Journal of the House

State of Indiana

122nd General Assembly *First Regular Session*

Forty-Fourth Day **Thursday Morning** **April 22, 2021**

The invocation was offered by Chaplain Matt Barnes of the Public Servant's Prayer.

The House convened at 10:00 a.m. with Speaker Todd M. Huston in the Chair.

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

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

Abbott
Andrade
Austin □
Aylesworth
Baird
Barrett
Bartels
Bartlett
Bauer
Behning □
Borders
Boy
Brown, T.
Campbell
Carbaugh
Cherry □
Clere
Cook
Davis
Davisson □
DeVon
DeLaney
Dvorak □
Eberhart
Ellington
Engleman
Errington
Fleming
Frye
GiaQuinta
Goodrich
Gore
Gutwein
Hamilton
Harris
Hatcher
Hatfield
Heaton
Heine
Hostettler
Jackson
Jacob
Jeter
Johnson
Jordan
Judy
Karickhoff □
King
Klinker
Lauer
Ledbetter
Lehe
Lehman
Leonard □
Lindauer
Lucas
Lyness
Manning □
May
Mayfield
McNamara
Miller
Moed
Morris
Morrison
Moseley
Negele □
Nisly
O'Brien
Olthoff
Pack
Payne
Pfaff
Pierce □
Porter
Prescott
Pressel
Pryor
Rowray
Saunders
Schaibley
Shackleford
Slager
Smaltz □
Smith, V.
Snow
Soliday
Speedy
Steuerwald □
Summers
Teshka
Thompson □
Torr □
VanNatter
Vermilion
Wesco
J. Young
Zent
Ziemke □
Mr. Speaker

Roll Call 501: 85 present; 15 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 the fall of the gavel at a time and date as determined by the Speaker of the House of Representatives in consultation with the Minority Leader.

LEHMAN

The motion was adopted by a constitutional majority.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 19, 2021; we further recommend that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1166 and 1405

Engrossed Senate Bills 310, 383, 413 and 414

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 19, 2021, and that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1166 and 1405

Engrossed Senate Bills 310, 383, 413 and 414

LEONARD, Chair

Motion prevailed.

Representatives Austin, Behning, Cherry, Dvorak, Karickhoff, Leonard, Manning, Negele, Pierce, Smaltz, Steuerwald, Thompson and Torr, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
EHB 1405–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1405 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 12-15-1-16, AS AMENDED BY P.L.108-2019, SECTION 193, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16. (a) Each:

(1) school corporation; or

(2) school corporation's employed, licensed, or qualified provider;

must enroll in a program to use federal funds under the Medicaid program (IC 12-15-1 et seq.) with the intent to share the costs of services that are reimbursable under the Medicaid program and that are provided to eligible children by the school corporation. However, a school corporation or a school corporation's employed, licensed, or qualified provider is not required to file any claims or participate in the program developed under this section.

(b) The secretary and the department of education may develop policies and adopt rules to administer the program developed under this section.

(c) The federal reimbursement for services provided under this section must be distributed to the school corporation. The state shall retain the nonfederal share of the reimbursement for Medicaid services provided under this section.

(d) The office of Medicaid policy and planning, with the approval of the budget agency and after consultation with the department of education, shall establish procedures for the timely distribution of federal reimbursement due to the school corporations. The distribution procedures may provide for offsetting reductions to distributions of state tuition support or other state funds to school corporations in the amount of the nonfederal reimbursements required to be retained by the state under subsection (c).

(e) The office may apply to the United States Department of Health and Human Services for a state plan amendment to allow school corporations to seek Medicaid reimbursement for medically necessary, school based Medicaid covered services that are provided under federal or state mandates. If the state plan amendment is approved and implemented, services may be provided by a qualified practitioner in a school setting to Medicaid enrolled students. The services may include the following:

(1) Subject to subsection (f), services pursuant to any of the following:

(A) An individualized education program (as defined in IC 20-18-2-9).

(B) A plan developed under Section 504 of the federal Rehabilitation Act, 29 U.S.C. 794.

(C) A behavioral intervention plan (as defined in IC 20-20-40-1).

(D) A service plan developed under 511 IAC 7-34.

(E) An individualized health care plan.

(2) Medically necessary, Medicaid covered nursing services provided by a licensed and qualified practitioner under IC 25-23-1.

The office may, in consultation with the department of education, develop any necessary state plan amendment under this subsection. The office may apply for any state plan amendment necessary to implement this subsection.

(f) Services under subsection (e) may not include the following:

(1) An abortion.

(2) Counseling for abortion procedures.

(3) Referrals for abortion services.

(4) Abortifacients.

(5) Contraceptives.

SECTION 2. IC 12-15-1.3-22 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 22. (a) Before September 1, 2021, the office must apply to the United States Department of Health and Human Services for a state plan amendment that:**

(1) provides for establishment of the long term care partnership program as described in IC 12-15-39.8;

(2) provides that the long term care program established under IC 12-15-39.6 shall be discontinued on the date on which the long term care partnership program described in IC 12-15-39.8 is fully implemented; and

(3) ensures, with the explicit concurrence of the United States Department of Health and Human Services, that an individual who purchased a qualified long term care policy (as defined in IC 12-15-39.6-5) before the discontinuance of the long term care program established under IC 12-15-39.6 shall be eligible for an asset disregard under IC 12-15-39.6-10:

(A) notwithstanding the discontinuance of the long term care program, as provided in IC 12-15-39.6-12; and

(B) even though a qualified long term care policy (as defined in IC 12-15-39.6-5):

(i) was issued before the date of the state plan amendment requested under this subsection;

(ii) is not tax qualified; and

(iii) does not meet the standards of Section 6021 the federal Deficit Reduction Act (P.L.109–171).

(b) If the office receives approval for the state plan amendment described in subsection (a):

(1) the office shall implement the state plan amendment not later than sixty (60) days after the state plan amendment is approved; and

(2) the office shall publish in the Indiana Register under IC 4-22-7-7 a statement:

(A) announcing that the state plan amendment described in subsection (a) has been approved by the United States Department of Health and Human Services; and

(B) setting forth the date on which:

(i) the office will fully implement the state plan amendment under subsection (b)(1); and

(ii) the long term care program established under IC 12-15-39.6 will be discontinued.

(c) If the office does not receive approval for a state plan amendment described in subsection (a):

(1) the office shall take no action under subsection (b); and

(2) the office and the department of insurance:

(A) shall study:

(i) the long term care program established under IC 12-15-39.6, including the affordability and cost effectiveness of the program for individuals who purchase qualified long term care policies (as defined in IC 12-15-39.6-5); and

(ii) the affordability and cost effectiveness of long term care partnership programs established under Section 6021 of the federal Deficit Reduction Act of 2005;

(B) may solicit the comments and recommendations of individuals with experience and expertise in the fields of Medicaid, insurance, personal finance, and government concerning the subjects set forth in

clause (A);

(C) shall make findings and recommendations concerning ways in which the affordability and cost effectiveness of the long term care program established under IC 12-15-39.6 can be improved; and

(D) shall, not later than December 1, 2022:

(i) issue a report setting forth the findings and recommendations made under clause (C); and

(ii) submit the report to the executive director of the legislative services agency in an electronic format under IC 5-14-6 for distribution to the members of the general assembly.

SECTION 3. IC 12-15-13.6 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 13.6. Audit of Prescription Drug Cost Sharing

Sec. 1. Once every three (3) state fiscal years:

(1) the state board of accounts; or

(2) an independent auditor with experience auditing expenses related to prescription drugs that is hired by the state board of accounts;

shall conduct an audit examining prescription drug cost sharing for the Medicaid program.

Sec. 2. For an audit conducted under section 1 of this chapter, the audit look back period must be the previous three (3) state fiscal years.

Sec. 3. An audit conducted under section 1 of this chapter must evaluate all prescription drug cost sharing for the Medicaid program for the audit look back period, including for prescription drugs paid for directly by the Medicaid program and prescription drugs paid for by managed care organizations.

Sec. 4. The results of an audit conducted under section 1 of this chapter must be provided to the office of the secretary.

SECTION 4. IC 12-15-39.6-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 0.5. (a) Notwithstanding IC 12-15-39.8, the asset disregard under section 10 of this chapter applies to any qualified long term care policy to which this chapter applies.**

(b) This chapter does not apply to a qualified long term care policy issued after the long term care program established by this chapter is discontinued.

(c) Subject to section 12 of this chapter, the long term care program established by this chapter is discontinued on the date set forth under IC 12-15-1.3-22(b)(2)(B)(ii) in the statement published in the Indiana Register by the office of Medicaid policy and planning.

SECTION 5. IC 12-15-39.6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) The department of insurance or the agency with which the department of insurance has contracted under section 6(b) of this chapter shall make available to any individual interested in participating in ~~the Indiana~~ **a** long term care program information concerning the following:

(1) The Indiana long term care program **established under this chapter.**

(2) The Indiana long term care insurance partnership program established under IC 12-15-39.8.

~~(2)~~ **(3)** Long term care insurance policies, **including:**

(A) qualified long term care policies that meet the definition set forth in section 5 of this chapter; and

(B) qualified long term care insurance policies that meet the definition set forth in IC 12-15-39.8-3.

~~(3)~~ **(4)** Medicare supplement insurance policies.

~~(4)~~ **(5)** Parts A and B of the Medicare program (42 U.S.C. 1395 et seq.).

~~(5)~~ **(6)** Health maintenance organizations under IC 27-13 that are contracted with the Medicare program.

~~(6)~~ **(7)** The Medicaid program.

(b) If an individual elects to pursue any of the options under subsection (a), the department of insurance shall assist the individual in doing so.

SECTION 6. IC 12-15-39.8 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 39.8. Long Term Care Insurance Partnership Program

Sec. 1. This chapter applies to qualified long term care insurance policies that are entered into, issued, or renewed after June 30, 2022.

Sec. 2. As used in this chapter, "program" means the Indiana long term care insurance partnership program established by section 4(a) of this chapter.

Sec. 3. As used in this chapter, "qualified long term care insurance policy" means an insurance policy that meets the following requirements:

(1) The policy covers an individual who was a resident of the state when the coverage first became effective under the policy.

(2) The policy was not issued before the effective date of the state plan amendment applied for under IC 12-15-1.3-22.

(3) The policy meets the definition of a qualified long term care insurance contract under 26 U.S.C. 7702B.

(4) The policy meets the model regulations and requirements of the model act of the National Association of Insurance Commissioners provided in 42 U.S.C. 1396p(b)(5).

(5) The policy includes inflation protection as follows:

(A) If the policy is sold to an individual who was less than sixty-one (61) years of age as of the date of purchase, the policy must provide compound inflation protection.

(B) If the policy is sold to an individual who was at least sixty-one (61) years of age but less than seventy-six (76) years of age as of the date of purchase, the policy must provide some level of inflation protection.

(C) If the policy is sold to an individual who is at least seventy-six (76) years of age, the policy may, but is not required to, provide some level of inflation protection.

(6) The department of insurance certifies that the policy meets the requirements of subdivisions (3), (4), and (5).

Sec. 4. (a) The Indiana long term care insurance partnership program is established.

(b) The office of Medicaid policy and planning and the department of insurance shall administer the program in accordance with Section 6021 of the federal Deficit Reduction Act of 2005.

Sec. 5. Under the program, the office of Medicaid policy and planning must exclude and disregard an amount equal to the amount of benefits an individual receives under a qualified long term care insurance policy when determining the following:

(1) The individual's resources for purposes of determining eligibility for Medicaid under IC 12-15-3.

(2) The amount to be recovered from the individual's estate under IC 12-15-9 if the individual is eligible for Medicaid.

Sec. 6. (a) The department of insurance shall develop a training program for insurance producers who sell qualified long term care insurance policies that includes a certified prelicensing course and continuing education courses. The courses must cover, at a minimum, the following topics:

(1) State and federal regulations and requirements and the relationship between qualified long term care

insurance policies and other public and private coverage of long term care services, including Medicaid.

(2) Available long term care services and providers.

(3) Changes or improvements in long term care services or providers.

(4) Alternatives to the purchase of private long term care insurance.

(5) The effect of inflation on benefits and the importance of inflation protection.

(6) Consumer suitability standards and guidelines.

(b) An insurance producer must:

(1) complete the certified prelicensing course established under subsection (a) before the insurance producer may sell, solicit, or negotiate a qualified long term care insurance policy; and

(2) attend a continuing education course established under subsection (a) at least once every twenty-four (24) months to continue to sell, solicit, or negotiate a qualified long term care insurance policy.

Sec. 7. An insurer that issues a qualified long term care insurance policy shall provide regular reports to:

(1) the Secretary of the United States Department of Health and Human Services, as required by federal regulations; and

(2) the office of Medicaid policy and planning and the department of insurance, as required by those entities.

Sec. 8. The secretary of family and social services and the department of insurance may adopt rules under IC 4-22-2 necessary to implement this chapter.

SECTION 7. IC 12-26-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) If a judicial officer authorized to issue a warrant for arrest in the county in which the individual is present endorses an application made under section 1 of this chapter, the application authorizes a police officer to take the individual into custody and transport the individual to a facility.

(b) **Except as provided in subsection (c),** the expense of transportation under this section shall be paid by the county in which the individual is present.

(c) This subsection applies only to the nonemergency transport to a facility by the county sheriff or deputy sheriff of an individual who:

(1) is not in lawful detention (as defined in IC 36-2-13-18);

(2) has had an application for the individual's detention under section 1 of this chapter endorsed by a judicial officer; and

(3) is transported more than thirty (30) miles.

The county sheriff may be reimbursed from the individual's health care coverage, including health coverage offered or administered by the state.

SECTION 8. IC 16-18-2-88.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 88.3. "COVID-19", for purposes of IC 16-39-11, has the meaning set forth in IC 16-39-11-1.**

SECTION 9. IC 16-18-2-186.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 186.2. "Immunization", for purposes of IC 16-39-11, has the meaning set forth in IC 16-39-11-2.**

SECTION 10. IC 16-18-2-186.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 186.3. "Immunization passport", for purposes of IC 16-39-11, has the meaning set forth in IC 16-39-11-3.**

SECTION 11. IC 16-18-2-186.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 186.4. "Immunization status", for purposes of IC 16-39-11, has the meaning set forth in IC 16-39-11-4.**

SECTION 12. IC 16-39-1-1, AS AMENDED BY P.L.157-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) This section applies to all health records except mental health records, which are governed by IC 16-39-2, IC 16-39-3, and IC 16-39-4.

(b) This article applies to all health records, except:

(1) records regarding communicable diseases, which are governed by IC 16-41-8-1; or

(2) records regarding alcohol and other drug abuse patient records, which are governed by 42 CFR, Part 2.

(c) On written request and reasonable notice, a provider shall supply to a patient the health records possessed by the provider concerning the patient. Subject to 15 U.S.C. 7601 et seq. and 16 CFR Part 315, information regarding contact lenses must be given using the following guidelines:

(1) After the release of a patient from an initial fitting and follow-up period of not more than six (6) months, the contact lens prescription must be released to the patient at the patient's request.

(2) A prescription released under subdivision (1) must contain all information required to properly duplicate the contact lenses.

(3) A contact lens prescription must include the following:

(A) An expiration date of one (1) year.

(B) The number of refills permitted.

(4) Instructions for use must be consistent with:

(A) recommendations of the contact lens manufacturer;

(B) clinical practice guidelines; and

(C) the professional judgment of the prescribing optometrist or physician licensed under IC 25-22.5.

After the release of a contact lens prescription under this subsection, liability for future fittings or dispensing of contact lenses under the original prescription lies with the dispensing company or practitioner.

(d) On a patient's written request and reasonable notice, a provider shall furnish to the patient or the patient's designee the following:

(1) A copy of the patient's health record used in assessing the patient's health condition.

(2) At the option of the patient, the pertinent part of the patient's health record relating to a specific condition, as requested by the patient.

(e) **Subject to section 5 of this chapter,** a ~~request made~~ **provider shall provide the health records requested** under this section ~~is valid for sixty (60)~~ **within thirty (30)** days after the date the **written** request is made, **unless the provider:**

(1) within the initial thirty (30) days, seeks an extension of not more than thirty (30) days; and

(2) informs the patient in writing of the reasons for the extension and the date by which the provider will provide the health records.

Health records requested under this section must be provided as soon as practicably possible.

(f) In addition to any action taken under IC 16-19-3-18, the state department may impose a fine against a provider not to exceed five thousand dollars ($5,000) for not complying with the requirements of this section.

SECTION 13. IC 16-39-11 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 11. COVID-19 Immunization Records

Sec. 1. As used in this chapter, "COVID-19" means:

(1) severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2); or

(2) the disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).

Sec. 2. As used in this chapter, "immunization" means the

treatment of an individual with a vaccine to produce immunity against COVID-19.

Sec. 3. As used in this chapter, "immunization passport" means written, electronic, or printed information regarding an individual's immunization status.

Sec. 4. As used in this chapter, "immunization status" means the status of whether an individual:

(1) has received; or

(2) has not received;

an immunization.

Sec. 5. (a) Except as provided in subsection (b), the state or a local unit may not issue or require an immunization passport.

(b) This section does not prohibit the state or a local unit from doing any of the following:

(1) Maintaining, creating, or storing a medical record of an individual's immunization status.

(2) Providing a medical record of an individual's immunization status to the individual's medical provider in accordance with the federal Health Insurance Portability and Accountability Act (HIPAA) (P.L.104-191).

(3) Providing the individual with a record of an immunization at the time the individual receives the immunization or upon request by the individual.

(4) Maintaining an immunization record for the purpose of public health administration.

SECTION 14. IC 16-47-1-5, AS AMENDED BY P.L.121-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) This subsection does not apply to prescription drugs that are dispensed through an onsite clinic. The following shall participate in the program:

(1) The department, for a health benefit plan:

(A) described in section 2(1) or 2(2) of this chapter; and

(B) that provides coverage for prescription drugs.

(2) After June 30, 2011, a state educational institution, for a health benefit plan:

(A) described in section 2(3) of this chapter; and

(B) that provides coverage for prescription drugs;

unless the budget agency determines that the state educational institution's participation in the program would not result in an overall financial benefit to the state educational institution. The budget agency may delay compliance with this subdivision to a date after July 1, 2011, that is determined by the budget agency to allow for the orderly transition from another program.

(b) The following may participate in the program:

(1) A state agency other than the department that:

(A) purchases prescription drugs; or

(B) arranges for the payment of the cost of prescription drugs.

(2) A local unit (as defined in IC 5-10-8-1).

(3) A nonprofit association of cities and towns.

~~(3)~~ **(4)** The Indiana comprehensive health insurance association established under IC 27-8-10.

(c) The state Medicaid program may not participate in the program under this chapter.

SECTION 15. IC 20-28-1-11, AS AMENDED BY P.L.197-2007, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. "School psychology" means the following:

(1) Administering, scoring, and interpreting educational, cognitive, career, vocational, behavioral, and affective tests and procedures that address a student's:

(A) education;

(B) developmental status;

(C) attention skills; and

(D) social, emotional, and behavioral functioning;

as they relate to the student's learning or training in the academic or vocational environment.

(2) Providing consultation, collaboration, and intervention services (not including psychotherapy) and providing referral to community resources to:

(A) students;

(B) parents of students;

(C) teachers;

(D) school administrators; and

(E) school staff;

concerning learning and performance in the educational process.

(3) Participating in or conducting research relating to a student's learning and performance in the educational process:

(A) regarding the educational, developmental, career, vocational, or attention functioning of the student; or

(B) screening social, affective, and behavioral functioning of the student.

(4) Providing inservice or continuing education services relating to learning and performance in the educational process to schools, parents, or others.

(5) Supervising school psychology services.

(6) Referring a student to:

(A) a speech-language pathologist or an audiologist licensed under IC 25-35.6 for services for speech, hearing, and language disorders; ~~or~~

(B) an occupational therapist licensed under IC 25-23.5 for occupational therapy services; **or**

(C) a physical therapist licensed under IC 25-27 for mandated school services within a physical therapist's scope of practice;

by a school psychologist who is employed by a school corporation and who is defined as a practitioner of the healing arts for the purpose of referrals under 42 CFR 440.110.

The term does not include the diagnosis or treatment of mental and nervous disorders, except for conditions and interventions provided for in state and federal mandates affecting special education and vocational evaluations as the evaluations relate to the assessment of handicapping conditions and special education decisions or as the evaluations pertain to the placement of children and the placement of adults with a developmental disability.

SECTION 16. IC 25-27-1-2, AS AMENDED BY P.L.160-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) Except as otherwise provided in this chapter **and IC 25-27-2,** it is unlawful for a person or business entity to do the following:

(1) Practice physical therapy without first obtaining from the board a license authorizing the person to practice physical therapy in this state.

(2) Profess to be or promote an employee to be a physical therapist, physiotherapist, doctor of physiotherapy, doctor of physical therapy, or registered physical therapist or to use the initials "P.T.", "D.P.T.", "L.P.T.", or "R.P.T.", or any other letters, words, abbreviations, or insignia indicating that physical therapy is provided by a physical therapist, unless physical therapy is provided by or under the direction of a physical therapist.

(3) Advertise services for physical therapy or physiotherapy services, unless the individual performing those services is a physical therapist.

(b) Except as provided in **subsection (e) and** section 2.5 of this chapter, it is unlawful for a person to practice physical therapy other than upon the order or referral of a physician, podiatrist, psychologist, chiropractor, dentist, nurse practitioner, or physician assistant holding an unlimited license to practice medicine, podiatric medicine, psychology, chiropractic, dentistry, nursing, or as a physician assistant, respectively. It is

unlawful for a physical therapist to use the services of a physical therapist assistant except as provided under this chapter. For the purposes of this subsection, the function of:

(1) teaching;

(2) doing research;

(3) providing advisory services; or

(4) conducting seminars on physical therapy;

is not considered to be a practice of physical therapy.

(c) Except as otherwise provided in this chapter **and IC 25-27-2,** it is unlawful for a person to profess to be or act as a physical therapist assistant or to use the initials "P.T.A." or any other letters, words, abbreviations, or insignia indicating that the person is a physical therapist assistant without first obtaining from the board a certificate authorizing the person to act as a physical therapist assistant. It is unlawful for the person to act as a physical therapist assistant other than under the general supervision of a licensed physical therapist who is in responsible charge of a patient. However, nothing in this chapter prohibits a person licensed or registered in this state under another law from engaging in the practice for which the person is licensed or registered. These exempted persons include persons engaged in the practice of osteopathic medicine, chiropractic, or podiatric medicine.

(d) Except as provided in section 2.5 of this chapter, this chapter does not authorize a person who is licensed as a physical therapist or certified as a physical therapist assistant to:

(1) evaluate any physical disability or mental disorder except upon the order or referral of a physician, podiatrist, psychologist, chiropractor, physician assistant, nurse practitioner, or dentist;

(2) practice medicine, surgery (as described in IC 25-22.5-1-1.1(a)(1)(C)), dentistry, optometry, osteopathic medicine, psychology, chiropractic, or podiatric medicine; or

(3) prescribe a drug or other remedial substance used in medicine.

(e) Upon the referral of a licensed school psychologist, a physical therapist who is:

(1) licensed under this article; and

(2) an employee or contractor of a school corporation; may provide mandated school services to a student that are within the physical therapist's scope of practice.

SECTION 17. IC 25-27-2 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]:

Chapter 2. Physical Therapy Licensure Compact

Sec. 1. PURPOSE

The purpose of this Compact is to facilitate interstate practice of physical therapy with the goal of improving public access to physical therapy services. The practice of physical therapy occurs in the state where the patient or client is located at the time of the patient or client encounter. The Compact preserves the regulatory authority of states to protect public health and safety through the current system of state licensure.

This Compact is designed to achieve the following objectives:

(1) Increase public access to physical therapy services by providing for the mutual recognition of other member state licenses;

(2) Enhance the states' ability to protect the public's health and safety;

(3) Encourage the cooperation of member states in regulating multi-state physical therapy practice;

(4) Support spouses of relocating military members;

(5) Enhance the exchange of licensure, investigative, and disciplinary information between member states; and

(6) Allow a remote state to hold a provider of services with a compact privilege in that state accountable to that state's practice standards.

Sec. 2. DEFINITIONS

As used in this Compact, and except as otherwise provided, the following definitions shall apply:

(1) "Active Duty Military" means full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. Chapter 1209 and 10 U.S.C. Chapter 1211.

(2) "Adverse Action" means disciplinary action taken by a physical therapy licensing board based upon misconduct, unacceptable performance, or a combination of both.

(3) "Alternative Program" means a nondisciplinary monitoring or practice remediation process approved by a physical therapy licensing board. This includes, but is not limited to, substance abuse issues.

(4) "Compact privilege" means the authorization granted by a remote state to allow a licensee from another member state to practice as a physical therapist or work as a physical therapist assistant in the remote state under its laws and rules. The practice of physical therapy occurs in the member state where the patient or client is located at the time of the patient or client encounter.

(5) "Continuing competence" means a requirement, as a condition of license renewal, to provide evidence of participation in, and completion of, educational and professional activities relevant to practice or area of work.

(6) "Data system" means a repository of information about licensees, including examination, licensure, investigative, compact privilege, and adverse action.

(7) "Encumbered license" means a license that a physical therapy licensing board has limited in any way.

(8) "Executive Board" means a group of directors elected or appointed to act on behalf of, and within the powers granted to them by, the Commission.

(9) "Home state" means the member state that is the licensee's primary state of residence.

(10) "Investigative information" means information, records, and documents received or generated by a physical therapy licensing board pursuant to an investigation.

(11) "Jurisprudence requirement" means the assessment of an individual's knowledge of the laws and rules governing the practice of physical therapy in a state.

(12) "Licensee" means an individual who currently holds an authorization from the state to practice as a physical therapist or to work as a physical therapist assistant.

(13) "Member state" means a state that has enacted the Compact.

(14) "Party state" means any member state in which a licensee holds a current license or compact privilege or is applying for a license or compact privilege.

(15) "Physical therapist" means an individual who is licensed by a state to practice physical therapy.

(16) "Physical therapist assistant" means an individual who is licensed or certified by a state and who assists the physical therapist in selected components of physical therapy.

(17) "Physical therapy," "physical therapy practice," and "the practice of physical therapy" mean the care and services provided by or under the direction and supervision of a licensed physical therapist.

(18) "Physical Therapy Compact Commission" or "Commission" means the national administrative body whose membership consists of all states that have

enacted the Compact.

(19) "Physical therapy licensing board" or "licensing board" means the agency of a state that is responsible for the licensing and regulation of physical therapists and physical therapist assistants.

(20) "Remote state" means a member state other than the home state, where a licensee is exercising or seeking to exercise the compact privilege.

(21) "Rule" means a regulation, principle, or directive promulgated by the Commission that has the force of law.

(22) "State" means any state, commonwealth, district, or territory of the United States of America that regulates the practice of physical therapy.

Sec. 3. STATE PARTICIPATION IN THE COMPACT

(a) To participate in the Compact, a state must:

(1) participate fully in the Commission's data system, including using the Commission's unique identifier as defined in rules;

(2) have a mechanism in place for receiving and investigating complaints about licensees;

(3) notify the Commission, in compliance with the terms of the Compact and rules, of any adverse action or the availability of investigative information regarding a licensee;

(4) fully implement a criminal background check requirement, within a time frame established by rule, by receiving the results of the Federal Bureau of Investigation record search on criminal background checks and use the results in making licensure decisions in accordance with Section 3(b);

(5) comply with the rules of the Commission;

(6) utilize a recognized national examination as a requirement for licensure pursuant to the rules of the Commission; and

(7) have continuing competence requirements as a condition for license renewal.

(b) Upon adoption of this statute, the member state shall have the authority to obtain biometric-based information from each physical therapy licensure applicant and submit this information to the Federal Bureau of Investigation for a criminal background check in accordance with 28 U.S.C. 534 and 42 U.S.C. 14616.

(c) A member state shall grant the compact privilege to a licensee holding a valid unencumbered license in another member state in accordance with the terms of the Compact and rules.

(d) Member states may charge a fee for granting a compact privilege.

Sec. 4. COMPACT PRIVILEGE

(a) To exercise the compact privilege under the terms and provisions of the Compact, the licensee shall:

(1) hold a license in the home state;

(2) have no encumbrance on any state license;

(3) be eligible for a compact privilege in any member state in accordance with subsections (d), (g), and (h);

(4) have not had any adverse action against any license or compact privilege within the previous two (2) years;

(5) notify the Commission that the licensee is seeking the compact privilege within a remote state(s);

(6) pay any applicable fees, including any state fee, for the compact privilege;

(7) meet any jurisprudence requirements established by the remote state(s) in which the licensee is seeking a compact privilege; and

(8) report to the Commission adverse action taken by any non-member state within thirty (30) days from the date the adverse action is taken.

(b) The compact privilege is valid until the expiration date of the home license. The licensee must comply with the requirements of subsection (a) to maintain the compact privilege in the remote state.

(c) A licensee providing physical therapy in a remote state under the compact privilege shall function within the laws and regulations of the remote state.

(d) A licensee providing physical therapy in a remote state is subject to that state's regulatory authority. A remote state may, in accordance with due process and that state's laws, remove a licensee's compact privilege in the remote state for a specific period of time, impose fines, and take any other necessary actions to protect the health and safety of its citizens. The licensee is not eligible for a compact privilege in any state until the specific time for removal has passed and all fines are paid.

(e) If a home state license is encumbered, the licensee shall lose the compact privilege in any remote state until the following occur:

(1) the home state license is no longer encumbered; and

(2) two (2) years have elapsed from the date of the adverse action.

(f) Once an encumbered license in the home state is restored to good standing, the licensee must meet the requirements of subsection (a) to obtain a compact privilege in any remote state.

(g) If a licensee's compact privilege in any remote state is removed, the individual shall lose the compact privilege in any remote state until the following occur:

(1) the specific period of time for which the compact privilege was removed has ended;

(2) all fines have been paid; and

(3) two years have elapsed from the date of the adverse action.

(h) Once the requirements of subsection (g) have been met, the licensee must meet the requirements in subsection (a) of this chapter to obtain a compact privilege in a remote state.

Sec. 5. ACTIVE DUTY MILITARY PERSONNEL OR THEIR SPOUSES

A licensee who is active duty military or is the spouse of an individual who is active duty military may designate one of the following as the home state:

(1) home of record;

(2) permanent change of station (PCS); or

(3) state of current residence if it is different than the PCS state or home of record.

Sec. 6. ADVERSE ACTIONS

(a) A home state shall have exclusive power to impose adverse action against a license issued by the home state.

(b) A home state may take adverse action based on the investigative information of a remote state, so long as the home state follows its own procedures for imposing adverse action.

(c) Nothing in this Compact shall override a member state's decision that participation in an alternative program may be used in lieu of adverse action and that such participation shall remain nonpublic if required by the member state's laws. Member states must require licensees who enter any alternative programs in lieu of discipline to agree not to practice in any other member state during the term of the alternative program without prior authorization from such other member state.

(d) Any member state may investigate actual or alleged violations of the statutes and rules authorizing the practice of physical therapy in any other member state in which a physical therapist or physical therapist assistant holds a license or compact privilege.

(e) A remote state shall have the authority to:

(1) take adverse actions as set forth in section 4(d) of this chapter against a licensee's compact privilege in the state;

(2) issue subpoenas for both hearings and

investigations that require the attendance and testimony of witnesses, and the production of evidence. Subpoenas issued by a physical therapy licensing board in a party state for the attendance and testimony of witnesses, and the production of evidence from another party state, shall be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings pending before it. The issuing authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state where the witnesses and evidence are located; and

(3) if otherwise permitted by state law, recover from the licensee the costs of investigations and disposition of cases resulting from any adverse action taken against that licensee.

(f) Joint Investigations

(1) In addition to the authority granted to a member state by its respective physical therapy practice act or other applicable state law, a member state may participate with other member states in joint investigations of licensees.

(2) Member states shall share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the Compact.

Sec. 7. ESTABLISHMENT OF THE PHYSICAL THERAPY COMPACT COMMISSION

(a) The Compact member states hereby create and establish a joint public agency known as the Physical Therapy Compact Commission.

(1) The Commission is an instrumentality of the Compact states.

(2) Venue is proper and judicial proceedings by or against the Commission shall be brought solely and exclusively in a court of competent jurisdiction where the principal office of the Commission is located. The Commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings.

(3) Nothing in this Compact shall be construed to be a waiver of sovereign immunity.

(b) Membership, Voting, and Meetings

(1) Each member state shall have and be limited to one (1) delegate selected by that member state's licensing board.

(2) The delegate shall be a current member of the licensing board, who is a physical therapist, physical therapist assistant, public member, or the board administrator.

(3) Any delegate may be removed or suspended from office as provided by the law of the state from which the delegate is appointed.

(4) The member state board shall fill any vacancy occurring in the Commission.

(5) Each delegate shall be entitled to one (1) vote with regard to the promulgation of rules and creation of bylaws and shall otherwise have an opportunity to participate in the business and affairs of the Commission.

(6) A delegate shall vote in person or by such other means as provided in the bylaws. The bylaws may provide for delegates' participation in meetings by telephone or other means of communication.

(7) The Commission shall meet at least once during each calendar year. Additional meetings shall be held as set forth in the bylaws.

