Public Defender Council, Larry conducted over 120 seminars and workshops for criminal defense lawyers, wrote six books on Indiana criminal law and procedure, assisted public defenders with legal consultation and research, and created a 16-week personal coaching program, where lawyers are coached on their actual public defender cases;

Whereas, Larry oversaw the development of research databases and communication tools for public defenders, designed a case digest system to index over 3,000 Indiana and U.S. Supreme Court cases, began a Listserv for more than 500 defenders to share information, and negotiated an arrangement to give more than 1,000 public defenders free access to legal research;

Whereas, In 1989, Larry drafted and spearheaded legislation to create the Indiana Public Defender Commission, which adopted state standards, including standards for defense counsel in death penalty cases, for indigent defense services and reimburses Indiana counties that provide indigent defense services meeting the standards;

Whereas, Larry was a founder of the Indiana Association of Criminal Defense Lawyers, chaired the Criminal Justice Section of the Indiana State Bar Association, served on the ISBA House of Delegates and Board of Governors, the Board of Trustees for the Indiana Criminal Justice Institute, Commission on Children, Commission to Combat Drugs, and Commission on the Interstate Compact on Probation and Parole, and was a member of the Criminal Code Evaluation Commission and the Criminal Law and Sentencing Policy Study Committee;

Whereas, For nearly 40 years, Larry has been a fixture at the State House advocating support for rational and fair criminal justice policy on behalf of public defenders and indigent citizens by working with Senators and Representatives on criminal and juvenile justice legislation; and

Whereas, Larry's assistance to the Indiana General Assembly, public defenders, and Hoosiers around the state over the last forty-five years has helped create one of the strongest and best-funded indigent defense support systems in the country: 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 Larry A. Landis on his exemplary career and retirement from the Indiana Public Defender Council and wishes him well during his retirement.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Larry A. Landis

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.

Representatives Bauer and Goodin, who had been present, is now excused.

Representative McNamara, who had been excused, is now present.

ENGROSSED SENATE BILLS ON THIRD READING

Engrossed Senate Bill 12

Representative Negele called down Engrossed Senate Bill 12 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 222: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Goodin, who had been excused, is now present.

Engrossed Senate Bill 52

Representative Friend called down Engrossed Senate Bill 52 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 223: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 60

Representative McNamara called down Engrossed Senate Bill 60 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning corrections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 224: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Cook, who had been excused, is now present.

Engrossed Senate Bill 62

Representative Bacon called down Engrossed Senate Bill 62 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 225: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Mahan, who had been excused, is now present.

Engrossed Senate Bill 64

Representative Washburne called down Engrossed Senate Bill 64 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 226: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 96

Representative Zent called down Engrossed Senate Bill 96 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning military and veterans.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 227: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 134

Representative Pressel called down Engrossed Senate Bill 134 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 228: yeas 92, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 135

Representative Pressel called down Engrossed Senate Bill 135 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 229: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 139

Representative Davisson called down Engrossed Senate Bill 139 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 230: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 164

Representative Carbaugh called down Engrossed Senate Bill 164 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 231: yeas 84, nays 12. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 187

Representative Mahan called down Engrossed Senate Bill 187 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 232: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 203

Representative Speedy called down Engrossed Senate Bill 203 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 233: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 217

Representative Burton called down Engrossed Senate Bill 217 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 234: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 236

Representative Siegrist called down Engrossed Senate Bill 236 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning general provisions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 235: yeas 93, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 238

Representative Steuerwald called down Engrossed Senate Bill 238 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 236: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 257

Representative T. Brown called down Engrossed Senate Bill 257 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 237: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 262

Representative Frye called down Engrossed Senate Bill 262 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 238: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 264

Representative Siegrist called down Engrossed Senate Bill 264 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 239: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 264

Representative Siegrist called down Engrossed Senate Bill 264 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 239: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 266

Representative Frye called down Engrossed Senate Bill 266 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

The bill was read a third time by sections and placed upon its passage.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 266 be returned to the second reading calendar forthwith for the purpose of amendment.

FRYE

Motion prevailed.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative Karickhoff.

Engrossed Senate Bill 274

Representative Wolkins called down Engrossed Senate Bill 274 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning environmental law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 240: yeas 90, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 301

Representative Thompson called down Engrossed Senate Bill 301 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 241: yeas 90, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Moseley, who had been present, is now excused.