(c) The Commission shall have the following powers and duties:

(1) establish the fiscal year of the Commission;

(2) establish bylaws;

(3) maintain its financial records in accordance with the bylaws;

(4) meet and take such actions as are consistent with the provisions of this Compact and the bylaws;

(5) promulgate uniform rules to facilitate and coordinate implementation and administration of this Compact. The rules shall have the force and effect of law and shall be binding in all member states;

(6) bring and prosecute legal proceedings or actions in the name of the Commission, provided that the standing of any state physical therapy licensing board to sue or be sued under applicable law shall not be affected;

(7) purchase and maintain insurance and bonds;

(8) borrow, accept, or contract for services of personnel, including, but not limited to, employees of a member state;

(9) hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of the Compact, and to establish the Commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters;

(10) accept any and all appropriate donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of the same; provided that at all times the Commission shall avoid any appearance of impropriety and conflict of interest;

(11) lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold, improve, or use, any property, real, personal, or mixed; provided that at all times the Commission shall avoid any appearance of impropriety;

(12) sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property real, personal, or mixed;

(13) establish a budget and make expenditures;

(14) borrow money;

(15) appoint committees, including standing committees composed of members, state regulators, state legislators or their representatives, and consumer representatives, and such other interested persons as may be designated in this Compact and the bylaws;

(16) provide and receive information from, and cooperate with, law enforcement agencies;

(17) establish and elect an Executive Board; and

(18) perform such other functions as may be necessary or appropriate to achieve the purposes of this Compact consistent with the state regulation of physical therapy licensure and practice.

(d) The Executive Board shall have the power to act on behalf of the Commission according to the terms of this Compact.

(1) The Executive Board shall be composed of nine (9) members:

(A) seven (7) voting members who are elected by the Commission from the current membership of the Commission;

(B) one (1) ex-officio, nonvoting member from the recognized national physical therapy professional association; and

(C) one (1) ex-officio, nonvoting member from the recognized membership organization of the physical therapy licensing boards.

(2) The ex-officio members will be selected by their respective organizations.

(3) The Commission may remove any member of the

Executive Board as provided in bylaws.

(4) The Executive Board shall meet at least annually.

(5) The Executive Board shall have the following duties and responsibilities:

(A) recommend to the entire Commission changes to the rules or bylaws, changes to this Compact legislation, fees paid by Compact member states such as annual dues, and any commission Compact fee charged to licensees for the compact privilege;

(B) ensure Compact administration services are appropriately provided, contractual or otherwise;

(C) prepare and recommend the budget;

(D) maintain financial records on behalf of the Commission;

(E) monitor Compact compliance of member states and provide compliance reports to the Commission;

(F) establish additional committees as necessary; and

(G) other duties as provided in rules or bylaws.

(e) Meetings of the Commission

(1) All meetings shall be open to the public, and public notice of meetings shall be given in the same manner as required under the rulemaking provisions in section 9 of this chapter.

(2) The Commission or the Executive Board or other committees of the Commission may convene in a closed, nonpublic meeting if the Commission or Executive Board or other committees of the Commission must discuss:

(A) noncompliance of a member state with its obligations under the Compact;

(B) the employment, compensation, discipline, or other matters, practices, or procedures related to specific employees or other matters related to the Commission's internal personnel practices and procedures;

(C) current, threatened, or reasonably anticipated litigation;

(D) negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;

(E) accusing any person of a crime or formally censuring any person;

(F) disclosure of trade secrets or commercial or financial information that is privileged or confidential;

(G) disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

(H) disclosure of investigative records compiled for law enforcement purposes;

(I) disclosure of information related to any investigative reports prepared by or on behalf of or for use of the Commission or other committee charged with responsibility of investigation or determination of compliance issues pursuant to the Compact; or

(J) matters specifically exempted from disclosure by federal or member state statute.

(3) If a meeting, or portion of a meeting, is closed pursuant to this provision, the Commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exempting provision.

(4) The Commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release by a majority vote of the Commission or order of a court of competent jurisdiction.

(f) Financing of the Commission

(1) The Commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities.

(2) The Commission may accept any and all appropriate revenue sources, donations, and grants of money, equipment, supplies, materials, and services.

(3) The Commission may levy on and collect an annual assessment from each member state or impose fees on other parties to cover the cost of the operations and activities of the Commission and its staff, which must be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the Commission, which shall promulgate a rule binding upon all member states.

(4) The Commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the Commission pledge the credit of any of the member states, except by and with the authority of the member state.

(5) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the Commission.

(g) Qualified Immunity, Defense, and Indemnification

(1) The members, officers, executive director, employees, and representatives of the Commission shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided that nothing in this paragraph shall be construed to protect any such person from suit and liability for any damage, loss, injury, or liability caused by the intentional or willful or wanton misconduct of that person.

(2) The Commission shall defend any member, officer, executive director, employee, or representative of the Commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of Commission employment, duties, or responsibilities, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit that person from retaining his or her own counsel; and provided further, that the actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct.

(3) The Commission shall indemnify and hold harmless any member, officer, executive director, employee, or representative of the Commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error, or omission that occurred within the scope of

Commission employment, duties, or responsibilities, or that such person had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of that person.

Sec. 8. DATA SYSTEM

(a) The Commission shall provide for the development, maintenance, and utilization of a coordinated database and reporting system containing licensure, adverse action, and investigative information on all licensed individuals in member states.

(b) Notwithstanding any other provision of state law to the contrary, a member state shall submit a uniform data set to the data system on all individuals to whom this Compact is applicable as required by the rules of the Commission, including:

(1) identifying information;

(2) licensure data;

(3) adverse actions against a license or compact privilege;

(4) nonconfidential information related to alternative program participation;

(5) any denial of application for licensure, and the reason(s) for such denial; and

(6) other information that may facilitate the administration of this Compact, as determined by the rules of the Commission.

(c) Investigative information pertaining to a licensee in any member state will only be available to other party states.

(d) The Commission shall promptly notify all member states of any adverse action taken against a licensee or an individual applying for a license. Adverse action information pertaining to a licensee in any member state will be available to any other member state.

(e) Member states contributing information to the data system may designate information that may not be shared with the public without the express permission of the contributing state.

(f) Any information submitted to the data system that is subsequently required to be expunged by the laws of the member state contributing the information shall be removed from the data system.

Sec. 9. RULEMAKING

(a) The Commission shall exercise its rulemaking powers pursuant to the criteria set forth in this Section and the rules adopted thereunder. Rules and amendments shall become binding as of the date specified in each rule or amendment.

(b) If a majority of the legislatures of the member states rejects a rule, by enactment of a statute or resolution in the same manner used to adopt the Compact within four (4) years of the date of adoption of the rule, then such rule shall have no further force and effect in any member state.

(c) Rules or amendments to the rules shall be adopted at a regular or special meeting of the Commission.

(d) Prior to promulgation and adoption of a final rule or rules by the Commission, and at least thirty (30) days in advance of the meeting at which the rule will be considered and voted upon, the Commission shall file a Notice of Proposed Rulemaking:

(1) on the web site of the Commission or other publicly accessible platform; and

(2) on the web site of each member state physical therapy licensing board or other publicly accessible platform or the publication in which each state would otherwise publish proposed rules.

(e) The notice of proposed rulemaking shall include:

(1) the proposed time, date, and location of the meeting in which the rule will be considered and voted upon;

(2) the text of the proposed rule or amendment and the reason for the proposed rule;

(3) a request for comments on the proposed rule from any interested person; and

(4) the manner in which interested persons may submit notice to the Commission of their intention to attend the public hearing and any written comments.

(f) Prior to adoption of a proposed rule, the Commission shall allow persons to submit written data, facts, opinions, and arguments, which shall be made available to the public.

(g) The Commission shall grant an opportunity for a public hearing before it adopts a rule or amendment if a hearing is requested by:

(1) at least twenty-five (25) persons;

(2) a state or federal governmental subdivision or agency; or

(3) an association having at least twenty-five (25) members.

(h) If a hearing is held on the proposed rule or amendment, the Commission shall publish the place, time, and date of the scheduled public hearing. If the hearing is held via electronic means, the Commission shall publish the mechanism for access to the electronic hearing.

(1) All persons wishing to be heard at the hearing shall notify the executive director of the Commission or other designated member in writing of their desire to appear and testify at the hearing not less than five (5) business days before the scheduled date of the hearing.

(2) Hearings shall be conducted in a manner providing each person who wishes to comment a fair and reasonable opportunity to comment orally or in writing.

(3) All hearings will be recorded. A copy of the recording will be made available on request.

(4) Nothing in this section shall be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the Commission at hearings required by this section.

(i) Following the scheduled hearing date, or by the close of business on the scheduled hearing date if the hearing was not held, the Commission shall consider all written and oral comments received.

(j) If no written notice of intent to attend the public hearing by interested parties is received, the Commission may proceed with promulgation of the proposed rule without a public hearing.

(k) The Commission shall, by majority vote of all members, take final action on the proposed rule and shall determine the effective date of the rule, if any, based on the rulemaking record and the full text of the rule.

(l) Upon determination that an emergency exists, the Commission may consider and adopt an emergency rule without prior notice, opportunity for comment, or hearing, provided that the usual rulemaking procedures provided in the Compact and in this section shall be retroactively applied to the rule as soon as reasonably possible, in no event later than ninety (90) days after the effective date of the rule. For the purposes of this provision, an emergency rule is one that must be adopted immediately in order to:

(1) meet an imminent threat to public health, safety, or welfare;

(2) prevent a loss of Commission or member state funds;

(3) meet a deadline for the promulgation of an administrative rule that is established by federal law or rule; or

(4) protect public health and safety.

(m) The Commission or an authorized committee of the Commission may direct revisions to a previously adopted rule or amendment for purposes of correcting typographical errors, errors in format, errors in consistency, or

grammatical errors. Public notice of any revisions shall be posted on the web site of the Commission. The revision shall be subject to challenge by any person for a period of thirty (30) days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing, and delivered to the chair of the Commission prior to the end of the notice period. If no challenge is made, the revision will take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the Commission.

Sec. 10. OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT

(a) Oversight

(1) The executive, legislative, and judicial branches of state government in each member state shall enforce this Compact and take all actions necessary and appropriate to effectuate the Compact's purposes and intent. The provisions of this Compact and the rules promulgated hereunder shall have standing as statutory law.

(2) All courts shall take judicial notice of the Compact and the rules in any judicial or administrative proceeding in a member state pertaining to the subject matter of this Compact which may affect the powers, responsibilities, or actions of the Commission.

(3) The Commission shall be entitled to receive service of process in any such proceeding, and shall have standing to intervene in such a proceeding for all purposes. Failure to provide service of process to the Commission shall render a judgment or order void as to the Commission, this Compact, or promulgated rules.

(b) Default, Technical Assistance, and Termination

(1) If the Commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this Compact or the promulgated rules, the Commission shall:

(A) provide written notice to the defaulting state and other member states of the nature of the default, the proposed means of curing the default, and any other action to be taken by the Commission; and

(B) provide remedial training and specific technical assistance regarding the default.

(2) If a state in default fails to cure the default, the defaulting state may be terminated from the Compact upon an affirmative vote of a majority of the member states, and all rights, privileges, and benefits conferred by this Compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default.

(3) Termination of membership in the Compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the Commission to the governor, the majority and minority leaders of the defaulting state's legislature, and each of the member states.

(4) A state that has been terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination.

(5) The Commission shall not bear any costs related to a state that is found to be in default or that has been terminated from the Compact, unless agreed upon in writing between the Commission and the defaulting state.

(6) The defaulting state may appeal the action of the Commission by petitioning the U.S. District Court for the District of Columbia or the federal district where the Commission has its principal offices. The prevailing member shall be awarded all costs of such litigation, including reasonable attorney's fees.

(c) Dispute Resolution

(1) Upon request by a member state, the Commission shall attempt to resolve disputes related to the Compact that arise among member states and between member and nonmember states.

(2) The Commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate.

(d) Enforcement

(1) The Commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this Compact.

(2) By majority vote, the Commission may initiate legal action in the United States District Court for the District of Columbia or the federal district where the Commission has its principal offices against a member state in default to enforce compliance with the provisions of the Compact and its promulgated rules and bylaws. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing member shall be awarded all costs of such litigation, including reasonable attorney's fees.

(3) The remedies herein shall not be the exclusive remedies of the Commission. The Commission may pursue any other remedies available under federal or state law.

Sec. 11. DATE OF IMPLEMENTATION OF THE INTERSTATE COMMISSION FOR PHYSICAL THERAPY PRACTICE AND ASSOCIATED RULES, WITHDRAWAL, AND AMENDMENT

(a) The Compact shall come into effect on the date on which the Compact statute is enacted into law in the tenth member state. The provisions, which become effective at that time, shall be limited to the powers granted to the Commission relating to assembly and the promulgation of rules. Thereafter, the Commission shall meet and exercise rulemaking powers necessary to the implementation and administration of the Compact.

(b) Any state that joins the Compact subsequent to the Commission's initial adoption of the rules shall be subject to the rules as they exist on the date on which the Compact becomes law in that state. Any rule that has been previously adopted by the Commission shall have the full force and effect of law on the day the Compact becomes law in that state.

(c) Any member state may withdraw from this Compact by enacting a statute repealing the same.

(1) A member state's withdrawal shall not take effect until six (6) months after enactment of the repealing statute.

(2) Withdrawal shall not affect the continuing requirement of the withdrawing state's physical therapy licensing board to comply with the investigative and adverse action reporting requirements of this act prior to the effective date of withdrawal.

(d) Nothing contained in this Compact shall be construed to invalidate or prevent any physical therapy licensure agreement or other cooperative arrangement between a member state and a nonmember state that does not conflict with the provisions of this Compact.

(e) This Compact may be amended by the member states. No amendment to this Compact shall become effective and binding upon any member state until it is enacted into the laws of all member states.

Sec. 12. CONSTRUCTION AND SEVERABILITY

This Compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Compact shall be severable and if any phrase, clause, sentence, or provision of this Compact is declared to be contrary to the constitution of any party state or of the United States or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If this Compact shall be held contrary to the constitution of any party state, the Compact shall remain in full force and effect as to the remaining party states and in full force and effect as to the party state affected as to all severable matters.

SECTION 18. IC 27-1-15.7-2, AS AMENDED BY P.L.148-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) Except as provided in subsection (b), to renew a license issued under IC 27-1-15.6, a resident insurance producer must complete at least twenty-four (24) hours of credit in continuing education courses, not more than four (4) hours of which may be in courses concerning one (1) or a combination of the following:

(1) Sales promotion.
(2) Sales technique.
(3) Motivation.
(4) Psychology.
(5) Time management.

If the insurance producer has a qualification described in IC 27-1-15.6-7(a)(1), IC 27-1-15.6-7(a)(2), or IC 27-1-15.6-7(a)(5), for a license renewal that occurs after June 30, 2014, at least three (3) of the hours of credit required by this subsection must be related to ethical practices in the marketing and sale of life, health, or annuity insurance products. An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses that are related to the business of insurance.

(b) Except as provided in subsection (c), to renew a license issued under IC 27-1-15.6, a limited lines producer with a title qualification under IC 27-1-15.6-7(a)(8) must complete at least seven (7) hours of credit in continuing education courses related to the business of title insurance with at least one (1) hour of instruction in a structured setting or comparable self-study in each of the following:

(1) Ethical practices in the marketing and selling of title insurance.
(2) Title insurance underwriting.
(3) Escrow issues.
(4) Principles of the federal Real Estate Settlement Procedures Act (12 U.S.C. 2608).

An attorney in good standing who is admitted to the practice of law in Indiana and holds a license issued under IC 27-1-15.6 with a title qualification under IC 27-1-15.6-7(a)(8) may complete all or any number of hours of continuing education required by this subsection by completing an equivalent number of hours in continuing legal education courses related to the business of title insurance or any aspect of real property law.

(c) The following insurance producers are not required to complete continuing education courses to renew a license under this chapter:

(1) A limited lines producer who is licensed without examination under IC 27-1-15.6-18(1).
(2) A limited line credit insurance producer.
(3) A nonresident limited lines producer with a title qualification:
(A) whose home state requires continuing education for a title qualification; and
(B) who has met the continuing education requirements described in clause (A).

(d) **Except as provided in section 2.2 of this chapter,** to satisfy the requirements of subsection (a) or (b), a licensee may use only those credit hours earned in continuing education courses completed by the licensee:

(1) after the effective date of the licensee's last renewal of a license under this chapter; or
(2) if the licensee is renewing a license for the first time, after the date on which the licensee was issued the license under this chapter.

(e) If an insurance producer receives qualification for a license in more than one (1) line of authority under IC 27-1-15.6, the insurance producer may not be required to complete a total of more than twenty-four (24) hours of credit in continuing education courses to renew the license.

(f) Except as provided in subsection (g), a licensee may receive credit only for completing the following continuing education courses:

(1) Continuing education courses that have been approved by the commissioner under section 4 of this chapter.
(2) Continuing education courses that are required for the licensee under IC 27-19-4-14.

(g) A licensee who teaches a course approved by the commissioner under section 4 of this chapter shall receive continuing education credit for teaching the course.

(h) When a licensee renews a license issued under this chapter, the licensee must submit:

(1) a continuing education statement that:
(A) is in a format authorized by the commissioner;
(B) is signed by the licensee under oath; and
(C) lists the continuing education courses completed by the licensee to satisfy the continuing education requirements of this section; and
(2) any other information required by the commissioner.

(i) A continuing education statement submitted under subsection (h) may be reviewed and audited by the department.

(j) A licensee shall retain a copy of the original certificate of completion received by the licensee for completion of a continuing education course.

(k) A licensee who completes a continuing education course that:

(1) is approved by the commissioner under section 4 of this chapter;
(2) is held in a classroom setting; and
(3) concerns ethics;

shall receive continuing education credit not to exceed four (4) hours in a renewal period.

SECTION 19. IC 27-1-15.7-2.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 2.2. (a) This section applies to the renewal of a license under this chapter after December 31, 2021.**

(b) If a resident insurance producer completed more than twenty-four (24) hours of credit in continuing education courses before the effective date of the producer's last renewal under this chapter of a license issued under IC 27-1-15.6, the producer, instead of completing twenty-four (24) hours of credit in continuing education courses after the effective date of the producer's last license renewal as otherwise required under section 2(d) of this chapter, may satisfy the continuing education requirement of section 2 of this chapter for the producer's next license renewal through a combination of:

(1) credit for continuing education courses completed by the producer before the effective date of the producer's last license renewal; and
(2) credit for continuing education courses completed by the producer after the effective date of the producer's last license renewal.

(c) To apply toward satisfaction of the continuing education requirement for a producer's next license renewal under subsection (b)(1), credit for a continuing education course completed by the producer before the effective date of the producer's last license renewal must not have applied toward satisfaction of the continuing education requirement for the producer's last license renewal.

(d) A producer satisfies the continuing education requirement of section 2 of this chapter under subsection (b) for the producer's next license renewal if the sum of:

(1) the credit hours applied toward the requirement under subsection (b)(1); plus

(2) the credit hours applied toward the requirement under subsection (b)(2);

is twenty-four (24).

(e) Not more than twelve (12) hours of credit in continuing education courses completed by a producer before the effective date of the producer's last license renewal may be applied toward satisfying the continuing education requirement of section 2 of this chapter for the producer's next license renewal under subsection (b)(1).

(f) The credit for a producer's completion of a continuing education course may not be applied toward satisfying the continuing education requirement of section 2 of this chapter under subsection (b)(1) unless the producer completed the continuing education course not more than one hundred twenty (120) days before the effective date of the producer's last license renewal.

(g) Credit for a producer's completion of a continuing education course on the subject of:

(1) ethics; or

(2) long term care insurance;

before the effective date of the producer's last license renewal may not be applied toward satisfying the continuing education requirement of section 2 of this chapter for the producer's next license renewal under subsection (b)(1).

(h) The credit for a producer's completion of a continuing education course, whether applied toward the continuing education requirement of section 2 of this chapter under subsection (b)(1), subsection (b)(2), or section 2(d) of this chapter, may be applied toward the requirement only once.

(i) The commissioner shall adopt rules under IC 4-22-2 to implement this section.

SECTION 20. IC 27-1-20-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 30. **(a) This section does not prohibit activities allowed under IC 27-1-47.**

~~(a)~~ **(b)** No company acting through its officers or members, attorney-in-fact, or by any other party, no officer of a company acting on the officer's own behalf and no insurance producer, broker, or solicitor, personally or by any other party, shall offer, promise, allow, give, set off or pay, directly or indirectly, any rebate of or part of the premium payable on a policy, or any insurance producer's commission thereon, or earnings, profits, dividends or other benefits founded, arising, accruing, or to accrue thereon or therefrom, or any special advantage in date of policy or age of issue, or any paid employment or contract for services of any kind, or any other valuable consideration or inducement, to or for insurance on any risk in this state, now or hereafter to be written, or for or upon any renewal of any such insurance, which is not specified in the policy contract of insurance, or offer, promise, give, option, sell or purchase any stocks, bonds, securities, or property, or any dividends or profits accruing or to accrue thereon, or other thing of value whatsoever as inducement to insurance or in connection therewith, or any renewal thereof, which is not specified in the policy. Nothing in this section shall prevent a company which transacts industrial life insurance on a weekly payment plan from returning to policyholders who have made a premium payment for a period of at least one (1) year directly to the company at its home or district office a percentage of premium which the company would otherwise have paid for the weekly collection of such premium, nor shall this section be construed to prevent the taking of a bona fide obligation, with legal interest, in payment of any premium.

~~(b)~~ **(c)** No insured person or party or applicant for insurance shall directly or indirectly, receive or accept, or agree to receive or accept, any rebate of premium or of any part thereof, or all or any part of any insurance producer's or broker's commission thereon, or any favor or advantage, or share in any benefit to accrue under any policy of insurance, or any valuable consideration or inducement, other than such as are specified in the policy.

SECTION 21. IC 27-1-22-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 18. **(a) This section does not prohibit activities allowed under IC 27-1-47.**

(b) No insurer, broker, or insurance producer shall knowingly charge, demand, or receive a premium for any policy of insurance except in accordance with the provisions of this chapter. No insurer or employee thereof, and no broker or insurance producer shall pay, allow, or give, directly or indirectly, as an inducement to insurance, or after insurance has been effected, any rebate, discount, abatement, credit, or reduction of the premium named in a policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any valuable consideration or inducement whatever, not specified in the policy of insurance, except to the extent provided for in applicable filings. No insured named in any policy of insurance shall knowingly receive or accept, directly or indirectly, any such rebate, discount, abatement, credit or reduction of premium, or any such special favor or advantage or valuable consideration or inducement. Nothing in this section shall be construed as prohibiting the payment of, nor permitting the regulation of the payment of, commissions or other compensation to duly licensed insurance producers and brokers, nor as prohibiting, or permitting the regulation of, any insurer from allowing or returning to its participating policyholders or members, dividends or savings.

SECTION 22. IC 27-1-24.5-19, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 19. (a) A pharmacy benefit manager shall provide equal access and incentives to all pharmacies within the pharmacy benefit **manager's** network.

(b) A pharmacy benefit manager may not do any of the following:

(1) Condition participation in any network on accreditation, credentialing, or licensing of a pharmacy, ~~provider that,~~ other than a license or permit required by the Indiana board of pharmacy or other state or federal regulatory authority for the services provided by the pharmacy. However, nothing in this subdivision precludes the department from providing credentialing or accreditation standards for pharmacies.

(2) Discriminate against any pharmacy. ~~provider.~~

(3) Directly or indirectly retroactively deny a claim or aggregate of claims after the claim or aggregate of claims has been adjudicated, unless any of the following apply:

(A) The original claim was submitted fraudulently.

(B) The original claim payment was incorrect because the pharmacy or pharmacist had already been paid for the drug.

(C) The pharmacist services were not properly rendered by the pharmacy or pharmacist.

(4) Reduce, directly or indirectly, payment to a pharmacy for pharmacist services to an effective rate of reimbursement, including permitting an insurer or plan sponsor to make such a reduction.

(5) Reimburse a pharmacy that is affiliated with the

pharmacy benefit manager, other than solely being included in the pharmacy benefit manager's network, at a greater reimbursement rate than other pharmacies in the same network.

(6) Impose limits, including quantity limits or refill frequency limits, on a pharmacy's access to medication that differ from those existing for a pharmacy benefit manager affiliate.

(7) Share any covered individual's information, including de-identified covered individual information, received from a pharmacy or pharmacy benefit manager affiliate, except as permitted by the federal Health Insurance Portability and Accountability Act (HIPAA) (P.L.104-191).

A violation of this subsection by a pharmacy benefit manager constitutes an unfair or deceptive act or practice in the business of insurance under IC 27-4-1-4.

SECTION 23. IC 27-1-24.5-19.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 19.5. (a) This section:**

(1) applies to a Medicaid managed care organization (as defined in 42 U.S.C. 1396b(m)); and

(2) does not apply to the state Medicaid program when Medicaid provides reimbursement for covered outpatient drugs (as defined in 42 U.S.C. 1396r-8(k)) on a fee for service basis.

(b) As used in this section, "340B covered entity" means an entity authorized to participate in the federal 340B Drug Pricing Program under Section 340B(a)(4) of the federal Public Health Service Act (42 U.S.C. 256b(a)(4)) and includes any pharmacy under contract with the entity to dispense drugs on behalf of the entity.

(c) The following provisions may not be contained in a contract between a pharmacy benefit manager and a 340B covered entity:

(1) A reimbursement rate for a prescription drug that would diminish the 340B benefit to a 340B covered entity.

(2) A fee or adjustment that is not imposed on a pharmacy that is not a 340B covered entity.

(3) A fee or adjustment amount that exceeds the fee or adjustment amount imposed on a pharmacy that is not a 340B covered entity.

(4) Any provision that prevents or interferes with an individual's choice to receive a prescription drug from a 340B covered entity, including the administration of the drug.

(5) Any provision that excludes a 340B covered entity from pharmacy benefit manager networks based on the 340B covered entity's participation in the federal 340B Drug Pricing Program.

(6) Any provision that discriminates against a 340B covered entity.

A violation of this subsection by a pharmacy benefit manager constitutes an unfair or deceptive act or practice in the business of insurance under IC 27-4-1-4.

(d) For contracts between a pharmacy benefit manager and a 340B covered entity that are entered into, amended, or renewed after June 30, 2021, a provision that violates subsection (c) is considered void and unenforceable.

SECTION 24. IC 27-1-24.5-22, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 22. (a) A pharmacy benefit manager shall do the following:

(1) Identify to contracted:

(A) pharmacy ~~service administration~~ **services administrative** organizations; or

(B) pharmacies if the pharmacy benefit manager contracts directly with pharmacies;

the sources used by the pharmacy benefit manager to calculate the drug product reimbursement paid for covered drugs available under the pharmacy health ~~benefit~~ plan administered by the pharmacy benefit manager.

(2) Establish an appeal process for contracted pharmacies, pharmacy services administrative organizations, or group purchasing organizations to appeal and resolve disputes concerning the maximum allowable cost pricing.

(3) Update and make available to pharmacies:

(A) at least every ~~forty-five (45)~~ **seven (7)** days; or

(B) in a different time frame if contracted between a pharmacy benefit manager and a pharmacy;

the pharmacy benefit manager's maximum allowable cost list.

(4) Determine that a prescription drug:

(A) is not obsolete;

(B) is generally available for purchase by pharmacies in Indiana from a national or regional wholesaler licensed in Indiana; and

(C) is not:

(i) temporarily unavailable;

(ii) listed on a drug shortage list; or

(iii) unable to be lawfully substituted;

before the prescription drug is placed or continued on a maximum allowable cost list.

(b) The appeal process required by subsection (a)(2) must include the following:

(1) The right to appeal a claim not to exceed sixty (60) days following the initial filing of the claim.

(2) The investigation and resolution of a filed appeal by the pharmacy benefit manager in a time frame determined by the commissioner.

(3) If an appeal is denied, a requirement that the pharmacy benefit manager ~~provide the reason for the denial.~~ **do the following:**

(A) Provide the reason for the denial.

(B) Provide the appealing contracted pharmacy, pharmacy services administrative organization, or group purchasing organization with the national drug code number of the prescription drug that is available from a national or regional wholesaler operating in Indiana.

(4) If an appeal is approved, a requirement that the pharmacy benefit manager do the following:

(A) Change the maximum allowable cost of the drug for the pharmacy that filed the appeal as of the initial date of service that the appealed drug was dispensed.

(B) Adjust the maximum allowable cost of the drug for the appealing pharmacy and for all other contracted pharmacies in the same network of the pharmacy benefit manager that filled a prescription for patients covered under the same health ~~benefit~~ plan beginning on the initial date of service the appealed drug was dispensed.

(C) Notify each pharmacy in the pharmacy benefit manager's network that the maximum allowable cost for the drug has been adjusted as a result of an approved appeal.

~~(C)~~ **(D)** Adjust the drug product reimbursement for contracted pharmacies that resubmit claims to reflect the adjusted maximum allowable cost, if applicable.

~~(D)~~ **(E)** Allow the appealing pharmacy and all other contracted pharmacies in the network that filled the prescriptions for patients covered under the same health ~~benefit~~ plan to reverse and resubmit claims and receive payment based on the adjusted maximum allowable cost from the initial date of service the appealed drug was dispensed.

~~(E)~~ **(F)** Make retroactive price adjustments in the next payment cycle unless otherwise agreed to by the

pharmacy.

(5) The establishment of procedures for auditing submitted claims by a ~~contract~~ **contracted** pharmacy in a manner established by administrative rules under IC 4-22-2 by the department. The auditing procedures:

(A) may not use extrapolation or any similar methodology;

(B) may not allow for recovery by a pharmacy benefit manager of a submitted claim due to clerical or other error where the patient has received the drug for which the claim was submitted;

(C) must allow for recovery by a ~~contract~~ **contracted** pharmacy for underpayments by the pharmacy benefit manager; and

(D) may only allow for the pharmacy benefit manager to recover overpayments on claims that are actually audited and discovered to include a recoverable error.

(c) The department must approve the manner in which a pharmacy benefit manager may respond to an appeal filed under this section. The department shall establish a process for a pharmacy benefit manager to obtain approval from the department under this section.

SECTION 25. IC 27-1-24.5-22.6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 22.6. (a) If a pharmacy benefit manager denies an appeal under section 22(a)(2) of this chapter, the appealing contracted pharmacy, pharmacy services administrative organization, or group purchasing organization may file a complaint with the department not later than thirty (30) days from the date of the denial. The department may request additional information from either party as necessary to resolve a complaint.**

(b) If a contracted pharmacy or pharmacy services administrative organization believes that its contract with a pharmacy benefit manager contains an unlawful contractual provision regarding reimbursement rates, the contracted pharmacy or pharmacy services administrative organization may file a complaint with the department.

(c) A pharmacy benefit manager that receives written notice of a complaint filed under this section shall promptly conduct an investigation of the matters alleged in the complaint. Not later than twenty (20) business days after the date of the complaint, the pharmacy benefit manager shall provide to the department and the complaining party a written report containing the following information:

(1) The specific actions taken by the pharmacy benefit manager with respect to:

(A) the appeal, for a complaint filed under subsection (a); or

(B) the contract, for a complaint filed under subsection (b).

(2) A good faith estimate of the time required for a resolution of the complaint.

(d) If a pharmacy believes that its contract with a pharmacy services administrative organization contains an unlawful contractual provision regarding reimbursement rates, the pharmacy may file a complaint with the department.

(e) The department shall establish a process for complaints filed under this section.

SECTION 26. IC 27-1-31-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) An insurer may not cancel a policy of insurance that the insurer has written that has been in effect more than ninety (90) days unless:

(1) the insured under the policy has failed to pay the premium;

(2) there is a substantial change in the scale of risk covered by the policy;

(3) the insured has perpetrated a fraud or material misrepresentation upon the insurer;

(4) the insured has failed to comply with reasonable safety recommendations; or

(5) reinsurance of the risk associated with the policy has been cancelled.

(b) An insurer shall ~~provide~~ **mail** a written notice of cancellation to a person insured under a policy issued by the insurer at least:

(1) forty-five (45) days before cancelling the policy for any reason set forth in subsection (a)(2), (a)(4), or (a)(5);

(2) twenty (20) days before cancelling the policy for the reason set forth in subsection (a)(3); or

(3) ten (10) days before cancelling the policy for the reason set forth in subsection (a)(1).

SECTION 27. IC 27-1-31-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2.5. An insurer may cancel a policy of insurance that the insurer has written that has been in effect ninety (90) days or less by ~~providing~~ **mailing** a written notice of cancellation to a person insured under the policy at least:

(1) ten (10) days before cancelling if an insured has failed to pay a premium;

(2) twenty (20) days before cancelling if the insured has perpetrated a fraud or material misrepresentation upon the insurer; or

(3) thirty (30) days before cancelling for any other reason.

SECTION 28. IC 27-1-31-3, AS AMENDED BY P.L.148-2017, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) If an insurer refuses to renew a policy of insurance written by the insurer, the insurer shall ~~provide~~ **mail** written notice of nonrenewal to the insured:

(1) at least forty-five (45) days before the expiration date of the policy, if the coverage provided is for one (1) year, or less; or

(2) at least forty-five (45) days before the anniversary date of the policy, if the coverage provided is for more than one (1) year.

(b) A notice of nonrenewal is not required if:

(1) the insured is transferred from an insurer to an affiliate of the insurer for future coverage; and

(2) the transfer results in the same or broader coverage.

SECTION 29. IC 27-1-43-3, AS ADDED BY P.L.119-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. **(a) As used in this section, "online platform" means a web site or other digital application designed to facilitate the purchase of insurance policies by parties from a licensed insurer.**

~~(a)~~ **(b)** Except as provided in subsection ~~(c),~~ **(d),** a notice to a party, or another document, that:

(1) is legally required in an insurance transaction; or

(2) serves as evidence of insurance coverage;

may be electronically delivered, stored, and presented in compliance with IC 26-2-8.

~~(b)~~ **(c)** Electronic delivery of a notice or document under this section is considered to be equivalent to any legally required delivery method, including delivery by:

(1) first class mail;

(2) first class mail, postage prepaid;

(3) certified mail;

(4) certificate of mail; or

(5) certificate of mailing.

~~(c)~~ **(d) Except as provided in subsection (e),** electronic delivery of a notice or document by an insurer to a party is permitted under this chapter if all the following apply:

(1) The party has affirmatively consented to electronic delivery and has not withdrawn the consent.

(2) The party, before giving consent, is provided with a clear and conspicuous statement informing the party of all the following:

(A) Any right or option of the party to have the notice or document provided or made available in paper or another nonelectronic form.

(B) The right of the party to withdraw consent to electronic delivery of a notice or document and any fees, conditions, or consequences that will be imposed on the party if the party withdraws consent.

(C) Whether the party's consent applies:

(i) only to the particular transaction as to which the notice or document must be given; or

(ii) to identified categories of notices or documents subject to electronic delivery during the course of the party's relationship with the insurer.

(D) The:

(i) means, after consent is given, by which the party may obtain a paper copy of an electronically delivered notice or document; and

(ii) applicable fee for the paper copy.

(E) The procedure the party must follow to:

(i) withdraw consent to electronic delivery of a notice or document; and

(ii) update information needed to contact the party electronically.

(3) The party:

(A) before giving consent, is provided with a statement of the hardware and software requirements for access to and retention of an electronically delivered notice or document; and

(B) electronically:

(i) consents; or

(ii) confirms consent;

in a manner that reasonably demonstrates that the party is able to access information in the electronic form that will be used for electronic delivery of notices or documents to which the party has given consent.

(4) If, after the party has consented to electronic delivery of notices or documents, a change in the hardware or software requirements needed for the party to access or retain an electronically delivered notice or document creates a material risk that the party will not be able to access or retain a subsequent notice or document to which the consent applies, the insurer:

(A) provides the party with a statement of the:

(i) revised hardware and software requirements for access to and retention of an electronically delivered notice or document; and

(ii) right of the party to withdraw consent without the imposition of a fee, condition, or consequence that was not disclosed under subdivision (2)(B); and

(B) complies with subdivision (2).

(e) Notwithstanding any other provision of this chapter, if a party procures a policy of insurance through an online platform:

(1) the party affirmatively consents to have all notices and other documents related to the policy delivered to the party electronically; and

(2) the conditions set forth in subsection (d)(2) through (d)(4) do not apply to the electronic delivery to the party of notices and other documents related to the policy procured through the online platform.

However, if a party described in this subsection requests to receive notices and documents in paper format, the insurer shall provide all notices and other documents related to the policy to the party in paper format.

SECTION 30. IC 27-1-43-4, AS ADDED BY P.L.119-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) This chapter does not affect any applicable legal requirement related to content or timing of a notice or document.

(b) If another law requiring a notice or document to be provided to a party expressly requires verification or acknowledgment of receipt of the notice or document, electronic delivery of the notice or document is permitted only if the method of electronic delivery provides for verification or acknowledgment of receipt.

(c) The legal effectiveness, validity, or enforceability of a contract or policy of insurance executed by a party may not be denied solely because of the failure of the insurer to obtain electronic consent or confirmation of consent of the party in accordance with section ~~3(c)(3)(B)~~ **3(d)(3)(B)** of this chapter.

SECTION 31. IC 27-1-43-5, AS ADDED BY P.L.119-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) A withdrawal of consent by a party does not affect the legal effectiveness, validity, or enforceability of a notice or document that is electronically delivered to the party before the withdrawal of consent is effective.

(b) A withdrawal of consent by a party is effective thirty (30) days after the insurer receives notice of the withdrawal.

(c) An insurer's failure to comply with section ~~3(c)(4)~~ **3(d)(4)** of this chapter is, at the election of the party, considered to be a withdrawal of the party's consent under this chapter.

SECTION 32. IC 27-1-43.2-5, AS ADDED BY P.L.129-2014, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. **(a)** As used in this chapter, "provider" means a person who is contractually obligated to a holder under a service contract.

(b) A merchant or other seller of a service contract is not a "provider" for the purposes of this chapter by virtue of acting as the seller of the service contract.

SECTION 33. IC 27-1-47 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 47. Activities Not Prohibited as Rebates

Sec. 1. (a) The following definitions apply throughout this section:

(1) "Drawing" means an activity in which:

(A) multiple participating persons could possibly receive a prize; and

(B) the person or persons who receive a prize are determined by chance, as by randomly drawing one (1) or more names or numbers from among many names or numbers.

(2) "Gift" means the voluntary transfer of anything of value without consideration.

(3) "Prize" means something of value received by a person as the result of a drawing.

(b) Notwithstanding any other provision of this title, an insurer, an employee of an insurer, or a producer may do the following:

(1) Offer and give one (1) or more gifts to a person in connection with marketing for the sale or retention of a contract of insurance if the reasonable value of all gifts given by the insurer, employee, or producer to a person in one (1) year does not exceed two hundred fifty dollars ($250).

(2) Conduct a drawing if:

(A) persons participating in the drawing do not pay or incur a cost for their participation; and

(B) the value of the prize or prizes received by any single person participating in the drawing does not exceed five hundred dollars ($500).

(c) Neither:

(1) a gift given under subsection (b)(1); nor

(2) a prize received in a drawing conducted under subsection (b)(2);

may be in the form of cash.

Sec. 2. (a) An insurer, by or through its employees, affiliates, insurance producers, or third-party representatives, or an insurance producer acting on the

insurance producer's own behalf, may offer or provide, for free or at a discounted price, products or services:

(1) that relate to or are provided in conjunction with a policy of insurance; and

(2) that:

(A) are primarily intended to:

(i) educate about;

(ii) assess;

(iii) monitor;

(iv) control; or

(v) prevent;

risk of loss to persons or to persons' lives, health, or property; or

(B) have a nexus to or enhance the value of the insurance benefits of the policy.

(b) Offering or providing products or services under this section is not a violation of IC 27-1-20-30, IC 27-1-22-18, or IC 27-4-1-4(a)(8).

Sec. 3. (a) Subject to subsection (b), a person holding a license under this title may offer or provide, for free or for less than fair market value, services that are at least tangentially related to an insurance contract or the administration of an insurance contract if the services:

(1) are not contingent upon the purchase of insurance; and

(2) are offered on the same terms to all potential insurance customers.

(b) Before:

(1) the recipient of services described in subsection (a):

(A) receives a quote of insurance; or

(B) purchases insurance; or

(2) an agent of record is assigned to the recipient of the services;

the person offering or providing services under subsection (a) must disclose conspicuously in writing to the recipient of the services that receiving the services is not contingent on the purchase of insurance.

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

SECTION 34. IC 27-4-1-4, AS AMENDED BY HEA 1079-2021, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) The following are hereby defined as unfair methods of competition and unfair and deceptive acts and practices in the business of insurance:

(1) Making, issuing, circulating, or causing to be made, issued, or circulated, any estimate, illustration, circular, or statement:

(A) misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon;

(B) making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies;

(C) making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates;

(D) using any name or title of any policy or class of policies misrepresenting the true nature thereof; or

(E) making any misrepresentation to any policyholder insured in any company for the purpose of inducing or tending to induce such policyholder to lapse, forfeit, or surrender the policyholder's insurance.

(2) Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio or television station, or in any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to any person in the conduct of the person's insurance business, which is untrue, deceptive, or misleading.

(3) Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating of any oral or written statement or any pamphlet, circular, article, or literature which is false, or maliciously critical of or derogatory to the financial condition of an insurer, and which is calculated to injure any person engaged in the business of insurance.

(4) Entering into any agreement to commit, or individually or by a concerted action committing any act of boycott, coercion, or intimidation resulting or tending to result in unreasonable restraint of, or a monopoly in, the business of insurance.

(5) Filing with any supervisory or other public official, or making, publishing, disseminating, circulating, or delivering to any person, or placing before the public, or causing directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false statement of financial condition of an insurer with intent to deceive. Making any false entry in any book, report, or statement of any insurer with intent to deceive any agent or examiner lawfully appointed to examine into its condition or into any of its affairs, or any public official to which such insurer is required by law to report, or which has authority by law to examine into its condition or into any of its affairs, or, with like intent, willfully omitting to make a true entry of any material fact pertaining to the business of such insurer in any book, report, or statement of such insurer.

(6) Issuing or delivering or permitting agents, officers, or employees to issue or deliver, agency company stock or other capital stock, or benefit certificates or shares in any common law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance.

(7) Making or permitting any of the following:

(A) Unfair discrimination between individuals of the same class and equal expectation of life in the rates or assessments charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract. However, in determining the class, consideration may be given to the nature of the risk, plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(B) Unfair discrimination between individuals of the same class involving essentially the same hazards in the amount of premium, policy fees, assessments, or rates charged or made for any policy or contract of accident or health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever. However, in determining the class, consideration may be given to the nature of the risk, the plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

(C) Excessive or inadequate charges for premiums, policy fees, assessments, or rates, or making or permitting any unfair discrimination between persons of the same class involving essentially the same hazards, in the amount of premiums, policy fees, assessments, or rates charged or made for:

(i) policies or contracts of reinsurance or joint reinsurance, or abstract and title insurance;

(ii) policies or contracts of insurance against loss or damage to aircraft, or against liability arising out of the ownership, maintenance, or use of any aircraft, or of vessels or craft, their cargoes, marine builders' risks, marine protection and indemnity, or other risks commonly insured under marine, as distinguished from inland marine, insurance; or

(iii) policies or contracts of any other kind or kinds of insurance whatsoever.

However, nothing contained in clause (C) shall be construed to apply to any of the kinds of insurance referred to in clauses (A) and (B) nor to reinsurance in relation to such kinds of insurance. Nothing in clause (A), (B), or (C) shall be construed as making or permitting any excessive, inadequate, or unfairly discriminatory charge or rate or any charge or rate determined by the department or commissioner to meet the requirements of any other insurance rate regulatory law of this state.

(8) Except as otherwise expressly provided by **IC 27-1-47 or another** law, knowingly permitting or offering to make or making any contract or policy of insurance of any kind or kinds whatsoever, including but not in limitation, life annuities, or agreement as to such contract or policy other than as plainly expressed in such contract or policy issued thereon, or paying or allowing, or giving or offering to pay, allow, or give, directly or indirectly, as inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends, savings, or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract or policy; or giving, or selling, or purchasing or offering to give, sell, or purchase as inducement to such insurance or annuity or in connection therewith, any stocks, bonds, or other securities of any insurance company or other corporation, association, limited liability company, or partnership, or any dividends, savings, or profits accrued thereon, or anything of value whatsoever not specified in the contract. Nothing in this subdivision and subdivision (7) shall be construed as including within the definition of discrimination or rebates any of the following practices:

(A) Paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, so long as any such bonuses or abatement of premiums are fair and equitable to policyholders and for the best interests of the company and its policyholders.

(B) In the case of life insurance policies issued on the industrial debit plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expense.

(C) Readjustment of the rate of premium for a group insurance policy based on the loss or expense experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, which may be made retroactive only for such policy year.

(D) Paying by an insurer or insurance producer thereof duly licensed as such under the laws of this state of money, commission, or brokerage, or giving or allowing by an insurer or such licensed insurance producer thereof anything of value, for or on account of the solicitation or negotiation of policies or other contracts of any kind or kinds, to a broker, an insurance producer, or a solicitor duly licensed under the laws of this state, but such broker, insurance producer, or solicitor receiving such consideration shall not pay, give, or allow credit for such consideration as received in whole or in part, directly or indirectly, to the insured by way of rebate.

(9) Requiring, as a condition precedent to loaning money upon the security of a mortgage upon real property, that the owner of the property to whom the money is to be loaned negotiate any policy of insurance covering such real property through a particular insurance producer or broker or brokers. However, this subdivision shall not prevent the exercise by any lender of the lender's right to approve or disapprove of the insurance company selected by the borrower to underwrite the insurance.

(10) Entering into any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of commerce in the business of insurance.

(11) Monopolizing or attempting to monopolize or combining or conspiring with any other person or persons to monopolize any part of commerce in the business of insurance. However, participation as a member, director, or officer in the activities of any nonprofit organization of insurance producers or other workers in the insurance business shall not be interpreted, in itself, to constitute a combination in restraint of trade or as combining to create a monopoly as provided in this subdivision and subdivision (10). The enumeration in this chapter of specific unfair methods of competition and unfair or deceptive acts and practices in the business of insurance is not exclusive or restrictive or intended to limit the powers of the commissioner or department or of any court of review under section 8 of this chapter.

(12) Requiring as a condition precedent to the sale of real or personal property under any contract of sale, conditional sales contract, or other similar instrument or upon the security of a chattel mortgage, that the buyer of such property negotiate any policy of insurance covering such property through a particular insurance company, insurance producer, or broker or brokers. However, this subdivision shall not prevent the exercise by any seller of such property or the one making a loan thereon of the right to approve or disapprove of the insurance company selected by the buyer to underwrite the insurance.

(13) Issuing, offering, or participating in a plan to issue or offer, any policy or certificate of insurance of any kind or character as an inducement to the purchase of any property, real, personal, or mixed, or services of any kind, where a charge to the insured is not made for and on account of such policy or certificate of insurance. However, this subdivision shall not apply to any of the following:

(A) Insurance issued to credit unions or members of credit unions in connection with the purchase of shares in such credit unions.

(B) Insurance employed as a means of guaranteeing the performance of goods and designed to benefit the purchasers or users of such goods.

(C) Title insurance.

(D) Insurance written in connection with an indebtedness and intended as a means of repaying such indebtedness in the event of the death or disability of the insured.

(E) Insurance provided by or through motorists service clubs or associations.

(F) Insurance that is provided to the purchaser or holder of an air transportation ticket and that:

(i) insures against death or nonfatal injury that occurs during the flight to which the ticket relates;

(ii) insures against personal injury or property damage that occurs during travel to or from the airport in a common carrier immediately before or after the flight;

(iii) insures against baggage loss during the flight to which the ticket relates; or

(iv) insures against a flight cancellation to which the ticket relates.

(14) Refusing, because of the for-profit status of a hospital or medical facility, to make payments otherwise required to be made under a contract or policy of insurance for charges incurred by an insured in such a for-profit hospital or other for-profit medical facility licensed by the state department of health.

(15) Refusing to insure an individual, refusing to continue to issue insurance to an individual, limiting the amount, extent, or kind of coverage available to an individual, or charging an individual a different rate for the same coverage, solely because of that individual's blindness or partial blindness, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience.

(16) Committing or performing, with such frequency as to indicate a general practice, unfair claim settlement practices (as defined in section 4.5 of this chapter).

(17) Between policy renewal dates, unilaterally canceling an individual's coverage under an individual or group health insurance policy solely because of the individual's medical or physical condition.

(18) Using a policy form or rider that would permit a cancellation of coverage as described in subdivision (17).

(19) Violating IC 27-1-22-25, IC 27-1-22-26, or IC 27-1-22-26.1 concerning motor vehicle insurance rates.

(20) Violating IC 27-8-21-2 concerning advertisements referring to interest rate guarantees.

(21) Violating IC 27-8-24.3 concerning insurance and health plan coverage for victims of abuse.

(22) Violating IC 27-8-26 concerning genetic screening or testing.

(23) Violating IC 27-1-15.6-3(b) concerning licensure of insurance producers.

(24) Violating IC 27-1-38 concerning depository institutions.

(25) Violating IC 27-8-28-17(c) or IC 27-13-10-8(c) concerning the resolution of an appealed grievance decision.

(26) Violating IC 27-8-5-2.5(e) through IC 27-8-5-2.5(j) (expired July 1, 2007, and removed) or IC 27-8-5-19.2 (expired July 1, 2007, and repealed).

(27) Violating IC 27-2-21 concerning use of credit information.

(28) Violating IC 27-4-9-3 concerning recommendations to consumers.

(29) Engaging in dishonest or predatory insurance practices in marketing or sales of insurance to members of the United States Armed Forces as:

(A) described in the federal Military Personnel Financial Services Protection Act, P.L.109-290; or

(B) defined in rules adopted under subsection (b).

(30) Violating IC 27-8-19.8-20.1 concerning stranger originated life insurance.

(31) Violating IC 27-2-22 concerning retained asset accounts.

(32) Violating IC 27-8-5-29 concerning health plans offered through a health benefit exchange (as defined in IC 27-19-2-8).

(33) Violating a requirement of the federal Patient Protection and Affordable Care Act (P.L. 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), that is enforceable by the state.

(34) After June 30, 2015, violating IC 27-2-23 concerning unclaimed life insurance, annuity, or retained asset account benefits.

(35) Willfully violating IC 27-1-12-46 concerning a life insurance policy or certificate described in IC 27-1-12-46(a).

(36) Violating IC 27-1-37-7 concerning prohibiting the disclosure of health care service claims data.

(37) Violating IC 27-4-10-10 concerning virtual claims payments.

(38) Violating IC 27-1-24.5 concerning pharmacy benefit managers.

(b) Except with respect to federal insurance programs under Subchapter III of Chapter 19 of Title 38 of the United States Code, the commissioner may, consistent with the federal Military Personnel Financial Services Protection Act (10 U.S.C. 992 note), adopt rules under IC 4-22-2 to:

(1) define; and

(2) while the members are on a United States military installation or elsewhere in Indiana, protect members of the United States Armed Forces from;

dishonest or predatory insurance practices.

SECTION 35. IC 27-7-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. **(a)** ~~No~~ **A** notice of cancellation of a policy to which section 4 of this chapter applies ~~shall be~~ **is not** effective:

(1) unless **it is** mailed ~~or delivered~~ by the insurer to the named insured at least twenty (20) days prior to the effective date of cancellation; ~~provided, however, that where~~ **or**

(2) if the cancellation is for nonpayment of premium, **unless it is:**

(A) mailed by the insurer to the named insured at least ten (10) days ~~notice~~ **before the effective date** of cancellation; **and**

(B) accompanied by ~~the~~ **a written statement of the** reason ~~therefor shall be given.~~ **for the cancellation.**

(b) ~~In the event such~~ **If a** policy was procured by an **independent** insurance producer duly licensed by the state of Indiana, notice of intent to cancel **the policy** shall be mailed ~~or delivered~~ to the **independent** insurance producer at least ten (10) days prior to ~~such~~ **the** mailing ~~or delivery~~ **of the notice of cancellation** to the named insured **under subsection (a),** unless such notice of intent **to cancel** is or has been waived in writing by the **independent** insurance producer.

(c) Unless **a written statement of** the reason **for the cancellation** accompanies or is included in the notice of cancellation, the notice of cancellation **of a policy that is mailed under subsection (a)** shall state or be accompanied by a statement that, upon **the** written request of the named insured **that is** mailed ~~or delivered~~ to the insurer not less than fifteen (15) days prior to the effective date of cancellation, the insurer will specify the reason for such cancellation.

(d) This section ~~shall~~ **does** not apply to nonrenewal.

SECTION 36. IC 27-7-6-6, AS AMENDED BY P.L.148-2017, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) ~~No~~ **An** insurer shall **not** fail to renew a policy unless it ~~shall mail or deliver~~ **mails** to the named insured, at the address shown in the policy, at least twenty (20) days advance notice of its intention not to renew **the policy.**

(b) ~~In the event such~~ **If a** policy was procured by an **independent** insurance producer duly licensed by the state of Indiana, **a** notice of intent not to renew **the policy** shall be mailed ~~or delivered~~ to the **independent** insurance producer at least ten (10) days prior to ~~such~~ **the** mailing ~~or delivery~~ **of the notice of intention not to renew** to the named insured **under subsection (a),** unless such notice of intent is or has been waived in writing by the **independent** insurance producer.

~~(b)~~ **(c)** This section ~~shall~~ **does** not apply:

(1) if the insurer has manifested its willingness to renew; or

(2) in case of nonpayment of premium.

However, notwithstanding the failure of an insurer to comply with this section, the policy shall terminate on the effective date of any other insurance policy with respect to any automobile designated in both policies.

~~(c)~~ **(d)** A notice of intention not to renew is not required **under this section** if:

(1) the insured is transferred from an insurer to an affiliate of the insurer for future coverage; and

(2) the transfer results in the same or broader coverage.

~~(d)~~ **(e)** Renewal of a policy shall not constitute a waiver or estoppel with respect to grounds for cancellation which existed before the effective date of such renewal.

SECTION 37. IC 27-7-12-3, AS AMENDED BY P.L.116-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) Notice of cancellation of property insurance coverage by an insurer must:

(1) be in writing;

(2) be ~~delivered or~~ mailed to the named insured at the last known address of the named insured;

(3) state the effective date of the cancellation; and

(4) upon request of the named insured, be accompanied by a written explanation of the specific reasons for the cancellation.

(b) An insurer shall ~~provide~~ **mail** written notice of cancellation to the named insured at least:

(1) ten (10) days before canceling a policy, if the cancellation is for nonpayment of a premium;

(2) twenty (20) days before canceling a policy, if:

(A) the cancellation occurs more than sixty (60) days after the date of issuance of the policy; or

(B) the insurer has received a copy of a complaint under IC 32-30-10.5-8(d)(2) concerning the property; and

(3) ten (10) days before canceling a policy, if the cancellation occurs not more than sixty (60) days after the date of issuance of the policy.

(c) If the policy was procured by an independent insurance producer licensed in Indiana, the insurer shall ~~deliver or~~ mail notice of cancellation to the insurance producer not less than ten (10) days before the insurer ~~delivers or~~ mails the notice to the named insured, unless the obligation to notify the insurance producer is waived in writing by the insurance producer.

SECTION 38. IC 27-7-12-4, AS AMENDED BY P.L.148-2017, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) Notice of nonrenewal by an insurer must:

(1) be in writing;

(2) be ~~delivered or~~ mailed to the named insured at the last known address of the named insured;

(3) state the insurer's intention not to renew the policy upon expiration of the current policy period;

(4) upon request of the named insured, be accompanied by a written explanation of the specific reasons for the nonrenewal; and

(5) be ~~provided~~ **mailed** to the named insured at least twenty (20) days before the expiration of the current policy period.

(b) If the policy was procured by an independent insurance producer licensed in Indiana, the insurer shall ~~deliver or~~ mail notice of nonrenewal to the insurance producer not less than ten (10) days before the insurer ~~delivers or~~ mails the notice to the named insured **under subsection (a),** unless the obligation to notify the insurance producer is waived in writing by the insurance producer.

(c) Notice of nonrenewal under this section is not required if:

(1) the named insured is transferred from an insurer to an affiliate of the insurer for future coverage; and

(2) the transfer results in the same or broader coverage.

(d) If an insurer mails ~~or delivers~~ to an insured a renewal notice, bill, certificate, or policy indicating the insurer's willingness to renew a policy and the insured does not respond, the insurer is not required to ~~provide~~ **mail** to the insured notice of intention not to renew.

SECTION 39. IC 34-30-2-101.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 101.4. IC 25-27-2-1 (Concerning the physical therapy compact commission).**

SECTION 40. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "health carrier":**

(1) has the meaning set forth in IC 27-1-46-3; and

(2) includes the Medicaid program administered under IC 12-15.

(b) As used in this SECTION, "specialty drug" means a prescription drug that is typically high cost and:

(1) is prescribed for an individual who has:

(A) a chronic, complex, or life-threatening condition;

(B) a rare medical condition; or

(C) both conditions referred to in clauses (A) and (B);

(2) has limited or exclusive distribution; or

(3) requires:

(A) specialized product handling or administration by the dispensing pharmacy; or

(B) specialized clinical care, including:

(i) frequent dosing adjustments;

(ii) intensive clinical monitoring; or

(iii) expanded services for patients, including intensive patient counseling, education, or ongoing clinical support beyond traditional dispensing activities, such as individualized disease and therapy management to support improved health outcomes.

(c) Before July 1, 2021, the state department of health, in consultation with the department of insurance, the office of the secretary of family and social services, and the Indiana board of pharmacy created by 25-26-13-3, shall submit to the legislative council in an electronic format under IC 5-14-6 a report setting forth the following concerning specialty drugs:

(1) Best practice guidelines in providing specialty drugs to a patient in a manner that ensures the patient's safety during the process.

(2) Information concerning any adverse events affecting the safety of patients resulting from the specialty drug protocols of a health carrier or hospital.

(d) The report required under this SECTION:

(1) may not contain any personal identifying information; and

(2) must be compliant with the federal Health Insurance Portability and Accountability Act (HIPAA) (P.L.104-191).

(e) This SECTION expires December 31, 2021.

SECTION 41. [EFFECTIVE UPON PASSAGE] **(a) The legislative services agency shall conduct a study of market concentration in Indiana in the following:**

(1) The health insurance industry.

(2) The hospital industry.

(3) The professions of licensed health care practitioners.

(4) The retail pharmaceutical industry.

(5) The pharmacy benefit manager industry.

(6) The pharmacy services administrative organization industry, including its relationship to pharmaceutical wholesalers.

(7) Pharmaceutical manufacturers.

(b) Before December 31, 2022, the legislative services agency shall present the findings of the study conducted under subsection (a) in an electronic format under IC 5-14-6 to the following:

(1) The combined interim study committees on:
(A) financial institutions and insurance; and
(B) public health, behavioral health, and human services;
established by IC 2-5-1.3-4.
(2) The legislative council.
(3) The office of the governor.
(c) This SECTION expires January 1, 2023.
SECTION 42. **An emergency is declared for this act.**
(Reference is to EHB 1405 as reprinted April 9, 2021.)

CARBAUGH	ZAY
CAMPBELL	YODER
House Conferees	Senate Conferees

Roll Call 502: yeas 88, nays 10. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1166–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1166 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-1.1-4-22, AS AMENDED BY P.L.232-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) If any assessing official assesses or reassesses any real property under this article (including an annual adjustment under section 4.5 of this chapter), the official shall give notice to the taxpayer and the county assessor, by mail or by using electronic mail that includes a secure Internet link to the information in the notice, of the amount of the assessment or reassessment.

(b) Each township or county assessor shall provide the notice required by this section by the earlier of:

(1) ninety (90) days after the assessor:
(A) completes the appraisal of a parcel; or
(B) receives a report for a parcel from a professional appraiser or professional appraisal firm; or

(2) April 10 of the year containing the assessment date for which the assessment or reassessment first applies, if the assessment date occurs in a year that ends before January 1, 2016, and February 10 of the year containing the assessment date for which the assessment or reassessment first applies, if the assessment date occurs in a year that begins after December 31, 2015.

(c) The notice required by this section is in addition to any required notice of assessment or reassessment included in a property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(d) The notice required by this section must include notice to the person of the opportunity to appeal the assessed valuation under IC 6-1.1-15-1.1.

(e) Notice of the opportunity to appeal the assessed valuation required under subsection (d) must include the following:

(1) The procedure that a taxpayer must follow to appeal the assessment or reassessment.

(2) The forms that must be filed for an appeal of the assessment or reassessment.

(3) Notice that an appeal of the assessment or reassessment requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date.

(f) The notice required by this section must include notice to the taxpayer of the taxpayer's right to submit a written complaint to the department under IC 6-1.1-35.7-4(b) if a taxpayer has reason to believe that the township assessor, the county assessor, an employee of the township assessor or county assessor, or an appraiser has violated IC 6-1.1-35.7-3 or IC 6-1.1-35.7-4(a). The notice required under this subsection must include the procedure that a taxpayer must follow to submit the written complaint to the department.

SECTION 2. IC 6-1.1-13-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: **Sec. 13. (a) This section applies to both residential real property and commercial property, with an assessed value of three million dollars ($3,000,000) or less, for which the assessed value was increased for a tax year by an assessing official for any reason other than by the application of the annual adjustment factor used by the assessing official to adjust property values for that year. However, this section does not apply to an assessment if the assessment is based on:**

(1) structural improvements;
(2) zoning; or
(3) uses;

that were not considered in the assessment for the prior tax year.

(b) If the taxpayer:

(1) appeals an increased assessment as described in subsection (a) to the county property tax assessment board of appeals or the Indiana board; and
(2) prevails in an appeal described in subdivision (1) or any resulting subsequent appeal of the increased assessment described in subsection (a);

the assessing official shall not increase the assessed value of the property until the first year of the next four (4) year cyclical assessment cycle for any reason other than by application of the annual adjustment factor used by the assessing official to adjust property values for a tax year. During this period, the taxpayer may not appeal an increased assessment made by the assessor unless the taxpayer believes that the increased assessment is arbitrary and capricious and not made consistent with the annual adjustment factor used by the assessing official to adjust property values for a tax year. If the taxpayer does appeal during this period on the grounds that the increased assessment is arbitrary and capricious and not made consistent with the annual adjustment factor used by the assessing official to adjust property values for a tax year, the provision shifting the burden to the assessing official to prove that the assessment is correct under IC 6-1.1-15-17.2(d) does not apply.

(c) This section does not apply if:

(1) the reduction in assessed value is the result of a settlement agreement between the taxpayer and the assessing official; or
(2) the appeal is based on a correction of error under IC 6-1.1-15-1.1(a) and IC 6-1.1-15-1.1(b).

(d) If the taxpayer who appealed an increased assessment under this section sells the property, whose assessment was appealed, for fair market value, notwithstanding subsection (b), the assessor may reassess the property that was sold.

SECTION 3. IC 6-1.1-15-17.3, AS AMENDED BY P.L.232-2017, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 17.3. (a) As used in this section, "tax official" means:

(1) a township assessor;
(2) a county assessor;
(3) a county auditor;
(4) a county treasurer;
(5) a member of a county board; or
(6) any employee, contract employee, or independent contractor of an individual described in subdivisions (1) through (5).

(b) Except as provided in subsection (c), a tax official in a county may not serve as a tax representative of any taxpayer with respect to property subject to property taxes in the county

before the county board of that county or the Indiana board. The prohibition under this subsection applies regardless of whether or not the individual receives any compensation for the representation or assistance.

(c) Subsection (b) does not:

(1) prohibit a contract employee or independent contractor of a tax official from serving as a tax representative before the county board or Indiana board for a taxpayer with respect to property subject to property taxes in the county unless the contract employee or independent contractor personally and substantially participated in the assessment of the property; or

(2) prohibit an individual from appearing before the county board or Indiana board regarding property owned by the individual.

(d) An individual who is a former county assessor, former township assessor, former employee or contract employee of a county assessor or township assessor, or an independent contractor formerly employed by a county assessor or township assessor may not serve as a tax representative for or otherwise assist another person in an assessment appeal before a county board or the Indiana board if:

(1) the appeal involves the assessment of property located in:

(A) the county in which the individual was the county assessor or was an employee, contract employee, or independent contractor of the county assessor; or

(B) the township in which the individual was the township assessor or was an employee, contract employee, or independent contractor of the township assessor; and

(2) while the individual was the county assessor or township assessor, was employed by or a contract employee of the county assessor or the township assessor, or was an independent contractor for the county assessor or the township assessor, the individual personally and substantially participated in the assessment of the property.

The prohibition under this subsection applies regardless of whether the individual receives any compensation for the representation or assistance. However, this subsection does not prohibit an individual from appearing before the Indiana board or county board regarding property owned by the individual.

(e) The department shall prepare and make available to taxpayers a power of attorney form that allows the owner of property that is the subject of an appeal under this article to appoint a relative (as defined in IC 2-2.2-1-17) for specific assessment years to represent the owner concerning the appeal before the county board or the department of local government finance. A relative who is appointed by the owner of the property under this subsection:

(1) may represent the owner before the county board or the department of local government finance but not the Indiana board concerning the appeal; and

(2) is not required to be certified as a tax representative in order to represent the owner concerning the appeal.

(f) Notwithstanding any other law, but subject to subsections (b) and (d) and IC 6-1.1-31.7-3.5, an individual may serve as a tax representative of any taxpayer concerning property subject to property taxes in the county:

(1) before the county board of that county, if:

(A) the individual is certified as a level two assessor-appraiser under IC 6-1.1-35.5; and

(B) the taxpayer authorizes the individual to serve as the taxpayer's tax representative on a form that is:

(i) prepared by the department of local government finance; and

(ii) submitted with the taxpayer's notice to initiate an appeal; or

(2) before the county board of that county or the Indiana board, if the individual is certified as a level three assessor-appraiser under IC 6-1.1-35.5.

SECTION 4. IC 6-1.1-35.7-4, AS ADDED BY P.L.134-2014, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser:

(1) must be competent to perform a particular assessment;

(2) must acquire the necessary competency to perform the assessment; or

(3) shall contract with an appraiser who demonstrates competency to do the assessment.

(b) If a taxpayer has reason to believe that the township assessor, the county assessor, an employee of the township assessor or county assessor, or an appraiser has violated subsection (a) or section 3 of this chapter, the taxpayer may submit a written complaint to the department. The department shall respond in writing to the complaint within thirty (30) days.

~~(b)~~ **(c)** The department may revoke the certification of a township assessor, a county assessor, an employee of the township assessor or county assessor, or an appraiser under 50 IAC 15 for gross incompetence in the performance of an assessment.

~~(c)~~ **(d)** An individual whose certification is revoked by the department under subsection ~~(b)~~ **(c)** may appeal the department's decision to the certification appeal board established under subsection ~~(d).~~ **(e).** A decision of the certification appeal board may be appealed to the tax court in the same manner that a final determination of the department may be appealed under IC 33-26.