Engrossed Senate Bill 341

Representative Carbaugh called down Engrossed Senate Bill 341 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 242: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 347

Representative T. Brown called down Engrossed Senate Bill 347 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 243: yeas 88, nays 4. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Moseley, who had been excused, is now present.

Engrossed Senate Bill 349

Representative Torr called down Engrossed Senate Bill 349 for third reading:

A BILL FOR AN ACT concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 244: yeas 83, nays 12. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Sullivan, who had been present, is now excused.

The Deputy Speaker Pro Tempore yielded the gavel to the Speaker.

Engrossed Senate Bill 353

Representative Heine called down Engrossed Senate Bill 353 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 245: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Sullivan, who had been excused, is now present.

Engrossed Senate Bill 363

Representative Kirchofer called down Engrossed Senate Bill 363 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 246: yeas 96, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Baird, who had been present, is now excused.

Engrossed Senate Bill 369

Representative Lehman called down Engrossed Senate Bill 369 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 247: yeas 67, nays 28. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 372

Representative Carbaugh called down Engrossed Senate Bill 372 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning courts and court officers.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 248: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 375

Representative Miller called down Engrossed Senate Bill 375

for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 249: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 376

Representative Burton called down Engrossed Senate Bill 376 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning property.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 250: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 377

Representative Burton called down Engrossed Senate Bill 377 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning financial institutions.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 251: yeas 91, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 381

Representative McNamara called down Engrossed Senate Bill 381 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 252: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 392

Representative Slager called down Engrossed Senate Bill 392 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 253: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 404

Representative Washburne called down Engrossed Senate Bill 404 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its

passage. The question was, Shall the bill pass?

Roll Call 254: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 410

Representative Kirchhofer called down Engrossed Senate Bill 410 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 255: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 420

Representative Burton called down Engrossed Senate Bill 420 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 256: yeas 24, nays 71. The bill was defeated.

Engrossed Senate Bill 421

Representative Huston called down Engrossed Senate Bill 421 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 257: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 428

Representative DeVon called down Engrossed Senate Bill 428 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 258: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

RESOLUTIONS ELIGIBLE FOR ADOPTION

House Resolution 8

The Speaker handed down on its passage House Resolution 8, introduced by Representatives Pressel and Moseley:

A CONCURRENT RESOLUTION urging the legislative council to assign to the appropriate committee the topics of the use of an unlawful electronic communication device while driving and automated traffic control in construction zones.

The resolution was read a second time and adopted. Roll Call 259: yeas 93, nays 0.

House Concurrent Resolution 44

The Speaker handed down on its passage House Concurrent Resolution 44, introduced by Representatives Friend and Karickhoff:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to rename that section of U.S. 31 at mile markers 174 through 175 the "Indiana State Trooper Robert Lather Memorial Mile".

The resolution was read a second time and adopted. Roll Call 260: yeas 94, nays 0. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Head.

OTHER BUSINESS ON THE SPEAKER'S TABLE

HOUSE MOTION

Mr. Speaker: I move that Representative Heine be added as cosponsor of Engrossed Senate Bill 43.

GIAQUINTA

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Klinker be added as cosponsor of Engrossed Senate Bill 52.

FRIEND

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Hatfield be added as cosponsor of Engrossed Senate Bill 135.

PRESSEL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three cosponsors and that Representative Moed be added as cosponsor of Engrossed Senate Bill 203.

SPEEDY

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Olthoff be added as cosponsor of Engrossed Senate Bill 262.

FRYE

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative J. Taylor be added as cosponsor of Engrossed Senate Bill 281.

BARTELS

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three cosponsors and that Representative McNamara be added as cosponsor of Engrossed Senate Bill 297.

SULLIVAN

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Lehman be added as cosponsor of Engrossed Senate Bill 349.

TORR

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Wright be added as cosponsor of Engrossed Senate Bill 381.

MCNAMARA

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Lawson be added as cosponsor of Senate Concurrent Resolution 47.

STEUERWALD

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Forestal be added as coauthor of House Resolution 3.

V. SMITH

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Clere and Karickhoff be added as coauthors of House Concurrent Resolution 52.

PORTER

Motion prevailed.

On the motion of Representative Hatfield, the House adjourned at 5:00 p.m., this twenty-seventh day of February, 2018, until Wednesday, February 28, 2018, at 10:00 a.m.

BRIAN C. BOSMA

Speaker of the House of Representatives

M. CAROLINE SPOTTS

Principal Clerk of the House of Representatives