~~(d)~~ **(e)** The certification appeal board is established for the sole purpose of conducting appeals under this section. The board consists of the following seven (7) members:

(1) Two (2) representatives of the department appointed by the commissioner of the department.

(2) Two (2) individuals appointed by the governor. The individuals must be township or county assessors.

(3) Two (2) individuals appointed by the governor. The individuals must be licensed appraisers.

(4) One (1) individual appointed by the governor. The individual must be a resident of Indiana.

The commissioner of the department shall designate a member appointed under subdivision (1) as the chairperson of the board. Not more than four (4) members of the board may be members of the same political party. Each member of the board serves at the pleasure of the appointing authority.

~~(e)~~ **(f)** The certification appeal board shall meet as often as is necessary to properly perform its duties. Each member of the board is entitled to the following:

(1) The salary per diem provided under IC 4-10-11-2.1(b).

(2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.

(3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 5. [EFFECTIVE JANUARY 1, 2022] **(a) IC 6-1.1-13-13, as added by this act, applies to taxable years beginning after December 31, 2021.**

(b) This SECTION expires June 30, 2024.

SECTION 6. **An emergency is declared for this act.**

(Reference is to EHB 1166 as reprinted April 9, 2021.)

SOLIDAY	HOLDMAN
HEINE	ROGERS
House Conferees	Senate Conferees

Roll Call 503: yeas 68, nays 29. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 310–2

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 310 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 7.1-3-20-16, AS AMENDED BY P.L.285-2019, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16. (a) A permit that is authorized by this section may be issued without regard to the quota provisions of IC 7.1-3-22.

(b) The commission may issue a three-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant facility in the passenger terminal complex of a publicly owned airport. A permit issued under this subsection shall not be transferred to a location off the airport premises.

(c) Except as provided in ~~section~~ **sections** 16.3 **and 16.4** of this chapter, the commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a redevelopment project consisting of a building or group of buildings that:

(1) was formerly used as part of a union railway station;

(2) has been listed in or is within a district that has been listed in the federal National Register of Historic Places maintained pursuant to the National Historic Preservation Act of 1966, as amended; and

(3) has been redeveloped or renovated, with the redevelopment or renovation being funded in part with grants from the federal, state, or local government.

A permit issued under this subsection shall not be transferred to a location outside of the redevelopment project.

(d) Subject to section 16.1 of this chapter and except as provided in section 16.3 of this chapter, the commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant:

(1) on land; or

(2) in a historic river vessel;

within a municipal riverfront development project funded in part with state and city money. The ownership of a permit issued under this subsection and the location for which the permit was issued may not be transferred. The legislative body of the municipality in which the municipal riverfront development project is located shall recommend to the commission sites that are eligible to be permit premises. The commission shall consider, but is not required to follow, the municipal legislative body's recommendation in issuing a permit under this subsection. A permit holder and any lessee or proprietor of the permit premises are subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation.

(e) Except as provided in ~~section~~ **sections** 16.3 **and 16.4** of this chapter, the commission may issue a three-way, two-way, or one-way permit to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant within a renovation project consisting of:

(1) a building that:

(A) was formerly used as part of a passenger and freight railway station; and

(B) was built before 1900; or

(2) a complex of buildings that:

(A) is part of an economic development area established under IC 36-7-14; and

(B) includes, as part of the renovation project, the use and repurposing of two (2) or more buildings and structures that are:

(i) at least seventy-five (75) years old; and

(ii) located at a site at which manufacturing previously occurred over a period of at least seventy-five (75) years.

The permit authorized by this subsection may be issued without regard to the proximity provisions of IC 7.1-3-21-11.

(f) Except as provided in section 16.3 of this chapter, the commission may issue a three-way permit for the sale of alcoholic beverages for on-premises consumption at a cultural center for the visual and performing arts to the following:

(1) A town that:

(A) is located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); and

(B) has a population of more than twenty thousand (20,000) but less than twenty-three thousand seven hundred (23,700).

(2) A city that has an indoor theater as described in section 26 of this chapter.

(g) Except as provided in section 16.3 of this chapter, the commission may issue not more than ten (10) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than seven hundred (700) feet from a district, that meets the following requirements:

(1) The district has been listed in the National Register of Historic Places maintained under the National Historic Preservation Act of 1966, as amended.

(2) A county courthouse is located within the district.

(3) A historic opera house listed on the National Register of Historic Places is located within the district.

(4) A historic jail and sheriff's house listed on the National Register of Historic Places is located within the district.

The legislative body of the municipality in which the district is located shall recommend to the commission sites that are eligible to be permit premises. The commission shall consider, but is not required to follow, the municipal legislative body's recommendation in issuing a permit under this subsection. An applicant is not eligible for a permit if, less than two (2) years before the date of the application, the applicant sold a retailer's permit that was subject to IC 7.1-3-22 and that was for premises located within the district described in this section or within seven hundred (700) feet of the district. The ownership of a permit issued under this subsection and the location for which the permit was issued shall not be transferred. A permit holder and any lessee or proprietor of the permit premises is subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation. The total number of active permits issued under this subsection may not exceed ten (10) at any time. The cost of an initial permit issued under this subsection is six thousand dollars ($6,000).

(h) Except as provided in section 16.3 of this chapter, the commission may issue a three-way permit for the sale of alcoholic beverages for on-premises consumption to an applicant who will locate as the proprietor, as owner or lessee, or both, of a restaurant within an economic development area

under IC 36-7-14 in:

(1) a town with a population of more than twenty thousand (20,000); or

(2) a city with a population of more than forty-four thousand five hundred (44,500) but less than forty-five thousand (45,000);

located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred eleven thousand (111,000). The commission may issue not more than five (5) licenses under this section to premises within a municipality described in subdivision (1) and not more than five (5) licenses to premises within a municipality described in subdivision (2). The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial license under this subsection is thirty-five thousand dollars ($35,000), and the renewal fee for a license under this subsection is one thousand three hundred fifty dollars ($1,350). Before the district expires, a permit issued under this subsection may not be transferred. After the district expires, a permit issued under this subsection may be renewed, and the ownership of the permit may be transferred, but the permit may not be transferred from the permit premises.

(i) After June 30, 2006, and except as provided in section 16.3 of this chapter, the commission may issue not more than five (5) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be the proprietor, as owner or lessee, or both, of a restaurant located within a district, or not more than five hundred (500) feet from a district, that meets all of the following requirements:

(1) The district is within an economic development area, an area needing redevelopment, or a redevelopment district as established under IC 36-7-14.

(2) A unit of the National Park Service is partially located within the district.

(3) An international deep water seaport is located within the district.

An applicant is not eligible for a permit under this subsection if, less than two (2) years before the date of the application, the applicant sold a retailers' permit that was subject to IC 7.1-3-22 and that was for premises located within the district described in this subsection or within five hundred (500) feet of the district. A permit issued under this subsection may not be transferred. If the commission issues five (5) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed five (5) at any time. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission.

(j) Subject to section 16.2 of this chapter and except as provided in section 16.3 of this chapter, the commission may issue not more than six (6) new three-way, two-way, or one-way permits to sell alcoholic beverages for on-premises consumption only to an applicant who is the proprietor, as owner or lessee, or both, of a restaurant on land within a municipal lakefront development project funded in part with state, local, and federal money. A permit issued under this subsection may not be transferred. If the commission issues six (6) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed six (6) at any time. The commission shall conduct an auction of the permits under IC 7.1-3-22-9, except that the auction may be conducted at any time as determined by the commission. Notwithstanding any other law, the minimum bid for an initial permit under this subsection is ten thousand dollars ($10,000).

(k) Except as provided in section 16.3 of this chapter, the commission may issue not more than nine (9) new three-way permits to sell alcoholic beverages for on-premises consumption to applicants, each of whom must be a proprietor, as owner or lessee, or both, of a restaurant located:

(1) within a motorsports investment district (as defined in IC 5-1-17.5-11); or

(2) not more than one thousand five hundred (1,500) feet from a motorsports investment district.

The ownership of a permit issued under this subsection and the location for which the permit was issued shall not be transferred. If the commission issues nine (9) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed nine (9) at any time. A permit holder and any lessee or proprietor of the permit premises are subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation.

(l) Except as provided in section 16.3 of this chapter, the commission may issue not more than two (2) new three-way permits to sell alcoholic beverages for on-premises consumption for premises located within a qualified motorsports facility (as defined in IC 5-1-17.5-14). The ownership of a permit issued under this subsection and the location for which the permit was issued shall not be transferred. If the commission issues two (2) new permits under this subsection, and a permit issued under this subsection is later revoked or is not renewed, the commission may issue another new permit, as long as the total number of active permits issued under this subsection does not exceed two (2) at any time. A permit holder and any lessee or proprietor of the permit premises are subject to the formal written commitment required under IC 7.1-3-19-17. Notwithstanding IC 7.1-3-1-3.5 and IC 7.1-3-1.1, if business operations cease at the permit premises for more than six (6) months, the permit shall revert to the commission. The permit holder is not entitled to any refund or other compensation.

SECTION 2. IC 7.1-3-20-16.1, AS AMENDED BY SEA 35-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16.1. (a) This section applies to a municipal riverfront development project authorized under section 16(d) of this chapter.

(b) In order to qualify for a permit, an applicant must demonstrate that the municipal riverfront development project area where the permit is to be located meets the following criteria:

(1) The project boundaries:

(A) must border on at least one (1) side of a river; **or**

(B) must border a lake that is:

(i) at least seven hundred and fifty (750) acres; and

(ii) completely within the boundaries of a municipality.

(2) The proposed permit premises may not be located more than:

(A) one thousand five hundred (1,500) feet; or

(B) three (3) city blocks;

from the river **or the lake,** whichever is greater. However, if the area adjacent to the river **or the lake** is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river **or the lake** that are capable of being developed.

(3) The permit premises are located within:

(A) an economic development area, a redevelopment project area, an urban renewal area, or a redevelopment area established under IC 36-7-14, IC 36-7-14.5, or IC 36-7-15.1;

(B) an economic development project district under IC 36-7-15.2 or IC 36-7-26; or

(C) a community revitalization enhancement district designated under IC 36-7-13-12.1.

(4) The project must be funded in part with state and city money.

(5) The boundaries of the municipal riverfront development project must be designated by ordinance or resolution by the legislative body (as defined in IC 36-1-2-9(3) or IC 36-1-2-9(4)) of the city in which the project is located.

(c) Proof of compliance with subsection (b) must consist of the following documentation, which is required at the time the permit application is filed with the commission:

(1) A detailed map showing:

(A) definite boundaries of the entire municipal riverfront development project; and

(B) the location of the proposed permit within the project.

(2) A copy of the local ordinance or resolution of the local governing body authorizing the municipal riverfront development project.

(3) Detailed information concerning the expenditures of state and city funds on the municipal riverfront development project.

(d) Notwithstanding subsection (b), the commission may issue a permit for premises, the location of which does not meet the criteria of subsection (b)(2), if all the following requirements are met:

(1) All other requirements of this section and section 16(d) of this chapter are satisfied.

(2) The proposed premises is located not more than:

(A) three thousand (3,000) feet; or

(B) six (6) blocks;

from the river **or the lake,** whichever is greater. However, if the area adjacent to the river **or the lake** is incapable of being developed because the area is in a floodplain, or for any other reason that prevents the area from being developed, the distances described in clauses (A) and (B) are measured from the city blocks located nearest to the river **or the lake** that are capable of being developed.

(3) The permit applicant satisfies the criteria established by the commission by rule adopted under IC 4-22-2. The criteria established by the commission may require that the proposed premises be located in an area or district set forth in subsection (b)(3).

(4) The permit premises may not be located less than two hundred (200) feet from facilities owned by a state educational institution.

(e) A permit may not be issued if the proposed permit premises is the location of an existing three-way permit subject to IC 7.1-3-22-3.

SECTION 3. IC 7.1-3-20-16.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 16.4. (a) If a holder of a permit issued under section 16(e)(2) of this chapter has an interest in a production facility permit for:**

(1) a brewery described in IC 7.1-3-2-7(5);

(2) a farm winery described in IC 7.1-3-12-3;

(3) an artisan distillery described in IC 7.1-3-27-2; or

(4) a combination of the entities described in subdivisions (1) through (3);

that is located on or adjacent to the premises for which the permit was issued under section 16(e)(2) of this chapter, notwithstanding 905 IAC 1-29-2 and 905 IAC 1-41-2(c), the holder of the permit may sell carryout beer, wine, or spirits manufactured at the entity described in subdivisions (1) through (3) in the general merchandising area on the restaurant premises and in a self-serving display. Minors may be allowed in the general merchandising area of the restaurant.

(b) If a holder of a permit issued under section 16(e)(2) of this chapter has an interest in a production facility permit for:

(1) a brewery described in IC 7.1-3-2-7(5);

(2) a farm winery described in IC 7.1-3-12-3;

(3) an artisan distillery described in IC 7.1-3-27-2; or

(4) a combination of the entities described in subdivisions (1) through (3);

that is located on or adjacent to the premises for which the permit was issued under section 16(e)(2) of this chapter, the holder of the permit may allow a minor to participate in a nondrinking tour of the production facilities on the premises if the minor is accompanied by an adult as provided in IC 7.1-5-7-11(a)(27), IC 7.1-5-7-11(a)(28), and IC 7.1-5-7-11(a)(29), and the tour does not include allowing tour participants to consume, taste, or sample alcoholic beverages.

SECTION 4. IC 7.1-3-20-29, AS ADDED BY P.L.285-2019, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) As used in this section, "food hall" means the premises:

(1) located within a retail shopping and food service district; and

(2) to which a master permit is issued under this section.

(b) As used in this section, "master permit" means a food hall master permit issued under this section.

(c) **Except as provided in subsection (d),** the commission may issue a master permit, which is a three-way retailer's permit for on premises consumption, to a food hall located in a retail shopping and food service district that meets the following requirements:

(1) The district consists of an area that:

(A) has been redeveloped, renovated, or environmentally remediated in part with grants from the federal, state, or local government under IC 36-7-11; and

(B) is entirely located within an incorporated city or town.

(2) The district consists of land and a building or group of buildings that are part of a common development.

(3) The district is located within a locally designated historic district under IC 36-7-11 established by a city or town ordinance.

(4) The district contains at least one (1) building that:

(A) is on the list of the National Register for Historic Places or qualifies as a historic building worthy of preservation under IC 36-7-11; and

(B) has been approved for present commercial use by the local historic preservation commission of the city or town.

(d) Subsection (c)(3) and (c)(4) does not apply to a food hall that:

(1) is located within a certified technology park established under IC 36-7-32; and

(2) operates within a previously vacant building that was, or within a complex of buildings that were:

(A) placed in service at least twenty-five (25) years prior to the redevelopment of the building or buildings; and

(B) owned by a unit of local government or a public charitable trust prior to redevelopment.

~~(d)~~ **(e)** The commission may issue a master permit to the owner or developer of a food hall. The food hall constitutes a single permit premises that:

(1) contains not less than seven (7) distinct, nonaffiliated

retail food and beverage vendors, each of which may apply for a food hall vendor permit under section 30 of this chapter; and

(2) has a seating capacity of the type traditionally designed for food and drink for at least one hundred (100) people.

~~(c)~~ **(f)** An applicant for a master permit shall post notice and appear in front of the local board in which the permit premises is situated. The local board shall determine the eligibility of the applicant under this section and hear evidence in support of or against the master permit location. A master permit may not be transferred to a location outside the food hall permit premises. A permit that is inactive for more than six (6) months shall revert back to the commission or may be deposited with the commission under IC 7.1-3-1.1 with the commission's permission.

~~(f)~~ **(g)** A master permit authorized by this section may be issued without regard to the proximity provisions of IC 7.1-3-21-11 or the quota provisions of IC 7.1-3-22.

SECTION 5. IC 7.1-5-7-11, AS AMENDED BY P.L.285-2019, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) The provisions of sections 9 and 10 of this chapter shall not apply if the public place involved is one (1) of the following:

(1) Civic center.
(2) Convention center.
(3) Sports arena.
(4) Bowling center.
(5) Bona fide club.
(6) Drug store.
(7) Grocery store.
(8) Boat.
(9) Dining car.
(10) Pullman car.
(11) Club car.
(12) Passenger airplane.
(13) Horse racetrack facility holding a recognized meeting permit under IC 4-31-5.
(14) Satellite facility (as defined in IC 4-31-2-20.5).
(15) Catering hall under IC 7.1-3-20-24 that is not open to the public.
(16) That part of a restaurant which is separate from a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink.
(17) Entertainment complex.
(18) Indoor golf facility.
(19) A recreational facility such as a golf course, bowling center, or similar facility that has the recreational activity and not the sale of food and beverages as the principal purpose or function of the person's business.
(20) A licensed premises owned or operated by a postsecondary educational institution described in IC 21-17-6-1.
(21) An automobile racetrack.
(22) An indoor theater under IC 7.1-3-20-26.
(23) A senior residence facility campus (as defined in IC 7.1-3-1-29(c)) at which alcoholic beverages are given or furnished as provided under IC 7.1-3-1-29.
(24) A hotel other than a part of a hotel that is a room in a restaurant in which a bar is located over which alcoholic beverages are sold or dispensed by the drink.
(25) The location of an allowable event to which IC 7.1-3-6.1 applies.
(26) The location of a charity auction to which IC 7.1-3-6.2 applies.
(27) A tour of a brewery as provided in IC 7.1-3-20-16.4, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.
~~(27)~~ **(28)** A farm winery and any additional locations of the farm winery under IC 7.1-3-12, if the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age and the minor is accompanied by the adult in any area that the adult may be present whether or not the area:

(A) is separated in any manner from where the wine is manufactured, sold, or consumed within the farm winery premises; or
(B) operates under a retailer's permit.

~~(28)~~ **(29)** An artisan distillery under IC 7.1-3-27, if:

(A) the person who holds the artisan distiller's permit also holds a farm winery permit under IC 7.1-3-12, **or IC 7.1-3-20-16.4(a) applies to the person;** and
(B) the minor is in the company of a parent, legal guardian or custodian, or family member who is at least twenty-one (21) years of age.

~~(29)~~ **(30)** An art instruction studio under IC 7.1-5-8-4.6.
~~(30)~~ **(31)** The licensed premises of a food hall under IC 7.1-3-20-29 and the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30. However, sections 9 and 10 of this chapter apply to a bar within the food and beverage vending space of a food hall vendor permittee under IC 7.1-3-20-30 that serves alcoholic beverages intended to be consumed while sitting or standing at the bar.

(b) For the purpose of this subsection, "food" means meals prepared on the licensed premises. It is lawful for a minor to be on licensed premises in a room in which is located a bar over which alcoholic beverages are sold or dispensed by the drink if all the following conditions are met:

(1) The minor is eighteen (18) years of age or older.
(2) The minor is in the company of a parent, guardian, or family member who is twenty-one (21) years of age or older.
(3) The purpose for being on the licensed premises is the consumption of food and not the consumption of alcoholic beverages.

SECTION 6. **An emergency is declared for this act.**

(Reference is to ESB 310 as reprinted April 13, 2021.)

CHARBONNEAU	SMALTZ
NIEZGODSKI	MOED
Senate Conferees	House Conferees

Roll Call 504: yeas 91, nays 6. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 383–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 383 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-31-9-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. (a) At the close of each day on which pari-mutuel wagering is conducted at a racetrack or satellite facility, the permit holder or satellite facility operator shall pay the breakage from each of the races on which wagers were taken on that day to the ~~auditor of state~~ **department of state revenue** for deposit in the appropriate breed development fund as determined by the rules of the commission.

(b) Not later than March 15 of each year, each permit holder or satellite facility operator shall pay to the commission the balance of the outs tickets from the previous calendar year. The

commission shall distribute money received under this subsection to the appropriate breed development fund as determined by the rules of the commission.

SECTION 2. IC 6-2.3-6-1, AS AMENDED BY P.L.211-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) Except as provided in subsections (c) through (e), a taxpayer shall file utility receipts tax returns with, and pay the taxpayer's utility receipts tax liability to, the department by the due date of the estimated return. A taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's estimated utility receipts tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer uses a taxable year which does not end on December 31, the due dates for filing estimated utility receipts tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year.

(b) With each return filed, with each payment by cashier's check, certified check, or money order delivered in person or by overnight courier, and with each electronic funds transfer made, a taxpayer shall pay to the department twenty-five percent (25%) of the estimated or the exact amount of utility receipts tax that is due.

(c) If a taxpayer's estimated annual utility receipts tax liability does not exceed two thousand five hundred dollars ($2,500), the taxpayer is not required to file an estimated utility receipts tax return.

(d) If the department determines that a taxpayer's:

(1) estimated quarterly utility receipts tax liability for the current year; or

(2) average estimated quarterly utility receipts tax liability for the preceding year;

exceeds five thousand dollars ($5,000), the taxpayer shall pay the estimated utility receipts taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(e) If a taxpayer's utility receipts tax payment is made by electronic funds transfer, the taxpayer is not required to file an estimated utility receipts tax return.

(f) The penalty **in the amount** prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on taxpayers failing to make payments as required in subsection (b) or (d). However, a penalty may not be assessed as to any estimated payments of utility receipts tax that equal or exceed:

(1) twenty percent (20%) of the final tax liability for the taxable year; or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

In addition, the penalty as to any underpayment of tax on an estimated return shall be assessed only on the difference between the actual amount paid by the taxpayer on the estimated return and ~~twenty-five percent (25%) of the taxpayers's final utility receipts tax liability for the taxable year.~~ **the lesser of the amounts under subdivision (1) or (2). A payment required to be made in the manner prescribed in subsection (d), but not paid in such a prescribed manner, shall be subject to the penalty provided in IC 6-8.1-10-2.1(b)(5).**

SECTION 3. IC 6-2.5-1-5, AS AMENDED BY P.L.146-2020, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (b), "gross retail income" means the total amount of consideration, including cash, credit, property, and services, for which tangible personal property is sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for:

(1) the seller's cost of the property sold;

(2) the cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

(3) charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

(4) delivery charges; or

(5) consideration received by the seller from a third party if:

(A) the seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;

(B) the seller has an obligation to pass the price reduction or discount through to the purchaser;

(C) the amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and

(D) the price reduction or discount is identified as a third party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate, or other documentation presented by the purchaser.

For purposes of subdivision (4), delivery charges are charges by the seller for preparation and delivery of the property to a location designated by the purchaser of property, including but not limited to transportation, shipping, postage charges that are not separately stated on the invoice, bill of sale, or similar document, handling, crating, and packing. Delivery charges do not include postage charges that are separately stated on the invoice, bill of sale, or similar document.

(b) "Gross retail income" does not include that part of the gross receipts attributable to:

(1) the value of any tangible personal property received in a like kind exchange in the retail transaction, if the value of the property given in exchange is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(2) the receipts received in a retail transaction which constitute interest, finance charges, or insurance premiums on either a promissory note or an installment sales contract;

(3) discounts, including cash, terms, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

(4) interest, financing, and carrying charges from credit extended on the sale of personal property if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(5) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser, including an excise tax imposed under IC 6-6-15;

(6) installation charges that are separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(7) telecommunications nonrecurring charges;

(8) postage charges that are separately stated on the invoice, bill of sale, or similar document; or

(9) charges for serving or delivering food and food ingredients furnished, prepared, or served for consumption at a location, or on equipment, provided by the retail merchant, to the extent that the charges for the serving or delivery are stated separately from the price of the food and food ingredients when the purchaser pays the charges.

(c) Notwithstanding subsection (b)(5):

(1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income is the total sales price of the special fuel minus the part of that price attributable to tax imposed under IC 6-6-2.5 or Section 4041 or Section 4081 of the Internal Revenue Code; and

(2) in the case of retail sales of cigarettes (as defined in IC 6-7-1-2), the gross retail income is the total sales price of the cigarettes including the tax imposed under IC 6-7-1.

(d) Gross retail income is only taxable under this article to the extent that the income represents:

(1) the price of the property transferred, without the rendition of any services; and

(2) except as provided in subsection (b), any bona fide ~~charges~~ **charges** which are made for preparation, fabrication, alteration, modification, finishing, completion, delivery, or other service performed in respect to the property transferred before its transfer and which are separately stated on the transferor's records. For purposes of this subdivision, a transfer is considered to have occurred after the delivery of the property to the purchaser.

(e) A public utility's or a power subsidiary's gross retail income includes all gross retail income received by the public utility or power subsidiary, including any minimum charge, flat charge, membership fee, or any other form of charge or billing.

SECTION 4. IC 6-2.5-5-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2021 (RETROACTIVE)]: **Sec. 10.5. (a) Transactions occurring on or after May 1, 2021, involving tangible personal property are exempt from the state gross retail tax, if:**

(1) the property is classified as a utility scale battery energy storage system as defined in subsection (b);

(2) the person acquiring the property is:

(A) a public utility that furnishes or sells electrical energy; or

(B) a power subsidiary (as defined in IC 6-2.5-4-5(a)) that furnishes or sells electrical energy to a public utility described in clause (A); and

(3) the person acquiring the property uses the property to store electrical energy in-front of the customer's meter.

(b) As used in this section, a "utility scale battery energy storage system" means a system capable of storing and releasing greater than 1MW of electrical energy for a minimum of one (1) hour utilizing an AC inverter and DC storage, or equipment which receives, stores, and delivers energy using batteries, compressed air, pumped hydropower, hydrogen storage (including hydrolysis), thermal energy storage, regenerative fuel cells, flywheels, capacitors, and superconducting magnets, but does not include foundations or property used to directly or indirectly connect the AC inverter or DC storage of such system to electrical energy production equipment or the customer's meter.

SECTION 5. IC 6-2.5-5-55 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 55. (a) As used in this section, "public safety equipment and materials" means equipment and materials used at the site of a public works project or projects that directly contribute to the safety of the general public or workers of the public works project or serve to inform them of the associated dangers. The term includes:**

(1) concrete or metal barriers;

(2) barrels;

(3) barricades;

(4) temporary pavement markings;

(5) materials to construct temporary traffic lanes, roads, and bridges;

(6) erosion control and drainage materials;

(7) aggregates used to set grades;

(8) cones;

(9) rumble strips;

(10) temporary curbs or speed bumps; and

(11) static and electronic signage and signals.

The term does not include hard hats, safety glasses, safety vests, pest control, or other personal protective equipment used or worn by employees of the construction contractor or subcontractors.

(b) Transactions involving public safety equipment and materials are exempt from the state gross retail tax if the equipment or material is predominately used by the purchaser to protect the general public and workers during the purchaser's performance of public works construction or maintenance. However, transactions involving hard hats, safety glasses, safety vests, pest control, or other personal protective equipment used or worn by employees of the construction contractor or subcontractors are not exempt from the state gross retail tax under this section.

SECTION 6. IC 6-2.5-6-1, AS AMENDED BY P.L.137-2012, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) Except as otherwise provided in this section, each person liable for collecting the state gross retail or use tax shall file a return for each calendar month and pay the state gross retail and use taxes that the person collects during that month. A person shall file the person's return for a particular month with the department and make the person's tax payment for that month to the department not more than thirty (30) days after the end of that month, if that person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year did not exceed one thousand dollars ($1,000). If a person's average monthly liability for collections of state gross retail and use taxes under this section as determined by the department for the preceding calendar year exceeded one thousand dollars ($1,000), that person shall file the person's return for a particular month and make the person's tax payment for that month to the department not more than twenty (20) days after the end of that month.

(b) Instead of the twelve (12) monthly reporting periods required by subsection (a), the department may permit a person to divide a year into a different number of reporting periods. The return and payment for each reporting period is due not more than twenty (20) days after the end of the period.

(c) Instead of the reporting periods required under subsection (a), the department may permit a retail merchant to report and pay the merchant's state gross retail and use taxes for a period covering a calendar year, if the retail merchant's state gross retail and use tax liability in the previous calendar year does not exceed one thousand dollars ($1,000). A retail merchant using a reporting period allowed under this subsection must file the merchant's return and pay the merchant's tax for a reporting period not later than the last day of the month immediately following the close of that reporting period.

(d) If a retail merchant reports the merchant's adjusted gross income tax, or the tax the merchant pays in place of the adjusted gross income tax, over a fiscal year not corresponding to the calendar year, the merchant may, without prior departmental approval, report and pay the merchant's state gross retail and use taxes over the merchant's fiscal year that corresponds to the calendar year the merchant is permitted to use under subsection (c). However, the department may, at any time, require the retail merchant to stop using the fiscal reporting period.

~~(e) If the department determines that a person's:~~

~~(1) estimated monthly gross retail and use tax liability for the current year; or~~

~~(2) average monthly gross retail and use tax liability for the preceding year;~~

~~exceeds five thousand dollars ($5,000), the person shall pay the monthly gross retail and use taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified~~

~~check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.~~

~~(f)~~ **(e)** A retail merchant shall report and remit state gross retail and use taxes through the department's online tax filing program.

~~(g)~~ **(f)** A person:

(1) who has voluntarily registered as a seller under the Streamlined Sales and Use Tax Agreement;

(2) who is not a Model 1, Model 2, or Model 3 seller (as defined in the Streamlined Sales and Use Tax Agreement); and

(3) whose liability for collections of state gross retail and use taxes under this section for the preceding calendar year as determined by the department does not exceed one thousand dollars ($1,000);

is not required to file a monthly gross retail and use tax return.

SECTION 7. IC 6-2.5-8-8, AS AMENDED BY P.L.242-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) A person, authorized under subsection (b), who makes a purchase in a transaction which is exempt from the state gross retail and use taxes, may issue an exemption certificate to the seller instead of paying the tax. The person shall issue the certificate on forms and in the manner prescribed by the department. A seller accepting a proper exemption certificate under this section has no duty to collect or remit the state gross retail or use tax on that purchase.

(b) The following are the only persons authorized to issue exemption certificates:

(1) Retail merchants, wholesalers, and manufacturers, who are registered with the department under this chapter.

(2) Organizations which are exempt from the state gross retail tax under IC 6-2.5-5-21, IC 6-2.5-5-25, or IC 6-2.5-5-26 and which are registered with the department under this chapter.

(3) Persons who are exempt from the state gross retail tax under IC 6-2.5-4-5 and who receive an exemption certificate from the department.

(4) Other persons who are exempt from the state gross retail tax with respect to any part of their purchases.

(c) The department may also allow a person to issue a blanket exemption certificate to cover exempt purchases over a stated period of time. The department may impose conditions on the use of the blanket exemption certificate and restrictions on the kind or category of purchases that are exempt.

(d) A seller that accepts an incomplete exemption certificate under subsection (a) is not relieved of the duty to collect gross retail or use tax on the sale unless the seller obtains:

(1) a fully completed exemption certificate; or

(2) the relevant data to complete the exemption certificate;

within ninety (90) days after the sale.

(e) If a seller has accepted an incomplete exemption certificate under subsection (a) and the department requests that the seller substantiate the exemption, within one hundred twenty (120) days after the department makes the request the seller shall:

(1) obtain a fully completed exemption certificate; or

(2) prove by other means that the transaction was not subject to state gross retail or use tax.

(f) A power subsidiary (as defined in IC 6-2.5-4-5) or a person selling the services or commodities listed in IC 6-2.5-4-5(b) who accepts an exemption certificate issued by the department to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 is relieved from the duty to collect state gross retail or use tax on the sale of the services or commodities listed in IC 6-2.5-4-5(b) until notified by the department that the exemption certificate has expired or has been revoked. If the department notifies a power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b) that a person's exemption certificate has expired or has been revoked, the power subsidiary or person selling the services or commodities listed in IC 6-2.5-4-5(b) shall begin collecting state gross retail tax on the sale of the services or commodities listed in IC 6-2.5-4-5(b) to the person whose exemption certificate has expired or been revoked not later than thirty (30) days after the date of the department's notice. An exemption certificate issued by the department to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 remains valid for that person regardless of any subsequent one (1) for one (1) meter number changes with respect to that person that are required, made, or initiated by a power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b), **unless the department revokes the exemption certificate.** Within thirty (30) days after the final day of each calendar year quarter, a power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b) shall report to the department any meter number changes made during the immediately preceding calendar year quarter and distinguish between the one (1) for one (1) meter changes and the one (1) for multiple meter changes made during the calendar year quarter. **A power subsidiary or a person selling the services or commodities listed in IC 6-2.5-4-5(b) shall maintain records sufficient to document each one (1) to one (1) meter change. A person may request the department to reissue an exemption certificate with a new meter number in the event of a one (1) to one (1) meter change.** Except for a person to whom a blanket utility exemption applies, any meter number changes not involving a one (1) to one (1) relationship will no longer be exempt and will require the person to submit a new utility exemption application for the new meters. Until an application for a new meter is approved, the new meter is subject to the state gross retail tax and the power subsidiary or the person selling the services or commodities listed in IC 6-2.5-4-5(b) is required to collect the state gross retail tax from the date of the meter change.

SECTION 8. IC 6-3-1-3.5, AS AMENDED BY P.L.146-2020, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 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) 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 federal 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). In the case of a married individual filing a separate return, the qualifying income amount in this clause is equal to twenty thousand dollars ($20,000).

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 if the taxpayer and the taxpayer's spouse file a joint income tax return or the taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

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

(A) two thousand five hundred dollars ($2,500), or one thousand two hundred fifty dollars ($1,250) in the case of a married individual filing a separate return; 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code.

(24) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(25) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(26) 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Add to the extent required by IC 6-3-2-20:

(A) the amount of intangible 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; and

(B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the corporation's adjusted gross income (determined without regard to this subdivision). For purposes of this clause, any directly related interest expense that constitutes business interest within the meaning of Section 163(j) of the Internal Revenue Code shall be considered to have reduced the taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(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).

(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.

(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.

(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) For taxable years beginning after December 25, 2016:

(A) for a corporation other than a real estate investment trust, add:

(i) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(ii) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(B) for a real estate investment trust, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code, but only to the extent that the taxpayer included income pursuant to Section 965 of the Internal Revenue Code in its taxable income for federal income tax purposes or is required to add back dividends paid under subdivision (9).

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

(15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(16) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(17) 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) 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 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the

Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

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

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) 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.

(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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions

under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

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

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) 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) 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add an amount equal to:

(A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(C) with regard to any amounts of income under Section 965 of the Internal Revenue Code distributed by the taxpayer, the deduction under Section 965(c) of the Internal Revenue Code attributable to such distributed amounts and not reported to the beneficiary.

For purposes of this article, the amount required to be added back under clause (B) is not considered to be distributed or distributable to a beneficiary of the estate or trust for purposes of Sections 651 and 661 of the Internal Revenue Code.

(10) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(11) 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.

(12) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(13) 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)(26), (b)(17), (d)(16), (e)(16), or (f)(13) 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 taxable years beginning after December 25, 2016, if:

(1) a taxpayer is a shareholder, either directly or indirectly, in a corporation that is an E&P deficit foreign corporation as defined in Section 965(b)(3)(B) of the Internal Revenue Code, and the earnings and profit deficit, or a portion of the earnings and profit deficit, of the E&P deficit foreign corporation is permitted to reduce the federal adjusted gross income or federal taxable income of the taxpayer, the deficit, or the portion of the deficit, shall also reduce the amount taxable under this section to the extent permitted under the Internal Revenue Code, however, in no case shall this permit a reduction in the amount taxable under Section 965 of the Internal Revenue Code for purposes of this section to be less than zero (0); and

(2) the Internal Revenue Service issues guidance that such an income or deduction is not reported directly on a federal tax return or is to be reported in a manner different than specified in this section, this section shall be construed as if federal adjusted gross income or federal taxable income included the income or deduction.

(i) If a partner is required to include an item of income, a deduction, or another tax attribute in the partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether such item is actually required to be reported by the partner for federal income tax purposes. For purposes of this subsection:

(1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included in the partner's adjusted gross income or taxable income; and

(2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall be included in the partner's adjusted gross income or taxable income.

SECTION 9. IC 6-3-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 19. (a) The term "partnership" ~~includes a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this chapter, a corporation or a trust or an estate. The term also includes a limited liability company that is treated as a partnership for federal income tax purposes.~~ **means an entity subject to the requirements of Subchapter K of the Internal Revenue Code.**

(b) The term "partner" means a member of a partnership.

SECTION 10. IC 6-3-1-35, AS ADDED BY P.L.182-2009(ss), SECTION 190, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 35. As used in this article, "pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a trust;

(4) an estate;

~~(4)~~ **(5)** a limited liability company; or

~~(5)~~ **(6)** a limited liability partnership.

SECTION 11. IC 6-3-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 3. (a) Whenever a resident person has become liable for tax to another state upon all or any part of ~~his~~ **the person's** income for a taxable year derived from sources without this state and subject to taxation under IC 6-3-2, the amount of tax paid by ~~him~~ **the person** to the other state shall be credited against the amount of the tax payable by ~~him.~~ **the person.** Such credit shall be allowed upon the production to the department of satisfactory evidence of the fact of such payment, except that such application for credit shall not operate to reduce the tax payable under IC 6-3-2 to an amount less than would have been payable were the income from the other state ignored. The credit provided for by this subsection shall not be

granted to a taxpayer when the laws of the other state, under which the adjusted gross income in question is subject to taxation, provides for a credit to the taxpayer substantially similar to that granted by subsection (b).

(b) Whenever a nonresident person has become liable for tax to the state where ~~he~~ **the person** resides upon ~~his~~ **the person's** income for the taxable year derived from sources within this state and subject to taxation under IC 6-3-2, the proportion of tax paid by ~~him~~ **the person** to the state where ~~he~~ **the person** resides that ~~his~~ **the person's** income subject to taxation under IC 6-3-2 bears to ~~his~~ **the person's** income upon which the tax so payable to the other state was imposed shall be credited against the tax payable by ~~him~~ **the person** under IC 6-3-2, but only if the laws of the other state grant a substantially similar credit to residents of this state subject to income tax under the laws of such other state, or impose a tax upon the income of its residents derived from sources in this state and exempt from taxation the income of residents of this state. No credit shall be allowed against the amount of the tax on any adjusted gross income taxable under IC 6-3-2 that is exempt from taxation under the laws of the other state.

(c) Notwithstanding subsection (a), if a resident person will be liable for income tax to a foreign country upon the person's income included under the Internal Revenue Code, the income is considered from sources outside the United States under the Internal Revenue Code, and the income is included in the person's Indiana adjusted gross income due solely to an acceleration of the income inclusion for federal income tax purposes, the person may claim the credit allowable under this section by providing evidence to the department of the following:

(1) The foreign country in which the income is subject to tax.

(2) The amount of income included in Indiana adjusted gross income that is derived from the foreign country.

(3) The amount of tax that will be imposed in the foreign country upon the individual's realization of the income under the laws of the foreign country, including any withholding tax or composite tax.

(4) Any other information required by the department.

The department may impose limitations and conditions on the claim under this subsection, including reporting requirements on the part of the person and extensions of statutes of limitations under IC 6-8.1-5-2.

SECTION 12. IC 6-3-4-4.1, AS AMENDED BY P.L.197-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4.1. (a) Any individual required by the Internal Revenue Code **or this section** to file estimated tax returns and to make payments on account of such estimated tax shall file estimated tax returns and make payments of the tax imposed by this article to the department at the time or times and in the installments as provided by Section 6654 of the Internal Revenue Code. However, the following apply to estimated tax returns filed and payments made under this subsection:

(1) In applying Section 6654 of the Internal Revenue Code for the purposes of this article, "estimated tax" means the amount which the individual estimates as **the sum of** the amount of the adjusted gross income tax imposed by this article for the taxable year **and the sum of the amount of local income tax under IC 6-3.6,** minus the amount which the individual estimates as the sum of any credits against the tax provided by IC 6-3-3, **IC 6-3.1, and IC 6-3.6, other than the amounts of tax withheld under this chapter.**

(2) Estimated tax for a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) must be computed by applying not more than one (1) exclusion under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4), regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year.

(b) Every individual who has adjusted gross income subject to the tax imposed by this article and from which tax is not withheld under the requirements of ~~section 8 of~~ this chapter shall make a declaration of estimated tax for the taxable year. However, no such declaration shall be required if the estimated tax can reasonably be expected to be less than one thousand dollars ($1,000). In the case of an underpayment of the estimated tax as provided in Section 6654 of the Internal Revenue Code, there shall be added to the tax a penalty in an amount prescribed by IC 6-8.1-10-2.1(b).

(c) Every corporation subject to the adjusted gross income tax liability imposed by this article shall be required to report and pay an estimated tax equal to the lesser of:

(1) twenty-five percent (25%) of such corporation's estimated adjusted gross income tax liability for the taxable year; or

(2) the annualized income installment calculated in the manner provided by Section 6655(e) of the Internal Revenue Code as applied to the corporation's liability for adjusted gross income tax.

A taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's estimated adjusted gross income tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer uses a taxable year that does not end on December 31, the due dates for filing estimated adjusted gross income tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year. The department shall prescribe the manner and forms for such reporting and payment.

(d) The penalty **in the amount** prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on corporations failing to make payments as required in subsection (c) or (f). However, no penalty shall be assessed as to any estimated payments of adjusted gross income tax which equal or exceed:

(1) the ~~annualized income installment~~ **amount** calculated under subsection (c); or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

In addition, the penalty as to any underpayment of tax on an estimated return shall only be assessed on the difference between the actual amount paid by the corporation on such estimated return and twenty-five percent (25%) of the corporation's final adjusted gross income tax liability for such taxable year. **A payment required to be made in the manner prescribed in subsection (f), but not paid in such a prescribed manner, shall be subject to the penalty provided in IC 6-8.1-10-2.1(b)(5).**

(e) The provisions of subsection (c) requiring the reporting and estimated payment of adjusted gross income tax shall be applicable only to corporations having an adjusted gross income tax liability which, after application of the credit allowed by IC 6-3-3-2 (repealed), shall exceed two thousand five hundred dollars ($2,500) for its taxable year.

(f) If the department determines that a corporation's:

(1) estimated quarterly adjusted gross income tax liability for the current year; or

(2) average estimated quarterly adjusted gross income tax liability for the preceding year;

exceeds five thousand dollars ($5,000), after the credit allowed by IC 6-3-3-2 (repealed), the corporation shall pay the estimated adjusted gross income taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or overnight by courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.

(g) If a corporation's adjusted gross income tax payment is

made by electronic funds transfer, the corporation is not required to file an estimated adjusted gross income tax return.

(h) An individual filing an estimated tax return and making an estimated tax payment under this section must designate:

(1) the portion of the estimated tax payment that represents estimated state adjusted gross income tax liability; and

(2) the portion of the estimated tax payment that represents estimated local income tax liability under IC 6-3.6.

The department shall adopt guidelines and issue instructions as necessary to assist individuals in making the designations required by this subsection.

(i) For a corporation required to make estimated payments under this section:

(1) if a corporation has a current taxable year or a previous taxable year that is less than twelve (12) months, the penalty under this section shall be computed in a manner consistent with Section 6655 of the Internal Revenue Code, including regulations promulgated thereunder; and

(2) the department may adopt rules or issue guidelines related to the application of payments withheld on behalf of the corporation under this chapter or IC 6-5.5-2-8.

SECTION 13. IC 6-3-4-6, AS AMENDED BY P.L.242-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) Any taxpayer, upon request by the department, shall furnish to the department a true and correct copy of any tax return which the taxpayer has filed with the United States Internal Revenue Service which copy shall be certified to by the taxpayer under penalties of perjury.

(b) Each taxpayer shall notify the department of any modification as provided in subsection (c) of:

(1) a federal income tax return filed by the taxpayer after January 1, 1978; or

(2) the taxpayer's federal income tax liability for a taxable year which begins after December 31, 1977.

The taxpayer shall file the notice on the form prescribed by the department within one hundred twenty (120) days after the modification is made if the modification was made before January 1, 2011, and one hundred eighty (180) days after the modification is made if the modification is made after December 31, 2010.

(c) For purposes of subsection (b), a modification occurs on the date on which a:

(1) taxpayer files an amended federal income tax return;

(2) final determination is made concerning an assessment of deficiency;

(3) final determination is made concerning a claim for a refund;

(4) taxpayer waives the restrictions on assessment and collection of all, or any part, of an underpayment of federal income tax by signing a federal Form 870, or any other Form prescribed by the Internal Revenue Service for that purpose. For purposes of this subdivision:

(A) a final determination does not occur with respect to any part of the underpayment that is not covered by the waiver; and

(B) if the signature of an authorized representative of the Internal Revenue Service is required to execute a waiver, the date of the final determination is the date of signing by the authorized representative of the Internal Revenue Service **or by the taxpayer, whichever is later;**

(5) taxpayer enters into a closing agreement with the Internal Revenue Service concerning the taxpayer's tax liability under Section 7121 of the Internal Revenue Code that is a final determination. The date the taxpayer enters into a closing agreement under this subdivision is the date the closing agreement is signed by an authorized representative of the Internal Revenue Service **or by the taxpayer, whichever is later;** or

(6) modification or alteration in an amount of tax, **adjusted gross income, taxable income, credit, or other tax attribute** is otherwise made that is a final determination;

for a taxable year, regardless of whether a modification results in an underpayment or overpayment of tax. **In the case of a taxpayer that files a consolidated return under section 14 of this chapter or either files or is required to be included by the department in a combined return under IC 6-3-2-2, the date on which the alteration or modification is made shall be considered to be the last day on which an alteration or modification occurs for any entity filing as part of the consolidated or combined return.**

(d) For purposes of subsection (c)(2) through (c)(6), a final determination means an action or decision by a taxpayer, the Internal Revenue Service (including the Appeals Division), the United States Tax Court, or any other United States federal court concerning any disputed tax issue that:

(1) is final and conclusive; and

(2) cannot be reopened or appealed by a taxpayer or the Internal Revenue Service as a matter of law.

(e) If the federal modification results in a change in the taxpayer's federal or Indiana adjusted gross income, the taxpayer shall file an Indiana amended return within one hundred twenty (120) days after the modification is made if the modification was made before January 1, 2011, and one hundred eighty (180) days after the modification is made if the modification is made after December 31, 2010.

SECTION 14. IC 6-3-4-8, AS AMENDED BY P.L.197-2016, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) Except as provided in subsection (d), every employer making payments of wages subject to tax under this article, regardless of the place where such payment is made, who is required under the provisions of the Internal Revenue Code to withhold, collect, and pay over income tax on wages paid by such employer to such employee, shall, at the time of payment of such wages, deduct and retain therefrom the amount prescribed in withholding instructions issued by the department. The department shall base its withholding instructions on the adjusted gross income tax rate for persons, on the total local income tax rate that the taxpayer is subject to under IC 6-3.6, and on the total amount of exclusions the taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4). However, the withholding instructions on the adjusted gross income of a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) are to be based on applying not more than one (1) withholding exclusion, regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year. Such employer making payments of any wages:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and withheld under this section and shall not be liable to any individual for the amount deducted from the individual's wages and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly of the amount of tax which under this article and IC 6-3.6 the employer is required to withhold.

(b) An employer shall pay taxes withheld under subsection (a) during a particular month to the department no later than thirty (30) days after the end of that month. However, in place of monthly reporting periods, the department may permit an employer to report and pay the tax for a calendar year reporting period, if the average monthly amount of all tax required to be withheld by the employer in the previous calendar year does not exceed one thousand dollars ($1,000). An employer using a

reporting period (other than a monthly reporting period) must file the employer's return and pay the tax for a reporting period no later than the last day of the month immediately following the close of the reporting period.

(c) For purposes of determining whether an employee is subject to taxation under IC 6-3.6, an employer is entitled to rely on the statement of an employee as to the employee's county of residence as represented by the statement of address in forms claiming exemptions for purposes of withholding, regardless of when the employee supplied the forms. Every employee shall notify the employee's employer within five (5) days after any change in the employee's county of residence.

(d) A county that makes payments of wages subject to tax under this article:

(1) to a precinct election officer (as defined in IC 3-5-2-40.1); and

(2) for the performance of the duties of the precinct election officer imposed by IC 3 that are performed on election day;

is not required, at the time of payment of the wages, to deduct and retain from the wages the amount prescribed in withholding instructions issued by the department.

(e) Every employer shall, at the time of each payment made by the employer to the department, deliver to the department a return upon the form prescribed by the department showing, **with regard to wages paid to the employer's employees:**

~~(1) the total amount of wages paid to the employer's employees;~~

~~(2) the amount deducted therefrom in accordance with the provisions of the Internal Revenue Code;~~

~~(3)~~ **(1)** the amount of adjusted gross income tax deducted therefrom in accordance with the provisions of this section;

~~(4)~~ **(2)** the amount of income tax, if any, imposed under IC 6-3.6 and deducted therefrom in accordance with this section; and

~~(5)~~ **(3)** any other information the department may require.

Every employer making a declaration of withholding as provided in this section shall furnish the employer's employees annually, but not later than thirty (30) days after the end of the calendar year, a record of the total amount of adjusted gross income tax and the amount of each income tax, if any, imposed under IC 6-3.6, withheld from the employees, on the forms prescribed by the department. In addition, the employer shall file Form WH-3 annual withholding tax reports with the department not later than thirty-one (31) days after the end of the calendar year.

(f) All money deducted and withheld by an employer shall immediately upon such deduction be the money of the state, and every employer who deducts and retains any amount of money under the provisions of this article shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in this article. Any employer may be required to post a surety bond in the sum the department determines to be appropriate to protect the state with respect to money withheld pursuant to this section.

(g) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to employers subject to the provisions of this section, and for these purposes any amount deducted or required to be deducted and remitted to the department under this section shall be considered to be the tax of the employer, and with respect to such amount the employer shall be considered the taxpayer. In the case of a corporate or partnership employer, every officer, employee, or member of such employer, who, as such officer, employee, or member is under a duty to deduct and remit such taxes, shall be personally liable for such taxes, penalties, and interest.

(h) Amounts deducted from wages of an employee during any calendar year in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such employee for the employee's taxable year which begins in such calendar year, and a return made by the employer under subsection (b) shall be accepted by the department as evidence in favor of the employee of the amount so deducted from the employee's wages. Where the total amount so deducted exceeds the amount of tax on the employee as computed under this article and IC 6-3.6, the department shall, after examining the return or returns filed by the employee in accordance with this article and IC 6-3.6, refund the amount of the excess deduction. However, under rules promulgated by the department, the excess or any part thereof may be applied to any taxes or other claim due from the taxpayer to the state of Indiana or any subdivision thereof. In the event that the excess tax deducted is less than one dollar ($1), no refund shall be made.

(i) This section shall in no way relieve any taxpayer from the taxpayer's obligation of filing a return or returns at the time required under this article and IC 6-3.6, and, should the amount withheld under the provisions of this section be insufficient to pay the total tax of such taxpayer, such unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(j) Notwithstanding subsection (b), an employer of a domestic service employee that enters into an agreement with the domestic service employee to withhold federal income tax under Section 3402 of the Internal Revenue Code may withhold Indiana income tax on the domestic service employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(k) To the extent allowed by Section 1137 of the Social Security Act, an employer of a domestic service employee may report and remit state unemployment insurance contributions on the employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(l) A person who knowingly fails to remit trust fund money as set forth in this section commits a Level 6 felony.

SECTION 15. IC 6-3-4-8.1, AS AMENDED BY SEA 234-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8.1. (a) Any entity that is required to file a monthly return and make a monthly remittance of taxes under sections 8, 12, 13, and 15 of this chapter shall file those returns and make those remittances twenty (20) days (rather than thirty (30) days) after the end of each month for which those returns and remittances are filed, if that entity's average monthly remittance for the immediately preceding calendar year exceeds one thousand dollars ($1,000).

(b) The department may require any entity to make the entity's monthly remittance and file the entity's monthly return twenty (20) days (rather than thirty (30) days) after the end of each month for which a return and payment are made if the department estimates that the entity's average monthly payment for the current calendar year will exceed one thousand dollars ($1,000).

(c) If the department determines that a withholding agent is not withholding, reporting, or remitting an amount of tax in accordance with this chapter, the department may require the withholding agent:

(1) to make periodic deposits during the reporting period; and

(2) to file an informational return with each periodic deposit.

~~(d) If the department determines that an entity's:~~

~~(1) estimated monthly withholding tax remittance for the current year; or~~

~~(2) average monthly withholding tax remittance for the preceding year;~~

~~exceeds five thousand dollars ($5,000), the entity shall remit the monthly withholding taxes due by electronic fund transfer (as defined in IC 4-8.1-2-7) or by delivering in person or by overnight courier a payment by cashier's check, certified check,~~

~~or money order to the department. The transfer or payment shall be made on or before the date the remittance is due.~~

~~(c)~~ **(d)** An entity that withholds taxes shall file the withholding tax report and remit withholding taxes electronically through the department's online tax filing program.

~~(f)~~ **(e)** Beginning after June 30, 2021, the department shall provide a notice, by electronic means, to each employer:

(1) that is registered in the department's online tax filing program; and

(2) whose employer's:

(A) Form WH-1 monthly withholding tax report; or

(B) withholding tax remittance;

is past due.

The notice under this subsection shall be made by the department not more than seven (7) days after the date the employer's Form WH-1 monthly withholding tax report or employer's withholding taxes become due. The department may provide the notice under this subsection by advising the employer to check the employer's online portal account for an important message and that the department may not have received the employer's Form WH-1 monthly withholding tax report or employer's withholding tax remittance, or both, if applicable, when due.

SECTION 16. IC 6-3-4-15.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 15.1. For purposes of IC 6-3-4-12, IC 6-3-4-13, and IC 6-3-4-15, the department may:**

(1) prescribe procedures by which a pass through entity remits tax on behalf of partners, shareholders, and beneficiaries who are considered residents for purposes of those sections in the same manner as tax is remitted for partners, shareholders, and beneficiaries who are considered nonresidents for purposes of those sections, provided that such procedures do not relieve filing requirements otherwise applicable to partners, shareholders, and beneficiaries who are considered residents for purposes of those sections;

(2) prescribe special procedures for persons or entities that are otherwise subject to withholding under those sections but who may have circumstances such that a standard tax computation may result in excess withholding;

(3) prescribe procedures for individuals and trusts that are residents for part of the taxable year and nonresidents for part of the taxable year; and

(4) prescribe procedures by which an entity subject to those sections may request alternative withholding arrangements, provided that such arrangements do not jeopardize the tax otherwise due under IC 6-3 or IC 6-5.5.

SECTION 17. IC 6-3-4-16.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 16.3. (a) For taxable years ending after December 31, 2021, a corporation other than a corporation described in IC 6-3-2-2.8(2) subject to tax under this article and that has more than one million dollars ($1,000,000) in gross income (as defined in Section 61 of the Internal Revenue Code) for the taxable year shall file a return required under section 1(3) of this chapter for that taxable year in an electronic manner specified by the department.**

(b) If the department does not specify an electronic format for filing the required return for a corporation for purposes of section 1(3) of this chapter, the corporation is not required to file in an electronic manner.

(c) Notwithstanding any other provision of this section, the department may provide exceptions to the requirement to file a return in an electronic manner specified by the department. Such exceptions shall be published in the Indiana Register.

(d) For purposes of this requirement, a return for a corporation shall include any amended return for the corporation.

SECTION 18. IC 6-3-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 4.5. Partnership Audit and Administrative Adjustments

Sec. 1. The following definitions apply throughout this chapter:

(1) "Adjustment year" means the partnership taxable year described in Section 6225(d)(2) of the Internal Revenue Code.

(2) "Administrative adjustment request" means an administrative adjustment request filed by a partnership under Section 6227 of the Internal Revenue Code.

(3) "Affected year" means any taxable year for a taxpayer that is affected by an adjustment under this chapter, regardless of whether the partnership has received an adjustment for that taxable year.

(4) "Audited partnership" means a partnership subject to a partnership level audit resulting in a federal adjustment.

(5) "Corporate partner" means a partner that is subject to the state adjusted gross income tax under IC 6-3-2-1(b) or the financial institutions tax under IC 6-5.5-2-1. In the case of a partner that is a corporation described in IC 6-3-2-2.8(2) that also is subject to tax under IC 6-3-2-1(b), the corporation is a corporate partner only to the extent that its income is subject to tax under IC 6-3-2-1(b).

(6) "Direct partner" means a partner that holds an interest directly in a partnership or pass through entity.

(7) "Exempt partner" means a partner that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(1) or the financial institutions tax under IC 6-5.5-2-7(4), except to the extent of unrelated business taxable income.

(8) "Federal adjustment" means a change to an item or amount determined under the Internal Revenue Code or a change to any other tax attribute that is used by a taxpayer to compute state adjusted gross income taxes or financial institutions tax owed, whether that change results from action by the Internal Revenue Service, including a partnership level audit, or the filing of an amended federal return, a federal refund claim, or an administrative adjustment request by the taxpayer. A federal adjustment is positive to the extent that it increases state adjusted gross income as determined under IC 6-3 or IC 6-5.5 and is negative to the extent that it decreases state adjusted gross income as determined under IC 6-3 or IC 6-5.5.

(9) "Federal adjustment reports" includes methods or forms required by the department for use by a taxpayer to report final federal adjustments for purposes of this chapter, including an amended Indiana tax return, information return, or uniform multistate report.

(10) "Federal partnership representative" means a person the partnership designates for the taxable year as the partnership's representative, or the person the Internal Revenue Service has appointed to act as the federal partnership representative, pursuant to Section 6223(a) of the Internal Revenue Code.

(11) "Final determination date" means the following:

(A) Except as provided in clause (B) or (C), if the

federal adjustment arises from an Internal Revenue Service audit or other action by the Internal Revenue Service, the final determination date is the date on which the federal adjustment is a final determination under IC 6-3-4-6(d).

(B) For federal adjustments arising from an Internal Revenue Service audit or other action by the Internal Revenue Service, if the taxpayer filed as a member of a consolidated tax return filed under IC 6-3-4-14, a combined return filed under IC 6-3-2-2 or IC 6-5.5-5-1, or a return combined by the department under IC 6-3-2-2(p), the final determination date means the first date on which no related federal adjustments arising from that audit remain to be finally determined, as described in clause (A), for the entire group.

(C) If the federal adjustment results from filing an amended federal return, a federal refund claim, or an administrative adjustment request, the final determination date means the day on which the amended return, refund claim, administrative adjustment request, or other similar report was filed.

(12) "Final federal adjustment" means a federal adjustment after the final determination date for that federal adjustment has passed.

(13) "Indirect partner" means a partner in a partnership or pass through entity that itself holds an interest directly, or through another indirect partner, in a partnership or pass through entity.

(14) "Internal Revenue Code" has the meaning set forth in IC 6-3-1-11.

(15) "Nonresident partner" has the meaning provided in IC 6-3-4-12(n).

(16) "Partner" means a person or entity that holds an interest directly or indirectly in a partnership or other pass through entity.

(17) "Partner level adjustments report" means a report provided by a partnership to its partners as a result of a department action with regard to the partnership. A partner level adjustments report does not include an amended statement provided by a partnership or other entity as a result of an adjustment reported by the partnership.

(18) "Partnership" has the meaning set forth in IC 6-3-1-19.

(19) "Partnership level audit" means an examination by the Internal Revenue Service at the partnership level under Sections 6221 through 6241 of the Internal Revenue Code, as enacted by the Bipartisan Budget Act of 2015, Public Law 114-74, which results in federal adjustments.

(20) "Partnership return" means a return required to be filed by a partnership pursuant to IC 6-3-4-10. In the case of a partnership that is required to withhold tax or file a composite return pursuant to IC 6-3-4-12 or IC 6-5.5-2-8, the term also includes the returns or schedules required for tax withholding or composite filing.

(21) "Pass through entity" means an entity defined in IC 6-3-1-35, other than a partnership, that is not subject to tax under IC 6-3.

(22) "Reallocation adjustment" means a federal adjustment resulting from a partnership level audit or an administrative adjustment request that changes the shares of one (1) or more items of partnership income, gain, loss, expense, or credit allocated to direct partners. A positive reallocation adjustment means the portion of a reallocation adjustment that would increase federal adjusted gross income or federal taxable income for one (1) or more direct partners, and a negative reallocation adjustment means the portion of a reallocation adjustment that would decrease federal adjusted gross income or federal taxable income for one (1) or more direct partners, according to Section 6225 of the Internal Revenue Code and the regulations under that section.

(23) "Resident partner" means a partner that is not a nonresident partner.

(24) "Review year" means the taxable year of a partnership that is subject to a partnership level audit that results in federal adjustments.

(25) "Statement" means a form or schedule prescribed by the department through which a pass through entity reports tax attributes to its owners or beneficiaries.

(26) "Tax attribute" means any item of income, deduction, credit, receipts for apportionment, or other amount or status that determines a partner's liability under IC 6-3, IC 6-3.6, or IC 6-5.5.

(27) "Taxable year" means, in the case of a partnership, the year or partial year for which a partnership files a return for state and federal purposes and, in the case of a partner, the taxable year in which the partner reports tax attributes from the partnership.

(28) "Taxpayer" has the meaning set forth in IC 6-3-1-15 (in the case of the adjusted gross income tax) and IC 6-5.5-1-17 (in the case of the financial institutions tax) and, unless the context clearly indicates otherwise, includes a partnership subject to a partnership level audit or a partnership that has made an administrative adjustment request, as well as a tiered partner of that partnership.

(29) "Tiered partner" means any partner that is a partnership or pass through entity.

(30) "Unrelated business taxable income" has the meaning set forth in Section 512 of the Internal Revenue Code.

Sec. 2. The following apply for purposes of this chapter:

(1) If a taxpayer has not filed a return under IC 6-3 or IC 6-5.5 for a taxable year, review year, or adjustment year, any reference to an amended return shall be a reference to an original return that includes any adjustments under this chapter.

(2) If a taxpayer is a pass through entity and has not issued a statement to its owners or beneficiaries, any reference to an amended statement shall be a reference to an original statement that includes any adjustment under this chapter.

(3) Any reference to tax shall include interest under IC 6-8.1-10-1 and penalties under IC 6-8.1.

(4) In the case of an adjustment for a review year that is required to be paid or otherwise reported for federal purposes in an adjustment year, the adjustment shall be treated as:

(A) occurring in the review year, if any tax, interest, or penalties are based on the review year for federal purposes; or

(B) occurring in:

(i) the adjustment year, if the item is required to be reported for federal purposes on the federal tax return or in any other manner for the adjustment year; or

(ii) any other year, if the item is required to be reported for federal purposes on the federal tax return or in any other manner for such other year;

and is not described in clause (A).

(5) In the case of a state adjustment, the change shall be treated as occurring in the taxable year to which the state adjustment relates, unless the adjustment is

treated as occurring in a different year as a result of subdivision (4).

(6) For taxable years beginning before January 1, 2017, any reference to IC 6-3.6 shall be construed to include IC 6-3.5-1.1, IC 6-3.5-6, and IC 6-3.5-7, prior to their repeal.

(7) With respect to partnerships and tiered partners:

(A) a partner that is a partnership that receives a report of partnership adjustments, receives a final federal adjustment, or files an amended return is considered a tier one (1) entity;

(B) a tiered partner that is a direct partner of a tier one (1) entity is considered a tier two (2) entity; and

(C) each tiered partner that is an owner, beneficiary, or partner of an entity that is a tier two (2) entity or higher shall be assigned a tier number that is one (1) tier higher and is considered an entity in that tier.

If, after application of this subdivision, a tiered partner is assigned to more than one (1) tier, the tiered partner shall be treated as being assigned to the highest numerical tier to which the tiered partner could be assigned.

(8) In the case of a partnership or tiered partner that is assigned a numerical tier, the applicable deadline for purposes of this chapter is:

(A) in the case of a tier one (1) entity receiving a report of partnership adjustments, ninety (90) days from the date the report of partnership adjustments is final;

(B) in the case of a tier one (1) entity that has received a final federal determination, one hundred eighty (180) days from the final determination date;

(C) in the case of a tier one (1) entity that has filed an amended return under this chapter other than an amended return resulting from a final federal determination, zero (0) days; and

(D) in the case of a tiered partner that has received adjustments resulting from a tier one (1) partnership, a number of days equal to:

(i) the number of days described in clauses (A) through (C), as applicable; plus

(ii) thirty (30) multiplied by the tier number assigned to the tiered partner; minus

(iii) thirty (30).

However, if a tiered partner receives an adjustment reported on a partnership audit tracking report under Section 6226 of the Internal Revenue Code, the time period applicable for the tiered partner is the longer of the time period described in clause (D) or ninety (90) days from the date prescribed in Section 6226(b)(4)(B) of the Internal Revenue Code, and any other applicable deadlines under this subdivision or subdivision (9).

(9) In the case of a direct partner or indirect partner that is not a tiered partner, the applicable deadline for purposes of this chapter is ninety (90) days after the applicable deadline that is determined for the partnership or tiered partner under subdivision (8). If a direct partner or indirect partner described in this subdivision is subject to more than one (1) applicable deadline, the applicable deadline is the latest date determined under this subdivision.

Sec. 3. (a) If the department conducts an audit or investigation of a partnership, and the department determines that the partnership:

(1) did not correctly report any tax attribute for a taxable year; or

(2) did not correctly allocate any tax attribute for a taxable year;

the department may adjust or reallocate the tax attribute. If the department makes an adjustment or reallocation to one (1) or more tax attributes, the department shall provide a report of partnership adjustments for the taxable year to the partnership.

(b) The preliminary report of partnership adjustments shall list:

(1) the department's adjustments to tax attributes; and

(2) the allocation of the department's adjustments to all affected direct partners.

(c) If the preliminary report of partnership adjustments for a taxable year results in either:

(1) a potential increase in tax to one (1) or more direct partners; or

(2) if the partnership reported tax attributes that would result in a refund of tax to one (1) or more partners, a reduction in that refund;

such report shall be treated as a proposed assessment under IC 6-8.1-5 to the partnership.

(d) If the result for partnership adjustments for a taxable year results in:

(1) no direct increase in tax to any direct partner; and

(2) a change in tax attributes to one (1) or more direct partners that would result in a refund in excess of any refund claimed;

the department shall issue a report of proposed partnership adjustments to the partnership reflecting such adjustments. Any refund arising from a report of proposed partnership adjustments shall be issued to the partners, subject to the partner claiming the refund and any statute of limitations on such refunds. In the case of partnership adjustments otherwise described in this subsection that result from a partnership adjustment described in subsection (c), all such partnership adjustments shall be treated as adjustments to which subsection (c) applies.

Sec. 4. If the department issues a report of proposed partnership adjustments to a partnership for a taxable year, the partnership shall be considered to be the taxpayer for purposes of IC 6-8.1-5, including all rights to protest and appeal the report of proposed partnership adjustments, except as specifically provided under this chapter.

Sec. 5. (a) For purposes of this chapter, a report of partnership adjustments for a taxable year is considered a final report of partnership adjustments upon the latest of:

(1) the last day a protest of the report of proposed partnership adjustments could have been filed by the partnership, if no protest is filed;

(2) if a protest is filed, but no original tax appeal is filed pursuant to IC 6-8.1-5, the last day on which an original tax appeal could have been filed;

(3) if an original tax appeal has been filed, the last day on which no further appeal may be taken from a decision requested; or

(4) the date set in subsection (b).

(b) If, upon protest or appeal, an adjustment in a report of proposed partnership adjustments is determined to be incorrect, the department shall issue a report of final partnership adjustments consistent with the determination not more than one hundred eighty (180) days after the determination is otherwise determined to be final under subsection (a)(1) through (a)(3). If the report of final partnership adjustments is not issued within one hundred eighty (180) days, one (1) day for each day that the report of final partnership adjustments is issued after the one hundred eighty (180) day deadline is added to the deadline for which a partnership or tiered partner may act without being subject to assessment under section 18 of this chapter. In the case of a partnership with multiple tiers, this extension applies to each tier.

(c) Notwithstanding subsection (a), if the partnership and the department enter into a settlement agreement under IC 6-8.1-3-17 to resolve all matters related to the report of

proposed partnership adjustments for a taxable year, the report of final partnership adjustments for that taxable year reflected in the agreement shall be issued final one hundred eighty (180) days after the date of the signature of the last party required to sign the agreement.

Sec. 6. (a) Once a report of partnership adjustments is considered final, the partnership shall, not later than the applicable deadline:

(1) supply to its direct partners and the department a partner level adjustments report attributable to each partner in the form and manner prescribed by the department; and

(2) remit any composite tax or withholding tax due under IC 6-3-4-12 or IC 6-5.5-2-8.

(b) If the partner is a tiered partner, the tiered partner shall, not later than the applicable deadline for the tiered partner:

(1) file an amended return for the taxable year and for any other affected year reporting its share of the adjustments;

(2) supply its owners or beneficiaries and the department amended statements reflecting the adjustments attributable to the owner or beneficiary, or a report, in the form and manner prescribed by the department; and

(3) remit any tax due under IC 6-3, IC 6-3.6, or IC 6-5.5, including any composite tax or withholding tax due under IC 6-3-4-12, IC 6-3-4-13, IC 6-3-4-15, and IC 6-5.5-2-8.

(c) Upon receipt of a partner level adjustments report or any statement from tiered partners arising from a partner level adjustments report, the taxpayer receiving the report or statement shall file an amended return for the taxable year reporting the adjustments along with any other affected year and remit any tax due not later than the applicable deadline for the partner.

(d) Notwithstanding any other provision of this chapter or IC 6-3-4-11:

(1) A partnership that has been issued a report of proposed partnership adjustments, or a tiered partner that is a partnership that has received a partner level adjustment report or statement arising from a report of final partnership adjustments, may elect to pay any tax due arising from a report of final partnership adjustments.

(2) Such election must be filed with the department not later than sixty (60) days after the department issues the report of proposed partnership adjustments or, in the case of an election by a tiered partner, not later than the date by which the tiered partner is required to file an amended return under this section.

(3) The computation of tax and other provisions governing this election shall be in a manner consistent with an election under section 9(c) of this chapter.

(4) If a partnership has made an election under this chapter to report and remit any tax due at the partnership level for a taxable year, the partnership shall be considered to have made a timely election under this subsection with regard to any adjustments in the report of partnership adjustments for that taxable year.

Sec. 7. (a) If the department receives the partner level adjustments report or statement required to be provided under section 6 of this chapter and the department determines that a taxpayer has not reported the correct amount of tax to the department, the department shall issue an assessment to the taxpayer of any tax due.

(b) For purposes of any assessment, protest, and litigation related to a partner level adjustments report or statement arising from a partner level adjustments report, any adjustments to tax attributes reported in the partner level adjustments report shall be final.

Sec. 8. (a) If a partnership:

(1) determines that it did not correctly report any tax attribute for a taxable year;

(2) determines that it did not correctly allocate any tax attribute for a taxable year; or

(3) receives final federal adjustments as a result of a federal partnership audit or administrative adjustment request for a taxable year;

the partnership shall file an amended partnership return with the department and provide its direct partners with amended statements or a report in the form and manner prescribed by the department reflecting the correctly reported and allocated tax attributes for any applicable year.

(b) If the partnership files an amended partnership return under this section for a taxable year:

(1) the partnership shall remit any composite tax or withholding tax due under IC 6-3-4-12 or IC 6-5.5-2-8 on its direct partners resulting from the amended return at the time of filing;

(2) any tiered partners shall, not later than the applicable deadline for the tiered partner:

(A) file an amended return and, if applicable, remit any tax due under IC 6-3, IC 6-3.6, or IC 6-5.5, including any amounts due under IC 6-3-4-12, IC 6-3-4-13, IC 6-3-4-15, or IC 6-5.5-2-8; and

(B) report any adjustments to the tiered partner's owners or beneficiaries by providing amended statements to the tiered partner's owners or beneficiaries, or a report in the form and manner prescribed by the department; and

(3) any direct or indirect partners who are not tiered partners and who are required to file a return under IC 6-3 or IC 6-5.5 or who have filed a return under IC 6-3 or IC 6-5.5 shall file amended returns with the department for any taxable year affected by the amended partnership return and remit any tax due not later than the applicable deadline for the partner.

(c) Notwithstanding any other provision of this chapter or IC 6-3-4-11:

(1) A partnership that has filed an amended partnership return under this section, or a tiered partner that is a partnership and that is a partner of a partnership that has filed an amended partnership return under this section, may elect to pay any tax due arising from an amended partnership return.

(2) Such election must be filed with the department not later than the date on which the amended partnership return is filed with the department or, in the case of an election by a tiered partner that is a partnership, not later than the date by which the tiered partner is required to file an amended return under this section.

(3) The computation and payment of tax and other provisions governing this election shall be made in a manner consistent with an election under section 9(c) of this chapter.

(4) If a partnership has made an election under this chapter to report and remit all tax otherwise due at the partnership level for a taxable year, the partnership shall be considered to have made a timely election under this subsection with regard to any changes arising from an amended return under this section for that taxable year.

(d) If the department determines that a partnership:

(1) did not correctly report any tax attributes for a taxable year; or

(2) did not correctly allocate any tax attributes for a taxable year;

the department may proceed against the partnership in the manner provided under sections 3 through 6 of this chapter.

Sec. 9. (a) Partnerships and partners shall report final federal adjustments arising from a partnership level audit or an administrative adjustment request and make payments as required under this section.

(b) Final federal adjustments subject to the requirements of this section, except those subject to a properly made election under subsection (c), shall be reported as follows:

(1) Not later than the applicable deadline, the partnership shall:

(A) file an amended partnership return for the review year and any other taxable year affected by the final federal adjustments with the department as provided in section 8 of this chapter and provide any other information required by the department;

(B) notify each of its direct partners of their distributive share of the final federal adjustments as provided in section 8 of this chapter for all affected taxable years for which the partnership filed an amended partnership return by an amended statement or a report in the form and manner prescribed by the department; and

(C) file an amended composite return for direct partners and an amended withholding return for direct partners for the review year and any affected taxable years as otherwise required by IC 6-3-4-12 or IC 6-5.5-2-8 and pay any tax due for the taxable years.

(2) Each direct partner that is subject to tax under IC 6-3, IC 6-3.6, or IC 6-5.5 shall, on or before the applicable deadline:

(A) file an amended return as provided in section 8 of this chapter reporting their distributive share of the adjustments reported to them under subdivision (1)(B) for the taxable year in which affected taxable year attributes would be reported by the direct partner as provided in section 8 of this chapter; and

(B) pay any additional amount of tax due as if final federal partnership adjustments had been properly reported, less any credit for related amounts paid or withheld and remitted on behalf of the direct partner.

(3) Each tiered partner shall treat any final federal partnership adjustments under this section in a manner consistent with the treatment of tiered partners under section 8 of this chapter.

(c) Except as provided in subsection (d), an audited partnership making an election under this subsection shall:

(1) not later than the applicable deadline, file an amended partnership return for the review year and for any other affected taxable year elected by the audited partnership, including information as required by the department, and notify the department that it is making the election under this subsection; and

(2) not later than ninety (90) days after the applicable deadline, pay an amount, determined as follows, in lieu of taxes owed by its direct or indirect partners:

(A) Exclude from final federal adjustments the distributive share of these adjustments reported to a direct exempt partner that is not unrelated business income.

(B) For the total distributive shares of the remaining final federal adjustments reported to direct corporate partners and to direct exempt partners, apportion and allocate such adjustments as provided under IC 6-3-2-2 or IC 6-3-2-2.2 (in the case of the adjusted gross income tax) or IC 6-5.5-4 (in the case of the financial institutions tax), and multiply the resulting amount by the tax rate for the taxable year under IC 6-3-2-1(b), IC 6-3-2-1.5, or IC 6-5.5-2-1, as applicable.

(C) For the total distributive shares of the remaining final federal adjustments reported to nonresident direct partners other than corporate partners, determine the amount of such adjustments which is Indiana source income under IC 6-3-2-2 or IC 6-3-2-2.2, and multiply the resulting amount by the tax rate under IC 6-3-2-1(a), and if applicable IC 6-3.6. If a partnership is unable to determine whether a nonresident is subject to tax under IC 6-3.6, or to determine in what county the nonresident is subject to tax under IC 6-3.6, tax shall also be imposed at the highest rate for which a county imposes a tax under IC 6-3.6 for the taxable year.

(D) For the total distributive shares of the remaining final federal adjustments reported to tiered partners:

(i) determine the amount of any adjustment that is of a type that it would be subject to sourcing in Indiana under IC 6-3-2-2, IC 6-3-2-2.2, or IC 6-5.5-4, as applicable, and determine the portion of this amount that would be sourced to Indiana;

(ii) determine the amount of any adjustment that is of a type that it would not be subject to sourcing to Indiana by a nonresident partner under IC 6-3-2-2, IC 6-3-2-2.2, or IC 6-5.5-4, as applicable;

(iii) determine the portion of the amount determined under item (ii) that can be established, as prescribed by the department by rule under IC 4-22-2, to be properly allocable to nonresident indirect partners or other partners not subject to tax on the adjustments; and

(iv) multiply the sum of the amounts determined in items (i) and (ii) reduced by the amount determined in item (iii) by the highest combined rate for the review year under IC 6-3-2-1(a) and IC 6-3.6 for any county, the rate under IC 6-3-2-1(b), or the rate under 6-5.5-2-1 for the taxable year, whichever is highest.

(E) For the total distributive shares of the remaining final federal adjustments reported to resident individual, estate, or trust direct partners, multiply that amount by the tax rate under IC 6-3-2-1(a) and IC 6-3.6. If a partnership does not reasonably ascertain the county of residence for an individual direct partner, the rate under IC 6-3.6 for that partner shall be treated as the highest rate imposed in any county under IC 6-3.6 for the taxable year.

(F) Add the amounts determined in clauses (B), (C), (D)(iv), and (E). For purposes of determining interest and penalties, the due date of payment shall be the due date of the partnership's return under IC 6-3-4-10 for the taxable year, determined without regard to any extensions.

If a partnership has made an election under this chapter to report and remit all tax otherwise due at the partnership level for a taxable year, the partnership shall be considered to have made a timely election under this subsection with regard to any changes arising from an amended return under this section for that taxable year.

(d) Final federal adjustments subject to an election under subsection (c) shall not include:

(1) the distributive share of final federal adjustments that would constitute income derived from a partnership to any direct or indirect partner that is a corporation taxable under IC 6-3-2-1(b), IC 6-3-2-1.5, or IC 6-5.5-2-1 and is considered unitary to the partnership;

(2) any final federal adjustments resulting from an

administrative adjustment request; or

(3) any other circumstances that the department determines would result in avoidance or evasion of any tax otherwise due from one (1) or more partners under IC 6-3 or IC 6-5.5.

(e) Notwithstanding IC 6-3-4-11, an audited partnership not otherwise subject to any reporting or payment obligations to Indiana that makes an election under subsection (c) consents to be subject to Indiana law related to reporting, assessment, payment, and collection of Indiana tax calculated under the election.

Sec. 10. (a) The direct and indirect partners of an audited partnership that are tiered partners, and all of the partners, owners, and beneficiaries of those tiered partners that are subject to tax under IC 6-3 or IC 6-5.5, are subject to the reporting and payment requirements of section 8 of this chapter.

(b) The tiered partners who are partnerships are entitled to make the elections provided by section 9(c) of this chapter, provided that such an election is made not later than the due date by which the tiered partner is otherwise required to furnish statements or other reports to its partners under section 8(b)(2) of this chapter.

(c) The department may adopt rules under IC 4-22-2 to establish procedures and interim time periods for the reports and payments required by tiered partners and their partners, owners, and beneficiaries and for making the elections under section 9(c) of this chapter.

Sec. 11. Under procedures adopted by and subject to the approval of the department, an audited partnership or tiered partner may enter into an agreement with the department to utilize an alternative reporting and payment method, including applicable time requirements or any other provision of section 9 of this chapter, if the audited partnership or tiered partner demonstrates that the requested method will reasonably provide for the reporting and payment of taxes due. Application for approval of an alternative reporting and payment method must be made by the audited partnership or tiered partner within the time for election as provided in section 9(c)(1) of this chapter.

Sec. 12. (a) The election made pursuant to section 9(c) of this chapter is irrevocable unless the department, in its discretion, determines otherwise.

(b) If properly reported and paid by the audited partnership or tiered partner, the amount determined under section 9(c)(2) of this chapter or similarly under an optional election under section 11 of this chapter, will be treated as paid in lieu of taxes owed by its direct and indirect partners, to the extent applicable, on the same final federal adjustments. The direct partners or indirect partners may not take any deduction or credit for this amount or claim a refund of the amount in this state. However, nothing in this subsection shall preclude a direct partner from claiming a credit for any amounts paid by the audited partnership or tiered partner on the direct partner's behalf to another state or local tax jurisdiction in accordance with provisions in IC 6-3-3-3 and IC 6-3.6-8-6.

(c) If the department determines that a partnership made an election under section 9(c) of this chapter that was improper with regard to one (1) or more partners or adjustments, the department may treat the election as invalid with regard to the partners or adjustments and treat any tax applicable to such partners as tax withheld by the partnership on any affected partner's behalf.

Sec. 13. If the department conducts an audit or investigation under this chapter, or the partnership receives federal adjustments covered under sections 9 through 12 of this chapter, the partnership shall be required to designate a state partnership representative for that taxable year or review year. The following apply:

(1) With respect to an action required or permitted to be taken by a partnership under this chapter and a proceeding for administrative or judicial review with respect to that action, the state partnership representative for the taxable year shall have sole authority to act on behalf of the partnership, and the partnership's direct partners and indirect partners shall be bound by those actions.

(2) The state partnership representative for a taxable year is the partnership's federal partnership representative for the taxable year, unless the partnership designates in writing another person as its state partnership representative or the partnership has not designated a federal partnership representative.

(3) The department may establish reasonable qualifications for and procedures for designating a person, other than the federal partnership representative, to be the state partnership representative.

Sec. 14. For purposes of this chapter and IC 6-8.1-5-2, an assessment may not be issued against a direct or indirect partner or partnership with regard to changes related to a proposed or report of final partnership adjustments if the report of proposed partnership adjustments is issued by the department to a partnership after the latest of:

(1) three (3) years after the due date of the partnership's return, including any valid extension granted under IC 6-8.1-6-1;

(2) three (3) years after the date the partnership's return is filed with the department;

(3) in the case of the partnership's underreporting of its adjusted gross income by more than twenty-five percent (25%), the periods provided in subdivisions (1) and (2) shall be six (6) years;

(4) if the partnership fails to file a return required under IC 6-3-4-10, files a fraudulent return, or files a substantially blank return, no time limit;

(5) in the case of a report of proposed partnership adjustments arising from final federal adjustments:

(A) one hundred eighty (180) days after the date on which the department receives the final federal adjustments from the partnership in the manner prescribed by the department; or

(B) December 31, 2021;

whichever is later; or

(6) in the case of a report of proposed partnership adjustments issued to a tiered partner that is a partnership as a direct or indirect result of another partnership's report of final partnership adjustments, final federal adjustments, or an amended return, one hundred eighty (180) days after the applicable deadline for the tiered partner or the date otherwise determined under this section for the partnership, whichever is later.

Sec. 15. (a) If the department receives the partner level adjustments report, amended statement, or similar report required to be provided under section 6 of this chapter and the department determines that a taxpayer has not reported the correct amount of tax to the department for a taxable year of the taxpayer affected by the partner level adjustments report, the department shall issue a proposed assessment to the taxpayer not later than:

(1) one hundred eighty (180) days after the department receives the partner level adjustments report or amended statement arising from the partner level adjustments report from the entity required to provide the report or statement to the department;

(2) one hundred eighty (180) days after the applicable deadline for the taxpayer; or

(3) the period during which the taxpayer could otherwise be issued a proposed assessment under IC 6-8.1-5-2;

whichever is latest.

(b) If a taxpayer receives multiple partner level adjustments reports or amended statements relating to the same final report of partnership adjustments, the last day for issuing a proposed assessment to the taxpayer is the latest time for which the department could issue an assessment for any partner level adjustments report or amended statement arising from the report of partnership adjustments as determined under this section.

(c) The taxpayer may protest or appeal the proposed assessment or refund denial in the same manner as prescribed in IC 6-8.1-5 or IC 6-8.1-9-1, whichever is applicable. However, any adjustments made pursuant to a final report of partnership adjustments shall be considered final as to the taxpayer.

Sec. 16. (a) If the department determines that the partnership correctly reported and allocated tax attributes to its partners on a return or an amended return, but that the taxpayer reported the tax attributes from the partnership incorrectly, and that the taxpayer did not report the proper amount of tax as a result of such tax attributes for any year affected by the partnership return or amended return, the department may issue a proposed assessment against the taxpayer not later than one hundred eighty (180) days after the applicable deadline for the taxpayer or the date otherwise prescribed in IC 6-8.1-5-2 for issuing a proposed assessment against the taxpayer, whichever is later.

(b) If the amended return filed by the partnership would result in a refund to one (1) or more direct or indirect partners, the partner must file an amended return not later than:

(1) the date prescribed under IC 6-8.1-9-1 for the partner to claim a refund, if the amended return is not the result of a change by the Internal Revenue Service; or

(2) if the adjustment is the result of a change by the Internal Revenue Service, the applicable deadline for the partner, or the date prescribed under IC 6-8.1-9-1, whichever is later.

(c) For purposes of any protest or appeal from an amended return under this section, any reporting by the partnership shall be considered conclusive with regard to the direct and indirect partners of the partnership.

Sec. 17. If the department determines that a taxpayer reported a tax attribute in an inconsistent manner with the partnership's reporting of the tax attribute and the taxpayer does not disclose the inconsistent reporting in a manner prescribed by the department, the department may issue a proposed assessment against the taxpayer as a result of the inconsistent reporting not later than:

(1) three (3) years after the due date of the partnership's return, including any valid extensions granted under IC 6-8.1-6-1;

(2) three (3) years after the partnership's return is filed with the department;

(3) in the case of the partnership's underreporting of its adjusted gross income by more than twenty-five percent (25%), the periods provided in subdivisions (1) and (2) shall be six (6) years;

(4) if the partnership fails to file a return required under IC 6-3-4-10, files a fraudulent return, or files a substantially blank return, no time limit; or

(5) the latest date for which the taxpayer could be assessed under IC 6-8.1-5-2;

whichever date is latest. For purposes of this section, if a partnership is required to file a return under IC 6-3-4-10 and fails to file such return or fails to provide the partner with a statement setting forth the tax attributes from the partnership, the taxpayer will be considered to have reported all tax attributes from the partnership in an inconsistent manner with the partnership's reporting of the tax attributes. For purposes of any protest or appeal with regard to a proposed assessment under this section, any reporting by the partnership shall be considered conclusive with regard to the direct or indirect partners of the partnership, provided that the reporting by the partnership is determined to be neither fraudulent nor in bad faith.

Sec. 18. (a) If a partnership or tiered partner is required to issue a report, issue an amended statement, or issue other information to a partner, owner, or beneficiary under this chapter, and does not issue such report, statement, or information within the period such issuance is required under this chapter, the partnership or tiered partner shall be liable for any tax that otherwise may be due from the partner, owner, or beneficiary, notwithstanding any other provision in IC 6-3 or IC 6-5.5. The tax rate under this section shall be computed at the highest rate for the taxable year under:

(1) IC 6-3-2-1(a), plus the highest rate imposed in any county under IC 6-3.6;

(2) IC 6-3-2-1(b); or

(3) IC 6-5.5-2-1;

unless the partnership or tiered partner can establish that a lower rate should apply, the partnership or tiered partner has made an election to be subject to tax under sections 6, 8, or 9 of this chapter, or to the extent the partnership, tiered partner, or the department can determine that the tax was otherwise properly reported and remitted. Such tax shall be considered to be due on the due date of the partnership's or tiered partner's return for the taxable year, determined without regard to extensions.

(b) If a partnership or tiered partner issues the report, amended statement, or other information:

(1) to an address that the partnership or tiered partner knows or reasonably should know is incorrect; or

(2) if the report, amended statement, or other information not described in subdivision (1) is returned and the partnership or tiered partner:

(A) fails to take reasonable steps to determine a proper address for reissuance within thirty (30) days after the report, amended statement, or other information is returned; or

(B) takes such steps and fails to reissue the report to a proper address within thirty (30) days after the report, amended statement, or other information is returned;

such report, amended statement, or other information shall be considered to have not been issued for purposes of this section.

(c) The department may issue a proposed assessment under this section not later than three (3) years after the department receives a return or amended return from the partnership or tiered partner for which the partnership or tiered partner fails to issue reports, amended statements, or other information.

(d) If:

(1) a direct or indirect partner files and remits the tax otherwise due under this section, the assessment to the partnership under this section shall be reduced by the portion of the tax attributable to the direct or indirect partner; and

(2) a partnership or tiered partner files and remits the tax under this section, such tax shall be treated as payment of tax to the direct or indirect partners. However, in no event shall the direct or indirect partners be permitted a refund of tax paid by a partnership or tiered partner under this section unless otherwise permitted under this chapter or IC 6-8.1-9-1.

(e) Nothing in this section shall be construed to relieve a partnership or tiered partner from any duty to issue a

report, amended statement, or other information otherwise required under this chapter or under any other provision of IC 6-3 or IC 6-5.5. If a partnership or tiered partner issues a report, amended statement, or other information provided under this chapter after the date otherwise required for issuance, the department may grant relief to any tiered partner, direct partner, or indirect partner affected by the late issuance, including extension of applicable deadlines.

Sec. 19. If a partnership or tiered partner remits a payment on behalf of a partner, shareholder, or beneficiary as a result of this chapter, the partner, shareholder, or beneficiary may file a claim for refund with regard to any overpayment remitted on its behalf not later than the date on which the partner, shareholder, or beneficiary is required to file an amended return under this chapter or the date otherwise prescribed under IC 6-8.1-9-1, whichever is later.

Sec. 20. (a) Notwithstanding any other provision of this chapter or IC 6-8.1, if, before the end of the time period within which the department may take an action under this chapter:

(1) in the case of a partnership or tiered partner that has more than ten thousand (10,000) direct owners, the department shall extend the time period one (1) time by sixty (60) days upon written request of the partnership or tiered partner, regardless of whether the department signs the extension;

(2) in the case of an action required to be taken with regard to a partnership under this chapter, the department and the partnership agree to extend that period, the period may be extended according to the terms of a written agreement signed by both the department and the partnership; and

(3) in the case of an action required to be taken with regard to a tiered partner, direct partner, or indirect partner under this chapter, the department and the tiered partner, direct partner, or indirect partner, as applicable, agree to extend that period, the period may be extended according to the terms of a written agreement signed by both the department and the tiered partner, direct partner, or indirect partner, as appropriate.

(b) If an extension is entered into under subsection (a), the request for automatic extension or agreement must contain:

(1) the date to which the extension is made; and

(2) a statement that the person or entity agrees to preserve the person's or entity's records until the extension terminates.

(c) If an extension is entered into under subsection (a), the applicable deadlines and statute of limitations for any actions arising from an action required by a partnership, tiered partner, direct partner, or indirect partner shall be extended in a manner consistent with the extension under subsection (a)(1) or (a)(2).

(d) The department and a partnership, tiered partner, direct partner, or indirect partner may enter into more than one (1) extension agreement under this section.

(e) The department may, by rules adopted under IC 4-22-2 or by guidelines published in the Indiana Register, provide for automatic extensions or relief from liability and reporting for certain situations. The following apply:

(1) In the case of an automatic extension, the extension shall be considered signed by both the department and the partnership, tiered partner, direct partner, or indirect partner before the time the department may take an action under this section. In addition, the partnership, tiered partner, direct partner, or indirect partner shall preserve the person's or entity's records until the automatic extension terminates.

(2) In the case of relief from liability, such relief shall be granted only under the situations specifically granted by the rules or guidelines.

(3) The department may adopt rules or guidelines to establish a de minimis amount upon which a taxpayer shall not be required to comply with specified provisions of this chapter.

SECTION 19. IC 6-3.1-34-11, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021 (RETROACTIVE)]: Sec. 11. (a) A taxpayer may claim a credit against the taxpayer's state tax liability for a taxable year only if the corporation awards a credit to the taxpayer and enters into an agreement with the taxpayer as set forth under this chapter. The corporation may establish an application period for applying for awards. If an application period is established, the corporation shall establish policies and procedures necessary to administer the application period. The corporation may deny an application for a credit under this chapter in its sole discretion. A taxpayer may not seek judicial review of a decision by the corporation to deny a taxpayer's application for a credit.

(b) The amount of the credit that a taxpayer may claim is equal to:

(1) the qualified investment made by the taxpayer ~~during the taxable year~~ and **certified and** approved by the corporation in **accordance with** an agreement entered into under section 17 of this chapter **for a taxable year;** multiplied by

(2) the applicable credit percentage determined by the corporation under section 17(b) and 17(c) of this chapter.

(c) If a pass through entity may claim a credit under this section but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, beneficiary, or member of the pass through entity may claim a credit equal to:

(1) the credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income that the shareholder, partner, beneficiary, or member may claim.

The credit provided under this subsection is in addition to a credit that a shareholder, partner, beneficiary, or member of a pass through entity may claim. However, a pass through entity and a shareholder, partner, beneficiary, or member of a pass through entity may not claim more than one (1) credit for the qualified investment.

(d) Notwithstanding subsections (a), (b), and (c), a pass through entity (other than an entity described in IC 6-3-1-35(1)) and its partners, beneficiaries, or members may allocate the credit among its partners, beneficiaries, or members of the pass through entity as provided by written agreement without regard to their sharing of other tax or economic attributes. Such agreements shall be filed with the corporation not later than fifteen (15) days after execution. The pass through entity shall also provide a copy of such agreements, a list of partners, beneficiaries, or members of the pass through entity, and their respective shares of the credit resulting from such agreements in the manner prescribed by the department of state revenue.

SECTION 20. IC 6-3.6-2-7.4, AS ADDED BY P.L.154-2020, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.4. "County with a single voting bloc" means a county that has a local income tax council in which one (1) city that is a member of the local income tax council or one (1) town that is a member of the local income tax council is allocated more than fifty percent (50%) of the total one hundred (100) votes allocated under IC 6-3.6-3-6(d). This section expires May 31, ~~2021.~~ **2024.**

SECTION 21. IC 6-3.6-3-5, AS AMENDED BY P.L.154-2020, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The auditor of a county shall record all votes taken on ordinances presented for a vote under this article and not more than ten (10) days after the vote, send a certified copy of the results to:

(1) the commissioner of the department of state revenue; and

(2) the commissioner of the department of local government finance;

in an electronic format approved by the commissioner of the department of local government finance.

(b) Except as provided in subsection (c), this subsection applies only to a county that has a local income tax council. The county auditor may cease sending certified copies after the county auditor sends a certified copy of results showing that members of the local income tax council have cast a majority of the votes on the local income tax council for or against the proposed ordinance.

(c) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The county auditor may cease sending certified copies of the votes on the local income tax council voting as a whole under section 9.5 of this chapter after the county auditor sends a certified copy of results showing that the individuals who sit on the fiscal bodies of the county, cities, and towns that are members of the local income tax council have cast a majority of the votes on the local income tax council voting as a whole under section 9.5 of this chapter for or against the proposed ordinance. This subsection expires May 31, ~~2021.~~ **2024.**

SECTION 22. IC 6-3.6-3-6, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) In the case of a city or town that lies within more than one (1) county, the county auditor of each county shall base the allocations required by ~~subsection (c)~~ **subsections (d) and (e)** on the population of that part of the city or town that lies within the county for which the allocations are being made.

(c) Each local income tax council has a total of one hundred (100) votes.

(d) Each county, city, or town that is a member of a local income tax council is allocated a percentage of the total one hundred (100) votes that may be cast. The percentage that a city or town is allocated for a year equals the same percentage that the population of the city or town bears to the population of the county. The percentage that the county is allocated for a year equals the same percentage that the population of all areas in the county not located in a city or town bears to the population of the county.

(e) This subsection applies only to a county with a single voting bloc. Each individual who sits on the fiscal body of a county, city, or town that is a member of the local income tax council is allocated for a year the number of votes equal to the total number of votes allocated to the particular county, city, or town under subsection (d) divided by the number of members on the fiscal body of the county, city, or town. This subsection expires May 31, ~~2021.~~ **2024.**

(f) On or before January 1 of each year, the county auditor shall certify to each member of the local income tax council the number of votes, rounded to the nearest one hundredth (0.01), each member has for that year.

(g) This subsection applies only to a county with a single voting bloc. On or before January 1 of each year, in addition to the certification to each member of the local income tax council under subsection (f), the county auditor shall certify to each individual who sits on the fiscal body of each county, city, or town that is a member of the local income tax council the number of votes, rounded to the nearest one hundredth (0.01), each individual has under subsection (e) for that year. This subsection expires May 31, ~~2021.~~ **2024.**

SECTION 23. IC 6-3.6-3-8, AS AMENDED BY P.L.154-2020, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) Except as provided in subsection (e), any member of a local income tax council may present an ordinance for passage. To do so, the member must adopt a resolution to propose the ordinance to the local income tax council and distribute a copy of the proposed ordinance to the county auditor. The county auditor shall treat any proposed ordinance distributed to the auditor under this section as a casting of all that member's votes in favor of the proposed ordinance.

(c) Except as provided in subsection (f), the county auditor shall deliver copies of a proposed ordinance the auditor receives to all members of the local income tax council within ten (10) days after receipt. Subject to subsection (d), once a member receives a proposed ordinance from the county auditor, the member shall vote on it within thirty (30) days after receipt.

(d) Except as provided in subsection (h), if, before the elapse of thirty (30) days after receipt of a proposed ordinance, the county auditor notifies the member that the members of the local income tax council have cast a majority of the votes on the local income tax council for or against the proposed ordinance the member need not vote on the proposed ordinance.

(e) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The fiscal body of any county, city, or town that is a member of a local income tax council may adopt a resolution to propose an ordinance to increase a tax rate in the county to be voted on by the local income tax council as a whole as required under section 9.5 of this chapter and distribute a copy of the proposed ordinance to the county auditor. The county auditor shall treat the vote tally on the resolution adopted under this subsection for each individual who is a member of the fiscal body of the county, city, or town as the voting record for that individual either for or against the ordinance being proposed for consideration by the local income tax council as a whole under section 9.5 of this chapter. This subsection expires May 31, ~~2021.~~ **2024.**

(f) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The county auditor shall deliver copies of a proposed ordinance the auditor receives under subsection (e) to the fiscal officers of all members of the local income tax council (other than the member proposing the ordinance under subsection (e)) within ten (10) days after receipt. Subject to subsection (h), once a member receives a proposed ordinance from the county auditor, the member shall vote on it within thirty (30) days after receipt. This subsection expires May 31, ~~2021.~~ **2024.**

(g) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax rate in the county. The fiscal body of each county, city, or town voting on a resolution to propose an ordinance under subsection (e), or voting on a proposed ordinance being considered by the local income tax council as a whole under section 9.5 of this chapter, must take a roll call vote on the resolution or the proposed ordinance. If an individual who sits on the fiscal body is absent from the meeting in which a vote is taken or abstains from voting on the resolution or proposed ordinance, the fiscal officer of the county, city, or town shall nevertheless consider that individual's vote as a "no" vote against the resolution or the proposed ordinance being considered, whichever is applicable, for purposes of the vote tally under this section and shall note on the vote tally that the individual's "no" vote is due to absence or abstention. The fiscal body of each county, city, or town shall certify the roll call vote on a resolution or a proposed ordinance, either for or against, to the county auditor as set forth under this chapter. This subsection expires May 31, ~~2021.~~ **2024.**

(h) This subsection applies only to a county with a single voting bloc that proposes to increase (but not decrease) a tax

rate in the county. If, before the elapse of thirty (30) days after receipt of a proposed ordinance under subsection (e), the county auditor notifies the member that the individuals who sit on the fiscal bodies of the county, cities, and towns that are members of the local income tax council have cast a majority of the votes on the local income tax council for or against a proposed ordinance voting as a whole under section 9.5 of this chapter, the member need not vote on the proposed ordinance under subsection (e). This subsection expires May 31, ~~2021.~~ **2024.**

SECTION 24. IC 6-3.6-3-9, AS AMENDED BY P.L.154-2020, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Except as provided in subsection (d), this section applies to a county in which the county adopting body is a local income tax council.

(b) A member of the local income tax council may exercise its votes by passing a resolution and transmitting the resolution to the county auditor.

(c) A resolution passed by a member of the local income tax council exercises all votes of the member on the proposed ordinance, and those votes may not be changed during the year.

(d) This section does not apply to a county in which the county adopting body is a local income tax council to which section 9.5 of this chapter applies. This subsection expires May 31, ~~2021.~~ **2024.**

SECTION 25. IC 6-3.6-3-9.5, AS ADDED BY P.L.154-2020, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) This section applies to a county:

(1) in which the county adopting body is a local income tax council;

(2) that is a county with a single voting bloc; and

(3) that proposes to increase a tax rate in the county.

However, the provisions under section 9 of this chapter shall apply to a county described in subdivisions (1) and (2) that proposes to decrease a tax rate in the county.

(b) A local income tax council described in subsection (a) must vote as a whole to exercise its authority to increase a tax rate under this article.

(c) A resolution passed by the fiscal body of a county, city, or town that is a member of the local income tax council exercises the vote of each individual who sits on the fiscal body of the county, city, or town on the proposed ordinance, and the individual's vote may not be changed during the year.

(d) This section expires May 31, ~~2021.~~ **2024.**

SECTION 26. IC 6-5.5-1-2, AS AMENDED BY P.L.234-2019, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 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 the sum of:

(i) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in item (ii); and

(ii) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017, the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code, and the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service. The amount of deductions allowable for an item of property under this item may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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 the sum of:

(i) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in item (ii); and

(ii) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017, the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code, and the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service. The amount of deductions allowable for an item of property under this item may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(H) The amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(3) Make the following adjustments:

(A) Subtract the amount of any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code.

(B) Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year.

For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(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 adjusted as follows:

(1) 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.

(2) Make the following adjustments:

(A) Subtract the amount of any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code.

(B) Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year.

For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(3) Multiply the amount determined after the adjustments in subdivisions (1) and (2) by the quotient of:

(A) 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

(B) 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).

(e) If a partner is required to include an item of income, a deduction, or another tax attribute in the partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether such item is actually required to be reported by the partner for federal income tax purposes. For purposes of this subsection:

(1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included in the partner's adjusted gross income or taxable income; and

(2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall be included in the partner's adjusted gross income or taxable income.

SECTION 27. IC 6-5.5-1-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 19. "Partnership" ~~means an association of two (2) or more entities formed to conduct a business, including but not limited to:~~

~~(1) a limited partnership, a syndicate, a group, a pool, a joint venture, or an incorporated association; or~~

~~(2) a similar entity if the income for federal income tax purposes is taxed to the equity participants in that business, however characterized.~~

has the meaning set forth in IC 6-3-1-19.

SECTION 28. IC 6-5.5-6-6, AS AMENDED BY P.L.242-2015, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) Each taxpayer shall notify the department in writing of any alteration or modification of a federal income tax return filed with the United States Internal Revenue Service for a taxable year that begins after December 31, 1988, including any modification or alteration in the amount of tax, regardless of whether the modification or assessment results from an assessment.

(b) The taxpayer shall file the notice in the form required by the department within one hundred eighty (180) days after the alteration or modification is made. **In the case of a taxpayer that files a combined return under this article, the date on which the alteration or modification is made shall be considered to be the last day on which an alteration or modification occurs for any entity filing as part of the combined return.**

(c) For purposes of this section, a modification or alteration occurs on the date on which a:

(1) taxpayer files an amended federal income tax return;

(2) final determination is made concerning an assessment of deficiency;

(3) final determination is made concerning a claim for refund;

(4) taxpayer waives the restrictions on assessment and collection of all, or any part, of an underpayment of federal income tax by signing a federal Form 870, or any other Form prescribed by the Internal Revenue Service for that purpose. For purposes of this subdivision:

(A) a final determination does not occur with respect to any part of the underpayment that is not covered by the waiver; and

(B) if the signature of an authorized representative of the Internal Revenue Service is required to execute a waiver, the date of the final determination is the date of signing by the authorized representative of the Internal Revenue Service **or by the taxpayer, whichever is later;**

(5) taxpayer enters into a closing agreement with the Internal Revenue Service concerning the taxpayer's tax liability under Section 7121 of the Internal Revenue Code that is a final determination. The date the taxpayer enters into a closing agreement under this subdivision is the date the closing agreement is signed by an authorized representative of the Internal Revenue Service **or by the taxpayer, whichever is later;** or

(6) modification or alteration in an amount of tax, **adjusted gross income, taxable income, credit, or other tax attribute** is otherwise made that is a final determination;

for a taxable year, regardless of whether a modification or alteration results in an underpayment or overpayment of tax.

(d) For purposes of subsection (c)(2) through (c)(6), a final determination means an action or decision by a taxpayer, the Internal Revenue Service (including the Appeals Division), the United States Tax Court, or any other United States federal court concerning any disputed tax issue that:

(1) is final and conclusive; and

(2) cannot be reopened or appealed by a taxpayer or the Internal Revenue Service as a matter of law.

(e) If the federal modification or ~~alternation~~ **alteration** results in a change in the taxpayer's federal adjusted gross income or income within Indiana, the taxpayer shall file an amended Indiana financial institutions tax return (as required by the department) and a copy of the taxpayer's amended federal income tax return with the department not later than the date that is one hundred eighty (180) days after the modification or alteration is made.

(f) The taxpayer shall pay an additional tax or penalty due under this article upon notice or demand from the department.

SECTION 29. IC 6-5.5-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) The penalty **in the amount** prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on a taxpayer who fails to make payments as required in IC 6-5.5-6. However, no penalty shall be assessed for a quarterly payment if the payment equals or exceeds:

(1) twenty percent (20%) of the final tax liability for the taxable year; or

(2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

(b) The penalty for an underpayment of tax on a quarterly return shall only be assessed on the difference between the actual amount paid by the taxpayer on the quarterly return and the lesser of:

(1) twenty percent (20%) of the taxpayer's final tax liability for the taxable year; or

(2) twenty-five percent (25%) of the taxpayer's final tax liability for the taxpayer's previous taxable year.

A payment required to be made in the manner prescribed in IC 6-5.5-6-3(c), but not paid in such a prescribed manner, shall be subject to the penalty provided in IC 6-8.1-10-2.1(b)(5).

(c) For a corporation required to make estimated payments under this section:

(1) if a corporation has a current taxable year or a previous taxable year that is less than twelve (12) months, the penalty under this section shall be computed in a manner consistent with Section 6655 of the Internal Revenue Code, including regulations promulgated thereunder; and

(2) the department may adopt rules or issue guidelines related to the application of payments withheld on behalf of the corporation under IC 6-3-4 or IC 6-5.5-2-8.

SECTION 30. IC 6-6-1.1-201, AS AMENDED BY P.L.218-2017, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 201. (a) A license tax is imposed on the use of all gasoline used in Indiana at the applicable rate specified in subsection (b), except as otherwise provided by this chapter. The distributor shall initially

pay the tax on the billed gallonage of all gasoline the distributor receives in this state, less any deductions authorized by this chapter. The distributor shall then add the per gallon amount of tax to the selling price of each gallon of gasoline sold in this state and collected from the purchaser so that the ultimate consumer bears the burden of the tax.

(b) The license tax described in subsection (a) is imposed at the following applicable rate per gallon:

(1) Before July 1, 2017, eighteen cents ($0.18).

(2) For July 1, 2017, through June 30, 2018, the lesser of:

(A) the rate resulting from using the factors determined under IC 6-6-1.6-2; or

(B) twenty-eight cents ($0.28).

(3) Beginning July 1, 2018, and each July 1 through July 1, 2024, the department shall determine an applicable rate equal to the product of:

(A) the rate in effect on June 30; multiplied by

(B) the factor determined under IC 6-6-1.6-3.

The rate shall be rounded to the nearest cent ($0.01). ~~However,~~ After June 30, 2018, the new applicable rate may not exceed the rate in effect on June 30 plus one cent ($0.01). **However, the new rate may not be less than the rate in effect on June 30. If the calculation of a new rate would produce a rate that is less than the rate in effect on June 30, the new rate shall be the rate in effect on June 30.** The department shall publish the rate that will take effect on July 1 on the department's Internet web site not later than June 1.

SECTION 31. IC 6-6-1.6-3, AS AMENDED BY P.L.185-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The department shall calculate an annual index factor to be used for the rate to take effect each July 1 beginning in 2018 through July 1, 2024. The department shall determine the index factor before June 1 of each year using the method described in subsection (b).

(b) The annual gasoline tax index factor and special fuel index factor equals the following:

STEP ONE: Divide the annual CPI-U for the year preceding the determination year by the annual CPI-U for the year immediately preceding that year.

STEP TWO: Divide the annual IPI for the year preceding the determination year by the annual IPI for the year immediately preceding that year.

STEP THREE: Add:

(A) the STEP ONE result; and

(B) the STEP TWO result.

STEP FOUR: Divide the STEP THREE result by two (2).

(c) If the CPI-U or IPI for a preceding year is revised, corrected, or updated after May 31 of that year, the department shall use the CPI-U or IPI as published for the preceding year prior to revision.

SECTION 32. IC 6-6-2.5-28, AS AMENDED BY P.L.185-2018, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 28. (a) A license tax is imposed on all special fuel sold or used in producing or generating power for propelling motor vehicles, except fuel used under section 30(a)(8) or 30.5 of this chapter, at the applicable rate specified in subsection (b). The tax shall be paid at those times, in the manner, and by those persons specified in this section and section 35 of this chapter.

(b) The license tax described in subsection (a) is imposed at the following applicable rate per special fuel gallon:

(1) Before July 1, 2017, sixteen cents ($0.16).

(2) For July 1, 2017, through June 30, 2018, the lesser of:

(A) the rate resulting from using the factors determined under IC 6-6-1.6-2; or

(B) twenty-six cents ($0.26).

(3) For July 1, 2018, through June 30, 2019, the product of:

(A) the sum of:

(i) the rate in effect on June 30; and

(ii) twenty-one cents ($0.21); multiplied by

(B) the factor determined under IC 6-6-1.6-3.

(4) Beginning July 1, 2019, and each July 1 through July 1, 2024, the department shall determine an applicable rate equal to the product of:

(A) the rate in effect on June 30; multiplied by

(B) the factor determined under IC 6-6-1.6-3.

The rate shall be rounded to the nearest cent ($0.01). However, after June 30, 2018, and before July 1, 2019, the new applicable rate may not exceed the rate in effect on June 30 plus twenty-three cents ($0.23). After June 30, 2019, the new applicable rate may not exceed the rate in effect on June 30 plus two cents ($0.02). **However, the new rate may not be less than the rate in effect on June 30. If the calculation of a new rate would produce a rate that is less than the rate in effect on June 30, the new rate shall be the rate in effect on June 30.** The department shall publish the rate that will take effect on July 1 on the department's Internet web site not later than June 1.

(c) The department shall consider it a rebuttable presumption that all undyed or unmarked special fuel, or both, received in Indiana is to be sold for use in propelling motor vehicles.

(d) Except as provided in subsection (e), the tax imposed on special fuel by subsection (a) shall be measured by invoiced gallons (or diesel or gasoline gallon equivalents in the case of a special fuel described in section 22.5(2) or 22.5(3) of this chapter) of nonexempt special fuel received by a licensed supplier in Indiana for sale or resale in Indiana or with respect to special fuel subject to a tax precollection agreement under section 35(j) of this chapter, such special fuel removed by a licensed supplier from a terminal outside of Indiana for sale for export or for export to Indiana and in any case shall generally be determined in the same manner as the tax imposed by Section 4081 of the Internal Revenue Code and Code of Federal Regulations.

(e) The tax imposed by subsection (a) on special fuel imported into Indiana, other than into a terminal, is imposed at the time the product is entered into Indiana and shall be measured by invoiced gallons received at a terminal or at a bulk plant.

(f) In computing the tax, all special fuel in process of transfer from tank steamers at boat terminal transfers and held in storage pending wholesale bulk distribution by land transportation, or in tanks and equipment used in receiving and storing special fuel from interstate pipelines pending wholesale bulk reshipment, shall not be subject to tax.

(g) The department shall consider it a rebuttable presumption that special fuel consumed in a motor vehicle plated for general highway use is subject to the tax imposed under this chapter. A person claiming exempt use of special fuel in such a vehicle must maintain adequate records as required by the department to document the vehicle's taxable and exempt use.

(h) A person that engages in blending fuel for taxable sale or use in Indiana is primarily liable for the collection and remittance of the tax imposed under subsection (a). The person shall remit the tax due in conjunction with the filing of a monthly report in the form prescribed by the department.

(i) A person that receives special fuel that has been blended for taxable sale or use in Indiana is secondarily liable to the state for the tax imposed under subsection (a).

(j) A person may not use special fuel on an Indiana public highway if the special fuel contains a sulfur content that exceeds five one-hundredths of one percent (0.05%). A person who knowingly:

(1) violates; or

(2) aids or abets another person to violate;

this subsection commits a Class A infraction. However, the violation is a Class A misdemeanor if the person has committed one (1) prior unrelated violation of this subsection, and a Level

6 felony if the person has committed more than one (1) unrelated violation of this subsection.

SECTION 33. IC 6-8.1-5-2, AS AMENDED BY P.L.146-2020, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) Except as otherwise provided in this section and section 2.5 of this chapter, the department may not issue a proposed assessment under section 1 of this chapter more than three (3) years after the latest of the date the return is filed, or the following:

(1) The due date of the return.

(2) In the case of a return filed for the state gross retail or use tax, the gasoline use tax, the gasoline tax (including the inventory tax), the special fuel tax (including the inventory tax), the motor carrier fuel tax (including the inventory tax), the oil inspection fee, the cigarette tax, the tobacco products tax, any county innkeeper's taxes imposed under IC 6-9, any food and beverage taxes imposed under IC 6-9, any county or local admissions taxes imposed under IC 6-9, or the petroleum severance tax, the end of the calendar year which contains the taxable period for which the return is filed.

(3) In the case of the use tax, three (3) years from the end of the calendar year in which the first taxable use, other than an incidental nonexempt use, of the property occurred.

(b) If a person files a return for the utility receipts tax (IC 6-2.3), adjusted gross income tax (IC 6-3), supplemental net income tax (IC 6-3-8) (repealed), county adjusted gross income tax (IC 6-3.5-1.1) (repealed), county option income tax (IC 6-3.5-6) (repealed), local income tax (IC 6-3.6), or financial institutions tax (IC 6-5.5) that understates the person's income, as that term is defined in the particular income tax law, by at least twenty-five percent (25%), the proposed assessment limitation is six (6) years instead of the three (3) years provided in subsection (a).

(c) In the case of the vehicle excise tax (IC 6-6-5), the tax shall be assessed as provided in IC 6-6-5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a vehicle as required by IC 9-18 (before its expiration) or IC 9-18.1 and pay the tax due under IC 6-6-5 is considered to have failed to file a return for purposes of this article.

(d) In the case of the commercial vehicle excise tax imposed under IC 6-6-5.5, the tax shall be assessed as provided in IC 6-6-5.5 and shall include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a commercial vehicle as required by IC 9-18 (before its expiration) or IC 9-18.1 and pay the tax due under IC 6-6-5.5 is considered to have failed to file a return for purposes of this article.

(e) In the case of the excise tax imposed on recreational vehicles and truck campers under IC 6-6-5.1, the tax shall be assessed as provided in IC 6-6-5.1 and must include the penalties and interest due on all listed taxes not paid by the due date. A person that fails to properly register a recreational vehicle as required by IC 9-18 (before its expiration) or IC 9-18.1 and pay the tax due under IC 6-6-5.1 is considered to have failed to file a return for purposes of this article. A person that fails to pay the tax due under IC 6-6-5.1 on a truck camper is considered to have failed to file a return for purposes of this article.

(f) In the case of a credit against a listed tax based on payments of taxes to a state or local jurisdiction outside Indiana or payments of amounts that are subsequently refunded or returned, a proposed assessment for the refunded or returned credit must be issued by the later of:

(1) the date by which a proposed assessment must be issued under this section; or

(2) one hundred eighty (180) days from the date the taxpayer notifies the department of the refund or return of payment.

For purposes of this subsection, if a taxpayer receives a refund of an amount paid by or on behalf of the taxpayer for a listed tax, that refund shall not be considered the payment of an amount that is subsequently refunded or returned.

~~(f)~~ **(g)** If a person files a fraudulent, unsigned, or substantially blank return, or if a person does not file a return, there is no time limit within which the department must issue its proposed assessment.

~~(g)~~ **(h)** If any part of a listed tax has been erroneously refunded by the department, the erroneous refund may be recovered through the assessment procedures established in this chapter. An assessment issued for an erroneous refund must be issued within the later of:

(1) the period for which an assessment could otherwise be issued under this section; or

(2) whichever is applicable:

(A) within two (2) years after making the refund; or

(B) within five (5) years after making the refund if the refund was induced by fraud or misrepresentation.

~~(h)~~ **(i)** If, before the end of the time within which the department may make an assessment, the department and the person agree to extend that assessment period, the period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must contain:

(1) the date to which the extension is made; and

(2) a statement that the person agrees to preserve the person's records until the extension terminates.

The department and a person may agree to more than one (1) extension under this subsection.

~~(i)~~ **(j)** Except as otherwise provided in subsection ~~(j),~~ **(k),** if a taxpayer's federal taxable income, federal adjusted gross income, or federal income tax liability for a taxable year is modified due to a modification as provided under IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax), or a modification or alteration as provided under IC 6-5.5-6-6(c) and IC 6-5.5-6-6(e) (for the financial institutions tax), then the date by which the department must issue a proposed assessment under section 1 of this chapter for tax imposed under IC 6-3 is extended to six (6) months after the date on which the notice of modification is filed with the department by the taxpayer.

~~(j)~~ **(k)** The following apply:

(1) This subsection applies to partnerships whose taxable year:

(A) begins after December 31, 2017;

(B) ends after August 12, 2018; or

(C) begins after November 2, 2015, and before January 1, 2018, and for which a valid election under United States Treasury Regulation 301.9100-22 is in effect;

and to the partners of such partnerships, including any partners, shareholders, or beneficiaries of a pass through entity that is a partner in such partnership.

(2) Notwithstanding any other provision of this article, if a partnership is subject to federal income tax liability or a federal tax adjustment at the partnership level as the result of a modification under Sections 6221 through 6241 of the Internal Revenue Code, the date on which the department must issue a proposed assessment to either the partners or the partnership shall be the later of:

(A) the date on which a proposed assessment must otherwise be issued to the partner or the partnership under this section **or IC 6-3-4.5** with regard to the taxable year of the partnership to which the modification is taxed at the partnership level; or

(B) December 31, 2021.

(3) For purposes of this section and IC 6-8.1-9-1, a modification under this subsection shall be considered a modification to the federal taxable income, federal

adjusted gross income, or federal income tax liability of both the partners and the partnership within the meaning of IC 6-3-4-6 and IC 6-5.5-6-6, and shall be considered to be included in the federal taxable income or federal adjusted gross income of both the partners and partnerships for purposes of this article and IC 6-5.5.

(4) If a modification made to a partnership for federal income tax purposes is reported to the partners to determine the partners' respective federal taxable income, federal adjusted gross income, or federal income tax liability, including reporting to partners as the result of an election made under Section 6226 of the Internal Revenue Code, subdivision (2) shall not apply, and those modifications shall be treated as modifications to the partners' federal taxable income, federal adjusted gross income, or federal income tax liability for purposes of the following:

(A) This section.

(B) IC 6-3-4-6.

(C) IC 6-5.5-6-6.

(D) IC 6-8.1-9-1.

SECTION 34. IC 6-8.1-7-1, AS AMENDED BY P.L.146-2020, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) This subsection does not apply to the disclosure of information concerning a conviction on a tax evasion charge. Unless in accordance with a judicial order or as otherwise provided in this chapter, the department, its employees, former employees, counsel, agents, or any other person may not divulge the amount of tax paid by any taxpayer, terms of a settlement agreement executed between a taxpayer and the department, investigation records, investigation reports, or any other information disclosed by the reports filed under the provisions of the law relating to any of the listed taxes, including required information derived from a federal return, except to any of the following when it is agreed that the information is to be confidential and to be used solely for official purposes:

(1) Members and employees of the department.

(2) The governor.

(3) A member of the general assembly or an employee of the house of representatives or the senate when acting on behalf of a taxpayer located in the member's legislative district who has provided sufficient information to the member or employee for the department to determine that the member or employee is acting on behalf of the taxpayer.

(4) An employee of the legislative services agency to carry out the responsibilities of the legislative services agency under IC 2-5-1.1-7 or another law.

(5) The attorney general or any other legal representative of the state in any action in respect to the amount of tax due under the provisions of the law relating to any of the listed taxes.

(6) Any authorized officers of the United States.

(b) The information described in subsection (a) may be revealed upon the receipt of a certified request of any designated officer of the state tax department of any other state, district, territory, or possession of the United States when:

(1) the state, district, territory, or possession permits the exchange of like information with the taxing officials of the state; and

(2) it is agreed that the information is to be confidential and to be used solely for tax collection purposes.

(c) The information described in subsection (a) relating to a person on public welfare or a person who has made application for public welfare may be revealed to the director of the division of family resources, and to any director of a county office of the division of family resources located in Indiana, upon receipt of a written request from either director for the information. The information shall be treated as confidential by the directors. In addition, the information described in subsection (a) relating to a person who has been designated as an absent parent by the state Title IV-D agency shall be made available to the state Title IV-D agency upon request. The information shall be subject to the information safeguarding provisions of the state and federal Title IV-D programs.

(d) The name, address, Social Security number, and place of employment relating to any individual who is delinquent in paying educational loans owed to a postsecondary educational institution may be revealed to that institution if it provides proof to the department that the individual is delinquent in paying for educational loans. This information shall be provided free of charge to approved postsecondary educational institutions (as defined by IC 21-7-13-6(a)). The department shall establish fees that all other institutions must pay to the department to obtain information under this subsection. However, these fees may not exceed the department's administrative costs in providing the information to the institution.

(e) The information described in subsection (a) relating to reports submitted under IC 6-6-1.1-502 concerning the number of gallons of gasoline sold by a distributor and IC 6-6-2.5 concerning the number of gallons of special fuel sold by a supplier and the number of gallons of special fuel exported by a licensed exporter or imported by a licensed transporter may be released by the commissioner upon receipt of a written request for the information.

(f) The information described in subsection (a) may be revealed upon the receipt of a written request from the administrative head of a state agency of Indiana when:

(1) the state agency shows an official need for the information; and

(2) the administrative head of the state agency agrees that any information released will be kept confidential and will be used solely for official purposes.

(g) The information described in subsection (a) may be revealed upon the receipt of a written request from the chief law enforcement officer of a state or local law enforcement agency in Indiana when it is agreed that the information is to be confidential and to be used solely for official purposes.

(h) The name and address of retail merchants, including township, as specified in IC 6-2.5-8-1(k) may be released solely for tax collection purposes to township assessors and county assessors.

(i) The department shall notify the appropriate innkeeper's tax board, bureau, or commission that a taxpayer is delinquent in remitting innkeepers' taxes under IC 6-9.

(j) All information relating to the delinquency or evasion of the vehicle excise tax may be disclosed to the bureau of motor vehicles in Indiana and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.

(k) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(l) All information relating to the delinquency or evasion of commercial vehicle excise taxes payable under the International Registration Plan may be disclosed to another state, if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.5.

(m) All information relating to the delinquency or evasion of the excise taxes imposed on recreational vehicles and truck campers that are payable to the bureau of motor vehicles in Indiana may be disclosed to the bureau and may be disclosed to another state if the information is disclosed for the purpose of the enforcement and collection of the taxes imposed by IC 6-6-5.1.

(n) This section does not apply to:

(1) the beer excise tax, including brand and packaged type (IC 7.1-4-2);
(2) the liquor excise tax (IC 7.1-4-3);
(3) the wine excise tax (IC 7.1-4-4);
(4) the hard cider excise tax (IC 7.1-4-4.5);
(5) the vehicle excise tax (IC 6-6-5);
(6) the commercial vehicle excise tax (IC 6-6-5.5); and
(7) the fees under IC 13-23.

(o) The name and business address of retail merchants within each county that sell tobacco products may be released to the division of mental health and addiction and the alcohol and tobacco commission solely for the purpose of the list prepared under IC 6-2.5-6-14.2.

(p) The name and business address of a person licensed by the department under IC 6-6 or IC 6-7, **or issued a registered retail merchant's certificate under IC 6-2.5,** may be released for the purpose of reporting the status of the person's license **or certificate.**

(q) The department may release information concerning total incremental tax amounts under:

(1) IC 5-28-26;
(2) IC 36-7-13;
(3) IC 36-7-26;
(4) IC 36-7-27;
(5) IC 36-7-31;
(6) IC 36-7-31.3; or
(7) any other statute providing for the calculation of incremental state taxes that will be distributed to or retained by a political subdivision or other entity;

to the fiscal officer of the political subdivision or other entity that established the district or area from which the incremental taxes were received if that fiscal officer enters into an agreement with the department specifying that the political subdivision or other entity will use the information solely for official purposes.

(r) The department may release the information as required in IC 6-8.1-3-7.1 concerning:

(1) an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9;
(2) the supplemental auto rental excise tax under IC 6-6-9.7; and
(3) the covered taxes allocated to a professional sports development area fund, sports and convention facilities operating fund, or other fund under IC 36-7-31 and IC 36-7-31.3.

(s) Information concerning state gross retail tax exemption certificates that relate to a person who is exempt from the state gross retail tax under IC 6-2.5-4-5 may be disclosed to a power subsidiary (as defined in IC 6-2.5-4-5) or a person selling the services or commodities listed in IC 6-2.5-4-5(b) for the purpose of enforcing and collecting the state gross retail and use taxes under IC 6-2.5.

(t) The department may release a statement of tax withholding or other tax information statement provided on behalf of a taxpayer to the department to:

(1) the taxpayer on whose behalf the tax withholding or other tax information statement was provided to the department;
(2) the taxpayer's spouse, if:
(A) the taxpayer is deceased or incapacitated; and
(B) the taxpayer's spouse is filing a joint income tax return with the taxpayer; or
(3) an administrator, executor, trustee, or other fiduciary acting on behalf of the taxpayer if the taxpayer is deceased.

(u) Information related to a listed tax regarding a taxpayer may be disclosed to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) if:

(1) the individual is authorized to file returns and remit payments for one (1) or more listed taxes on behalf of the taxpayer through the department's online tax system before September 8, 2020;
(2) the information relates to a listed tax described in subdivision (1) for which the individual is authorized to file returns and remit payments;
(3) the taxpayer has been notified by the department of the individual's ability to access the taxpayer's information for the listed taxes described in subdivision (1) and the taxpayer has not objected to the individual's access;
(4) the individual's authorization or right to access the taxpayer's information for a listed tax described in subdivision (1) has not been withdrawn by the taxpayer; and
(5) disclosure of the information to the individual is not prohibited by federal law.

Except as otherwise provided by this article, this subsection does not authorize the disclosure of any correspondence from the department that is mailed or otherwise delivered to the taxpayer relating to the specified listed taxes for which the individual was given authorization by the taxpayer. The department shall establish a date, which may be earlier but not later than September 1, 2023, after which a taxpayer's information concerning returns and remittances for a listed tax may not be disclosed to an individual without a power of attorney under IC 6-8.1-3-8(a)(2) by providing notice to the affected taxpayers and previously authorized individuals, including notification published on the department's Internet web site. After the earlier of the date established by the department or September 1, 2023, the department may not disclose a taxpayer's information concerning returns and remittances for a listed tax to an individual unless the individual has a power of attorney under IC 6-8.1-3-8(a)(2) or the disclosure is otherwise allowed under this article.

SECTION 35. IC 6-8.1-9-1, AS AMENDED BY P.L.146-2020, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections (j), (k), ~~and~~ (l), **(m), and (n),** in order to obtain the refund, the person must file the claim with the department within three (3) years after the later of the following:

(1) The due date of the return.
(2) The date of payment.

For purposes of this section, the due date for a return filed for the state gross retail or use tax, the gasoline use tax, the gasoline tax (including the inventory tax), the special fuel tax (including the inventory tax), the motor carrier fuel tax (including the inventory tax), the oil inspection fee, the cigarette tax, the tobacco products tax, any county innkeeper's taxes imposed under IC 6-9, any food and beverage taxes imposed under IC 6-9, any county or local admissions taxes imposed under IC 6-9, or the petroleum severance tax is the end of the calendar year which contains the taxable period for which the return is filed. The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(b) After considering the claim and all evidence relevant to the claim, the department shall issue a decision on the claim, stating the part, if any, of the refund allowed and containing a statement of the reasons for any part of the refund that is denied. The department shall mail a copy of the decision to the person that filed the claim. If the person disagrees with a part of the decision on the claim, the person may file a protest and request a hearing with the department. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision.

(c) The tax court shall hear the appeal de novo and without a jury, and after the hearing may order or deny any part of the appealed refund. The court may assess the court costs in any manner that it feels is equitable. The court may enjoin the

collection of any of the listed taxes under IC 33-26-6-2. The court may also allow a refund of taxes, interest, and penalties that have been paid to and collected by the department.

(d) The decision on the claim must state that the person has sixty (60) days from the date the decision is mailed to file a written protest. If the person files a protest and requests a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) After conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a memorandum of decision or order denying a refund and shall send a copy of the decision through the United States mail to the person that filed the protest. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision. The department may continue the hearing until a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with any part of the department's determination in a memorandum of decision or order denying a refund may request a rehearing not more than thirty (30) days after the date on which the memorandum of decision or order denying a refund is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state. If the department grants the rehearing, the department shall issue a supplemental order denying a refund or a supplemental memorandum of decision based on the rehearing, whichever is applicable.

(h) If the person disagrees with any part of the department's determination, the person may appeal the determination, regardless of whether or not the person protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal if:

(1) the appeal is filed more than ninety (90) days after the latest of the dates on which:

(A) the memorandum of decision or order denying a refund is issued by the department, if the person does not make a timely request for a rehearing under subsection (g) on the memorandum of decision or order denying a refund;

(B) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the memorandum of decision or order denying a refund; or

(C) the department issues a supplemental memorandum of decision or supplemental order denying a refund following a rehearing granted under subsection (g); or

(2) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person files the claim for a refund with the department.

The ninety (90) day period may be extended according to the terms of a written agreement signed by both the department and the person. The agreement must specify a date upon which the extension will terminate and include a statement that the person agrees to preserve the person's records until that specified termination date. The specified termination date agreed upon under this subsection may not be more than ninety (90) days after the expiration of the period otherwise specified by this subsection.

(i) With respect to the vehicle excise tax, this section applies only to penalties and interest paid on assessments of the vehicle excise tax. Any other overpayment of the vehicle excise tax is subject to IC 6-6-5.

(j) If a taxpayer's federal taxable income, federal adjusted gross income, or federal income tax liability for a taxable year is modified by the Internal Revenue Service, and the modification would result in a reduction of the tax legally due, the due date by which the taxpayer must file a claim for refund with the department is the latest of:

(1) the date determined under subsection (a);

(2) the date that is one hundred eighty (180) days after the date of the modification by the Internal Revenue Service as provided under:

(A) IC 6-3-4-6(c) and IC 6-3-4-6(d) (for the adjusted gross income tax); or

(B) IC 6-5.5-6-6(c) and IC 6-5.5-6-6(d) (for the financial institutions tax); or

(3) in the case of a modification described in ~~IC 6-8.1-5-2(j)(1)~~ **IC 6-8.1-5-2(k)(1)** through ~~IC 6-8.1-5-2(j)(3),~~ **IC 6-8.1-5-2(k)(3), the date provided in IC 6-3-4.5 for such refunds or** December 31, 2021, **whichever is later.**

(k) Notwithstanding any other provision of this section, if an individual received a severance payment described in Section 3(a)(1)(A) of the Combat-Injured Veterans Tax Fairness Act of 2016 (P.L. 114-292) and upon which the United States Secretary of Defense withheld tax under IC 6-3, IC 6-3.5-1.1 (before its repeal), IC 6-3.5-6 (before its repeal), IC 6-3.5-7 (before its repeal), or IC 6-3.6, the individual must file a claim for refund for taxes that were overpaid and attributable to the severance payment not later than December 31, 2020. Any refund under this subsection shall be computed without regard to subsection (a)(2). The department may establish procedures to provide standard refund amounts if a standard refund amount is requested from the Internal Revenue Service.

(l) Notwithstanding any other provision of this section, a taxpayer may file a claim for refund for any taxes under IC 6-3 or IC 6-5.5 that the taxpayer expected to be due as a result of an Internal Revenue Service audit not later than the date otherwise prescribed in this section or one hundred eighty (180) days after the date the taxpayer is notified that the audit resulted in no change or, if the audit resulted in a modification, the date of the modification as provided under:

(1) IC 6-3-4-6(c) and IC 6-3-4-6(d) (for adjusted gross income tax); or

(2) IC 6-5.5-6-6(c) and IC 6-5.5-6-6(d) (for the financial institutions tax);

whichever is later.

(m) If a taxpayer has an overpayment for a listed tax as a result of a credit of taxes paid to another state, country, or local jurisdiction in another state or country, and those taxes were assessed by the state, country, or local jurisdiction after the period for which a refund could have been claimed for that listed tax under this section, the period for requesting the refund under this section is extended to one hundred eighty (180) days after payment of the tax to the state, country, or local jurisdiction.

~~(l)~~ **(n)** If an agreement to extend the assessment time period is entered into under ~~IC 6-8.1-5-2(h),~~ **IC 6-8.1-5-2(i),** the period during which a person may file a claim for a refund under subsection (a) is extended to the same date to which the assessment time period is extended.

SECTION 36. IC 6-8.1-9-2, AS AMENDED BY P.L.146-2020, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) If the department finds that a person has paid more tax for a taxable year than is legally due, the department shall apply the amount of the excess against any amount of that same tax that is assessed and is currently due. The department may then apply any remaining excess against any of the listed taxes that have been assessed against the person and that are currently due.

Subject to subsection (c), if any excess remains after the department has applied the overpayment against the person's tax liabilities, the department shall either refund the amount to the person or, at the person's request, credit the amount to the person's future tax liabilities.

(b) Subject to subsection (c), if a court determines that a person has paid more tax for a taxable year than is legally due, the department shall refund the excess amount to the person.

(c) As used in this subsection, "pass through entity" means a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2), a partnership, a limited liability company, or a limited liability partnership and "pass through income" means a person's distributive share of adjusted gross income for a taxable year attributable to the person's interest in a pass through entity. This subsection applies to a person's overpayment of adjusted gross income tax for a taxable year if:

(1) the person has filed a timely claim for refund with respect to the overpayment under IC 6-8.1-9-1;

(2) the overpayment:

(A) is with respect to a taxable year beginning before January 1, 2009;

(B) is attributable to amounts paid to the department by:

(i) a nonresident shareholder, partner, or member of a pass through entity;

(ii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of the pass through entity; or

(iii) a pass through entity under IC 6-3-4-12 or IC 6-3-4-13 on behalf of a nonresident shareholder, partner, or member of another pass through entity; and

(3) the overpayment arises from a determination by the department or a court that the person's pass through income is not includible in the person's adjusted gross income derived from sources within Indiana as a result of the application of IC 6-3-2-2(a)(5) and IC 6-3-2-2.2(g).

The department shall apply the overpayment to the person's liability for taxes that have been assessed and are currently due as provided in subsection (a) and apply any remaining overpayment as a credit or credits in satisfaction of the person's liability for listed taxes in taxable years beginning after December 31, 2008. If the person, including any successor to the person's interest in the overpayment, does not have sufficient liability for listed taxes against which to credit all the remaining overpayment in a taxable year beginning after December 31, 2008, and ending before January 1, 2019, the taxpayer is not entitled for any taxable year ending after December 31, 2018, to have any part of the remaining overpayment applied, refunded, or credited to the person's liability for listed taxes. If an overpayment or part of an overpayment is required to be applied as a credit under this subsection to the person's liability for listed taxes for a taxable year beginning after December 31, 2008, and has not been determined by the department or a court to meet the conditions of subdivision (3) by the due date of the person's return for a listed tax for a taxable year beginning after December 31, 2008, the department shall refund to the person that part of the overpayment that should have been applied as a credit for such taxable year within ninety (90) days of the date that the department or a court makes the determination that the overpayment meets the conditions of subdivision (3). However, the department may establish a program to refund small overpayment amounts that do not exceed the threshold dollar value established by the department rather than crediting the amounts against tax liability accruing for a taxable year after December 31, 2008. A person that receives a refund or credit under this subsection shall file a report with the department in the form and in the schedule specified by the department that identifies under penalties of perjury the home state or other jurisdiction where the income subject to the refund or credit was reported as income attributable to that state or jurisdiction.

(d) An excess tax payment that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax was paid, whichever is latest, accrues interest from:

(1) the date the refund claim is filed, if the refund claim is filed before July 1, 2015; or

(2) for a refund claim filed after June 30, 2015, the latest of:

(A) the date the tax payment was due;

(B) the date the tax was paid; ~~or~~

(C) the date the tax return was filed for the period and tax type for which the refund is claimed;

(D) in the case of a refund based on payment of a tax by the taxpayer to another state, country, or locality, the date of such payment of tax to the other state, country, or locality; or

~~(C)~~ **(E)** July 1, 2015;

at the rate established under IC 6-8.1-10-1 until a date, determined by the department, that does not precede by more than thirty (30) days, the date on which the refund or credit is made. As used in this subsection, "refund claim" includes a return and an amended return that indicates an overpayment of tax. For purposes of this subsection only, the due date for the payment of the state gross retail or use tax, the oil inspection fee, and the petroleum severance tax is December 31 of the calendar year that contains the taxable period for which the payment is remitted. ~~Notwithstanding any other provision, no interest is due for any time before the filing of a tax return for the period and tax type for which a taxpayer files a refund claim.~~

(e) A person who is liable for the payment of excise taxes under IC 7.1-4-3 or IC 7.1-4-4 is entitled to claim a credit against the person's excise tax liability in the amount of the excise taxes paid in duplicate by the person, or the person's assignors or predecessors, upon both:

(1) the receipt of the goods subject to the excise taxes, as reported by the person, or the person's assignors or predecessors, on excise tax returns filed with the department; and

(2) the withdrawal of the same goods from a storage facility operated under 19 U.S.C. 1555(a).

(f) The amount of the credit under subsection (e) is equal to fifty percent (50%) of the amount of excise taxes:

(1) that were paid by the person as described in subsection (e)(2);

(2) that are duplicative of excise taxes paid by the person as described in subsection (e)(1); and

(3) for which the person has not previously claimed a credit.

The credit may be claimed by subtracting the amount of the credit from the amount of the person's excise taxes reported on the person's monthly excise tax returns filed under IC 7.1-4-6 with the department for taxes imposed under IC 7.1-4-3 or IC 7.1-4-4. The amount of the credit that may be taken monthly by the person on each monthly excise tax return may not exceed ten percent (10%) of the excise tax liability reported by the person on the monthly excise tax return. The credit may be claimed on not more than thirty-six (36) consecutive monthly excise tax returns beginning with the month in which credit is first claimed.

(g) The amount of the credit calculated under subsection (f) must be used for capital expenditures to:

(1) expand employment; or

(2) assist in retaining employment within Indiana.

The department shall annually verify whether the capital expenditures made by the person comply with this subsection.

(h) An excess tax payment under section 1(k) of this chapter that is not refunded or credited against a current or future tax liability within ninety (90) days after the date the refund claim is filed, the date the tax payment was due, or the date the tax

was paid, whichever is latest, accrues interest from April 1, 2020. For purposes of this subsection, a refund claim filed prior to April 1, 2020, shall be treated as filed on April 1, 2020.

SECTION 37. IC 6-8.1-10-2.1, AS AMENDED BY P.L.234-2019, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2.1. (a) Except as provided in IC 6-3-4-12(k) and IC 6-3-4-13(l), a person that:

(1) fails to file a return for any of the listed taxes;

(2) fails to pay the full amount of tax shown on the person's return on or before the due date for the return or payment;

(3) incurs, upon examination by the department, a deficiency that is due to negligence;

(4) fails to timely remit any tax held in trust for the state; ~~or~~

(5) fails to file a return in the electronic manner required by the department if such return is required to be filed electronically; or

~~(5)~~ **(6)** is required to make a payment by electronic funds transfer (as defined in IC 4-8.1-2-7), overnight courier, ~~or~~ personal delivery, **or any other electronic means** and the payment is not received by the department by the due date **in such manner and** in funds acceptable to the department;

is subject to a penalty.

(b) Except as provided in subsection (g), the penalty described in subsection (a) is ten percent (10%) of:

(1) the full amount of the tax due if the person failed to file the return **or, in the case of a return required to be filed electronically, the return is not filed in the electronic manner required by the department;**

(2) the amount of the tax not paid, if the person filed the return but failed to pay the full amount of the tax shown on the return;

(3) the amount of the tax held in trust that is not timely remitted;

(4) the amount of deficiency as finally determined by the department; or

(5) the amount of tax due if a person failed to make payment **required to be made** by electronic funds transfer, overnight courier, ~~or~~ personal delivery, **or any other electronic means** by the due date **in such manner.**

(c) For purposes of this section, the filing of a substantially blank or unsigned return does not constitute a return.

(d) If a person subject to the penalty imposed under this section can show that the failure to file a return, pay the full amount of tax shown on the person's return, timely remit tax held in trust, or pay the deficiency determined by the department was due to reasonable cause and not due to willful neglect, the department shall waive the penalty.

(e) A person who wishes to avoid the penalty imposed under this section must make an affirmative showing of all facts alleged as a reasonable cause for the person's failure to file the return, pay the amount of tax shown on the person's return, pay the deficiency, or timely remit tax held in trust, in a written statement containing a declaration that the statement is made under penalty of perjury. The statement must be filed with the return or payment within the time prescribed for protesting departmental assessments. A taxpayer may also avoid the penalty imposed under this section by obtaining a ruling from the department before the end of a particular tax period on the amount of tax due for that tax period.

(f) The department shall adopt rules under IC 4-22-2 to prescribe the circumstances that constitute reasonable cause and negligence for purposes of this section.

(g) A person who fails to file a return for a listed tax that shows no tax liability for a taxable year, other than an information return (as defined in section 6 of this chapter), on or before the due date of the return shall pay a penalty of ten dollars ($10) for each day that the return is past due, up to a maximum of two hundred fifty dollars ($250).

(h) A:

(1) corporation which otherwise qualifies under IC 6-3-2-2.8(2);

(2) partnership; or

(3) trust;

that fails to withhold and pay any amount of tax required to be withheld under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15 shall pay a penalty equal to twenty percent (20%) of the amount of tax required to be withheld under IC 6-3-4-12, IC 6-3-4-13, or IC 6-3-4-15. This penalty shall be in addition to any penalty imposed by section 6 of this chapter.

(i) Subsections (a) through (c) do not apply to a motor carrier fuel tax return.

(j) If a partnership or an S corporation fails to include all nonresidential individual partners or nonresidential individual shareholders in a composite return as required by IC 6-3-4-12(i) or IC 6-3-4-13(j), a penalty of five hundred dollars ($500) per partnership or S corporation is imposed on the partnership or S corporation.

(k) If a person subject to the penalty imposed under this section provides the department with documentation showing that the person is or has been subject to incarceration for a period of a least one hundred eighty (180) days, the department shall waive any penalty under this section and interest that accrues during the time the person was incarcerated, but not to an extent greater than the penalty or interest relief to which a person would otherwise have been entitled under the federal Servicemembers Civil Relief Act (50 U.S.C. 3901-4043), if the person was in military service. Nothing in this subsection shall preclude the department from issuing a proposed assessment, demand notice, jeopardy proposed assessment, jeopardy demand notice, or warrant otherwise permitted by law.

SECTION 38. IC 9-18.1-5-8, AS AMENDED BY HEA 1356-2021, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) Except as provided in sections 11 and 13 of this chapter, the fee to register a trailer is as follows:

Declared Gross Greater than	Weight (Pounds) Equal to or less than	Fee $
0	3,000	16.35
3,000	9,000	25.35
9,000	12,000	7 2
12,000	16,000	1 0 8
16,000	22,000	1 6 8
22,000		2 2 8

(b) A fee described in subsection (a) that is collected **by the department from a person registering** under the International Registration Plan shall be **prorated based on the Indiana mileage percentage of the trucks and tractors registered by the person under the International Registration Plan pursuant to section 9 of this chapter. The prorated amount shall be** distributed as set forth in section 10.5 of this chapter.

(c) A fee described in subsection (a) that is not required to be distributed under subsection (b) shall be distributed as follows:

(1) Twenty-five cents ($0.25) to the state construction fund.

(2) Fifty cents ($0.50) to the state motor vehicle technology fund.

(3) Two dollars and ninety cents ($2.90) to the highway, road and street fund.

(4) Four dollars ($4) to the crossroads 2000 fund.

(5) One dollar and twenty-five cents ($1.25) to the integrated public safety communications fund.

(6) Three dollars and ten cents ($3.10) to the commission fund.

(7) Any remaining amount to the motor vehicle highway

account.

SECTION 39. IC 13-20-13-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) A fee of twenty-five cents ($0.25) is imposed on the sale of the following:

(1) Each new tire that is sold at retail.

(2) Each new tire mounted on a new vehicle sold at retail.

(b) The person that sells the new tire or vehicle at retail **(including a retail merchant that meets one (1) or both of the economic thresholds under IC 6-2.5-2-1(d))** to the ultimate consumer of the tire or vehicle shall collect the fee imposed by this section.

(c) A person that collects a fee under subsection (b):

(1) shall pay the fees collected under subsection (b):

(A) to the department of state revenue; and

(B) at the same time and in the same manner that the person pays the state gross retail tax collected by the person to the department of state revenue;

(2) shall indicate on the return:

(A) prescribed by the department of state revenue; and

(B) used for the payment of state gross retail taxes;

that the person is also paying fees collected under subsection (b); and

(3) is entitled to deduct and retain one percent (1%) of the fees required to be paid to the department of state revenue under this subsection.

(d) The department of state revenue shall deposit fees collected under this section in the waste tire management fund established by this chapter.

SECTION 40. IC 22-11-14-1, AS AMENDED BY P.L.177-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. As used in this chapter and IC 22-11-14.5:

"Auto burglar alarm" means a tube that contains pyrotechnic composition that produces a loud whistle or smoke when ignited. A small quantity of explosive, not exceeding fifty (50) milligrams, may also be used to produce a small report. A squib is used to ignite the device.

"Booby trap" means a small tube with string protruding from both ends, similar to a party popper in design. The ends of the string are pulled to ignite the friction sensitive composition, producing a small report.

"Chaser" means a device, containing fifty (50) milligrams or less of explosive composition, that consists of a small paper or cardboard tube that travels along the ground upon ignition. A whistling effect is often produced, and a small noise may be produced.

"Cigarette load" means a small wooden peg that has been coated with a small quantity of explosive composition. Upon ignition of a cigarette containing one (1) of the pegs, a small report is produced.

"Consumer firework" means a small firework that is designed primarily to produce visible effects by combustion, and that is required to comply with the construction, chemical composition, and labeling regulations promulgated by the United States Consumer Product Safety Commission under 16 CFR 1507. The term also includes some small devices designed to produce an audible effect, such as whistling devices, ground devices containing fifty (50) milligrams or less of explosive composition, and aerial devices containing one hundred thirty (130) milligrams or less of explosive composition. Propelling or expelling charges consisting of a mixture of charcoal, sulfur, and potassium nitrate are not considered as designed to produce an audible effect. Consumer fireworks:

(1) include:

(A) aerial devices, which include sky rockets, missile type rockets, helicopter or aerial spinners, roman candles, mines, and shells;

(B) ground audible devices, which include firecrackers, salutes, and chasers; and

(C) firework devices containing combinations of the effects described in clauses (A) and (B); and

(2) do not include the items referenced in section 8(a) of this chapter.

"Cone fountain" means a cardboard or heavy paper cone which contains up to fifty (50) grams of pyrotechnic composition, and which produces the same effect as a cylindrical fountain.

"Cylindrical fountain" means a cylindrical tube not exceeding three-quarters (3/4) inch in inside diameter and containing up to seventy-five (75) grams of pyrotechnic composition. Fountains produce a shower of color and sparks upon ignition, and sometimes a whistling effect. Cylindrical fountains may contain a spike to be inserted in the ground (spike fountain), a wooden or plastic base to be placed on the ground (base fountain), or a wooden handle or cardboard handle for items designed to be hand held (handle fountain).

"Dipped stick" or "wire sparkler" means a stick or wire coated with pyrotechnic composition that produces a shower of sparks upon ignition. Total pyrotechnic composition does not exceed one hundred (100) grams per item. Those devices containing chlorate or perchlorate salts do not exceed five (5) grams in total composition per item. Wire sparklers that contain no magnesium and that contain less than one hundred (100) grams of composition per item are not included in the category of consumer fireworks.

"Distributor" means a person who sells fireworks to wholesalers and retailers for resale.

"Explosive composition" means a chemical or mixture of chemicals that produces an audible effect by deflagration or detonation when ignited.

"Firecracker" or "salute" is a device that consists of a small paper wrapped or cardboard tube containing not more than fifty (50) milligrams of pyrotechnic composition and that produces, upon ignition, noise, accompanied by a flash of light.

"Firework" means any composition or device designed for the purpose of producing a visible or audible effect by combustion, deflagration, or detonation. Fireworks consist of consumer fireworks, items referenced in section 8(a) of this chapter, and special fireworks. The following items are excluded from the definition of fireworks:

(1) Model rockets.

(2) Toy pistol caps.

(3) Emergency signal flares.

(4) Matches.

(5) Fixed ammunition for firearms.

(6) Ammunition components intended for use in firearms, muzzle loading cannons, or small arms.

(7) Shells, cartridges, and primers for use in firearms, muzzle loading cannons, or small arms.

(8) Indoor pyrotechnics special effects material.

(9) M-80s, cherry bombs, silver salutes, and any device banned by the federal government.

"Flitter sparkler" means a narrow paper tube filled with pyrotechnic composition that produces color and sparks upon ignition. These devices do not use a fuse for ignition, but rather are ignited by igniting the paper at one (1) end of the tube.

"Ground spinner" means a small spinning device that is similar to wheels in design and effect when placed on the ground and ignited, and that produces a shower of sparks and color when spinning.

"Helicopter" or "aerial spinner" is a spinning device:

(1) that consists of a tube up to one-half (1/2) inch in inside diameter and that contains up to twenty (20) grams of pyrotechnic composition;

(2) to which some type of propeller or blade device is attached; and

(3) that lifts into the air upon ignition, producing a visible or audible effect at the height of flight.

"Illuminating torch" means a cylindrical tube that:

(1) contains up to one hundred (100) grams of pyrotechnic composition;
(2) produces, upon ignition, a colored fire; and
(3) is either a spike, base, or handle type device.

"Importer" means:
(1) a person who imports fireworks from a foreign country; or
(2) a person who brings or causes fireworks to be brought within this state for subsequent sale.

"Indoor pyrotechnics special effects material" means a chemical material that is clearly labeled by the manufacturer as suitable for indoor use (as provided in National Fire Protection Association Standard 1126 (2001 edition)).

"Interstate wholesaler" means a person who is engaged in interstate commerce selling fireworks.

"Manufacturer" means a person engaged in the manufacture of fireworks.

"Mine" or "shell" means a device that:
(1) consists of a heavy cardboard or paper tube up to two and one-half (2 1/2) inches in inside diameter, to which a wooden or plastic base is attached;
(2) contains up to forty (40) grams of pyrotechnic composition; and
(3) propels, upon ignition, stars (pellets of pressed pyrotechnic composition that burn with bright color), whistles, parachutes, or combinations thereof, with the tube remaining on the ground.

"Missile-type rocket" means a device that is similar to a sky rocket in size, composition, and effect, and that uses fins rather than a stick for guidance and stability.

"Municipality" has the meaning set forth in IC 36-1-2-11.

"Party popper" means a small plastic or paper item containing not more than sixteen (16) milligrams of explosive composition that is friction sensitive. A string protruding from the device is pulled to ignite it, expelling paper streamers and producing a small report.

"Person" means an individual, an association, an organization, a limited liability company, or a corporation.

"Pyrotechnic composition" means a mixture of chemicals that produces a visible or audible effect by combustion rather than deflagration or detonation. Pyrotechnic compositions will not explode upon ignition unless severely confined.

"Responding fire department" means the paid fire department or volunteer fire department that renders fire protection services to a political subdivision.

"Retail sales stand" means a temporary business site or location where goods are to be sold.

"Retailer" means a person who purchases fireworks for resale to consumers, **including a retail merchant that meets one (1) or both of the economic thresholds under IC 6-2.5-2-1(d).**

"Roman candle" means a device that consists of a heavy paper or cardboard tube not exceeding three-eighths (3/8) inch in inside diameter and that contains up to twenty (20) grams of pyrotechnic composition. Upon ignition, up to ten (10) stars (pellets of pressed pyrotechnic composition that burn with bright color) are individually expelled at several second intervals.

"Sky rocket" means a device that:
(1) consists of a tube that contains pyrotechnic composition;
(2) contains a stick for guidance and stability; and
(3) rises into the air upon ignition, producing a burst of color or noise at the height of flight.

"Smoke device" means a tube or sphere containing pyrotechnic composition that produces white or colored smoke upon ignition as the primary effect.

"Snake" or "glow worm" means a pressed pellet of pyrotechnic composition that produces a large, snake-like ash upon burning. The ash expands in length as the pellet burns. These devices do not contain mercuric thiocyanate.

"Snapper" means a small, paper wrapped item containing a minute quantity of explosive composition coated on small bits of sand. When dropped, the device explodes, producing a small report.

"Special discharge location" means a location designated for the discharge of consumer fireworks by individuals in accordance with rules adopted under section 3.5 of this chapter.

"Special fireworks" means fireworks designed primarily to produce visible or audible effects by combustion, deflagration, or detonation, including firecrackers containing more than one hundred thirty (130) milligrams of explosive composition, aerial shells containing more than forty (40) grams of pyrotechnic composition, and other exhibition display items that exceed the limits for classification as consumer fireworks.

"Trick match" means a kitchen or book match that has been coated with a small quantity of explosive or pyrotechnic composition. Upon ignition of the match, a small report or a shower of sparks is produced.

"Trick noisemaker" means an item that produces a small report intended to surprise the user.

"Wheel" means a pyrotechnic device that:
(1) is attached to a post or tree by means of a nail or string;
(2) contains up to six (6) driver units (tubes not exceeding one-half (1/2) inch in inside diameter) containing up to sixty (60) grams of composition per driver unit; and
(3) revolves, upon ignition, producing a shower of color and sparks and sometimes a whistling effect.

"Wholesaler" means a person who purchases fireworks for resale to retailers.

SECTION 41. IC 36-6-6-4, AS AMENDED BY P.L.266-2013, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) Except as provided in subsections (b) and (c), two (2) members of the legislative body constitute a quorum.

(b) Before January 1, 2017, four (4) members of the legislative body in a county containing a consolidated city constitute a quorum. After December 31, 2016, three (3) members of the legislative body in a county having a consolidated city constitute a quorum.

(c) This subsection applies to a township government that:
(1) is created by a merger of township governments under IC 36-6-1.5; and
(2) elects ~~a~~ **the** township ~~board~~ **legislative body** under section 2.1 of this chapter.

A majority of the members of the **township** legislative body constitute a quorum. If a township ~~board~~ **legislative body** has an even number of members, the township executive shall serve ~~as an ex officio~~ **by virtue of office as a** member of the township ~~board~~ **legislative body** for the purpose of casting the deciding vote to break a tie.

(d) For townships not described in subsection (c), the township executive shall serve by virtue of office as a member of the township legislative body for the purpose of casting the deciding vote to break a tie. However, the township executive may not vote to break a tie on the adoption of an ordinance to increase the township executive's compensation (as defined in section 10 of this chapter).

SECTION 42. IC 36-8-16.6-10, AS ADDED BY P.L.113-2010, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. As used in this chapter, "seller" means a person that sells prepaid wireless telecommunications service to another person, **including a retail merchant that meets one (1) or both of the economic thresholds under IC 6-2.5-2-1(d).**

SECTION 43. [EFFECTIVE JULY 1, 2021] **(a) IC 6-3-4.5-1 through IC 6-3-4.5-8, as added by this act, and IC 6-3-4.5-14 through IC 6-3-4.5-20, as added by this act, are effective for any audit completed or amended return filed after June 30, 2021.**

(b) IC 6-3-4.5-9 through IC 6-3-4.5-13, as added by this act, are effective with regard to any federal partnership audit conducted under Section 6221 through 6241 of the Internal Revenue Code with regard to partnerships whose taxable year:

(1) begins after December 31, 2017;

(2) ends after August 12, 2018; or

(3) begins after November 2, 2015, and before January 1, 2018, and for which a valid election under United States Treasury Regulation 301.9100-22 is in effect;

and to the partners of such partnerships, including any partners, shareholders, or beneficiaries of a pass through entity that is a partner in such partnership. In addition, if the partnership received final federal adjustments described in this subsection before July 1, 2021, such adjustments shall be deemed to have been received by the partnership on July 1, 2021, with a final determination date of July 1, 2021.

SECTION 44. **An emergency is declared for this act.**

(Reference is to ESB 383 as reprinted March 31, 2021.)

HOLDMAN	T. BROWN
QADDOURA	THOMPSON
Senate Conferees	House Conferees

Roll Call 505: yeas 69, nays 28. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 413–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 413 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete the title and insert the following:

A BILL FOR AN ACT concerning education.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE UPON PASSAGE] **(a) The definitions used in IC 20 apply throughout this SECTION.**

(b) A panel is established to study methods of improving school building utilization by a school corporation in order to provide savings that may be used to improve teacher salaries and charter school funding and to make recommendations of its findings. The panel shall submit, not later than November 1, 2022, its recommendations in a final report to the:

(1) governor; and

(2) legislative council in an electronic format under IC 5-14-6.

(c) The panel consists of the following fifteen (15) members:

(1) The director of school finance of the department or the director's designee.

(2) The chairperson of the senate education and career development committee.

(3) The chairperson of the house of representatives education committee.

(4) The president pro tempore of the senate shall appoint the following three (3) members:

(A) One (1) member who:

(i) is a member of the senate; and

(ii) has knowledge in school finance.

(B) Two (2) members, each of whom either:

(i) operates a charter school; or

(ii) is a chairperson of a board of a charter school.

(5) The speaker of the house of representatives shall appoint the following three (3) members:

(A) One (1) member who:

(i) is a member of the house of representatives; and

(ii) has knowledge in school finance.

(B) Two (2) members, each of whom either:

(i) operates a charter school; or

(ii) is a chairperson of a board of a charter school.

(6) The governor shall appoint two (2) members who are school superintendents.

(7) Two (2) members who are superintendents of a school corporation in which:

(A) one (1) member is appointed by the speaker of the house of representatives; and

(B) one (1) member is appointed by the president pro tempore of the senate.

(8) One (1) member who is a member of the house of representatives appointed by the minority leader of the house of representatives.

(9) One (1) member who is a member of the senate appointed by the minority leader of the senate.

(d) The member under subsection (c)(3) shall serve as the chairperson during the 2021 legislative interim. The member under subsection (c)(2) shall serve as the chairperson during the 2022 legislative interim.

(e) Members appointed under subsection (c) shall be appointed by the member's respective appointing authority not later than July 1, 2021. Each member appointed under subsection (c) serves at the will of the member's appointing authority.

(f) A quorum of the panel consists of eight (8) members. The affirmative vote of at least eight (8) members of the panel is necessary for any action to be taken by the panel.

(g) The panel shall meet at the call of the chairperson. The panel shall do the following:

(1) Meet during the 2021 legislative interim and the 2022 legislative interim.

(2) During each legislative interim described in subdivision (1), meet at least two (2) times but not more than four (4) times.

(h) The legislative services agency shall provide administrative support for the panel.

(i) Each member of the panel who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is, however, entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(j) Each member of the panel who is a state employee but who is not a member of the general assembly is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(k) Each member of the panel who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees established by the legislative council. Per diem, mileage, and travel allowances paid under this subsection shall be paid from appropriations made to the legislative council or the legislative services agency.

(l) Meetings of the panel must comply with IC 5-14-1.5.

(m) This SECTION expires January 1, 2023.

SECTION 2. **An emergency is declared for this act.**
(Reference is to ESB 413 as reprinted April 13, 2021.)

RAATZ	BEHNING
KRUSE	DAVIS
Senate Conferees	House Conferees

Roll Call 506: yeas 74, nays 23. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 414–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 414 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-19-3-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 23. (a) The department may adopt and provide to schools an early warning system or systems that:**

(1) provide actionable data on students as early as elementary school;

(2) provide metrics based on student-level data to assist in identifying potential learning loss at the student, school, and district level;

(3) research proven predictive analytics for on time high school graduation using local data to determine threshold based indicators; and

(4) may include the following:

(A) Recommendations regarding an actionable intervention plan for each student who, based on graduation indicators and multitiered systems of support, is not on track to graduate on time or prepared for postsecondary success.

(B) Summative success data by each intervention plan used by each student, student group, and school.

(b) The department may, not later than August 1, 2021, annually select one (1) or more vendors to make available an early warning system or systems described in subsection (a). The department may require that the vendor or vendors provide to the department, at least twice annually a summary report in the aggregate regarding:

(1) students who, based on graduation indicators, are not on track to graduate on time;

(2) the intervention plans implemented for the students described in subdivision (1) in attempting to ensure the students graduate on time; and

(3) whether the intervention plans described in subdivision (2) are, based on graduation indicators, successful in moving students to be on track to graduate on time and, if applicable, graduating on time for the purpose of evaluating the return on investment of intervention programs.

The information provided in subdivisions (2) and (3) may be disaggregated by grade level.

SECTION 2. IC 20-26-5-40.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 40.5. (a) Not later than January 1, 2022, each school corporation and charter school shall adopt and implement an Internet use policy that:**

(1) prohibits the sending, receiving, viewing, or downloading of materials that are harmful to minors (as described in IC 35-49-2-2) on computers and other technology related devices owned by the school corporation or charter school;

(2) provides for the use of hardware or installation of software on computers and other technology related devices described in subdivision (1) to filter or block Internet access to materials that are harmful to minors; and

(3) establishes appropriate disciplinary measures to be taken against persons violating the policy established under this section.

(b) Not later than January 1, 2022, each school corporation and charter school shall use hardware or install software on computers and other technology related devices described in subsection (a)(1) to filter or block Internet access to materials that are harmful to minors.

(c) Each school corporation and charter school shall post on the school corporation's or charter school's Internet web site the Internet use policy established under subsection (a).

SECTION 3. IC 20-43-8-1, AS AMENDED BY P.L.205-2013, SECTION 293, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. **(a)** Pupil enrollment under this chapter shall be determined at the same time that a school corporation's fall count of ADM is determined.

(b) Pupil enrollment under this chapter shall, for informational purposes only, be determined at the same time that a school corporation's spring count of ADM is determined. The spring count of pupil enrollment under this subsection shall not be used for determining a career and technical education enrollment grant under this chapter.

SECTION 4. **An emergency is declared for this act.**
(Reference is to ESB 414 as reprinted April 9, 2021.)

RAATZ	BEHNING
QADDOURA	V. SMTIH
Senate Conferees	House Conferees

Roll Call 507: yeas 97, nays 0. Report adopted.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.1 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after April 19, 2021; we further recommend that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 30 minutes, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1115, 1436 and 1549

Engrossed Senate Bill 80.

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.1 be suspended so that the following conference committee reports are eligible for consideration after April 19, 2021, and that House Rule 163.1 be suspended so that the following conference committee reports may be laid over on the members' desks for 30 minutes, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1115, 1436 and 1549

Engrossed Senate Bill 80.

LEONARD, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1115–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1115 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 1-1-5.5-23 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 23. (a) A section of IC 35-43-5, as amended and enacted during the 2021 regular session of the Indiana general assembly, does not affect:**

(1) penalties incurred;

(2) crimes committed; or

(3) proceedings begun;

before the effective date of that section of IC 35-43-5. Those penalties, crimes, and proceedings continue and shall be imposed and enforced under prior law as if that section of IC 35-43-5 had not been amended or enacted.

(b) The general assembly does not intend the doctrine of amelioration (see Vicory v. State, 400 N.E.2d 1380 (Ind. 1980)) to apply to any section of IC 35-43-5, as amended or enacted during the 2021 regular session of the Indiana general assembly.

(c) The general assembly does not intend any section of IC 35-43-5, as amended or enacted during the 2021 regular session of the Indiana general assembly, to affect the:

(1) statutory or common law as it relates to insurance coverage or the construction of an insurance policy; or

(2) holding of Colonial Penn Ins. Co. v. Guzorek, 690 N.E.2d 664 (Ind. 1997).

SECTION 2. IC 5-2-1-9, AS AMENDED BY SEA 81-2021, SECTION 1, AND AS AMENDED BY HEA 1006-2021, SECTION 2, AND AS AMENDED BY HEA 1270-2021, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) The board shall adopt in accordance with IC 4-22-2 all necessary rules to carry out the provisions of this chapter. The rules, which shall be adopted only after necessary and proper investigation and inquiry by the board, shall include the establishment of the following:

(1) Minimum standards of physical, educational, mental, and moral fitness which shall govern the acceptance of any person for training by any law enforcement training school or academy meeting or exceeding the minimum standards established pursuant to this chapter.

(2) Minimum standards for law enforcement training schools administered by towns, cities, counties, law enforcement training centers, agencies, or departments of the state.

(3) Minimum standards for courses of study, attendance requirements, equipment, and facilities for approved town, city, county, and state law enforcement officer, police reserve officer, and conservation reserve officer training schools.

(4) Minimum standards for a course of study on cultural diversity awareness, including training on the U nonimmigrant visa created through the federal Victims of Trafficking and Violence Protection Act of 2000 (P.L. 106-386) that must be required for each person accepted for training at a law enforcement training school or academy. Cultural diversity awareness study must include an understanding of cultural issues related to race, religion, gender, age, domestic violence, national origin, and physical and mental disabilities.

(5) Minimum qualifications for instructors at approved law enforcement training schools.

(6) Minimum basic training requirements which law enforcement officers appointed to probationary terms shall complete before being eligible for continued or permanent employment.

(7) Minimum basic training requirements which law enforcement officers appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent appointment.

(8) Minimum basic training requirements which law enforcement officers appointed on a permanent basis shall complete in order to be eligible for continued employment.

(9) Minimum basic training requirements for each person accepted for training at a law enforcement training school or academy that include six (6) hours of training in interacting with:

(A) persons with autism, mental illness, addictive disorders, intellectual disabilities, and developmental disabilities;

(B) missing endangered adults (as defined in IC 12-7-2-131.3); and

(C) persons with Alzheimer's disease or related senile dementia;

to be provided by persons approved by the secretary of family and social services and the board. The training must include an overview of the crisis intervention teams.

(10) Minimum standards for a course of study on human and sexual trafficking that must be required for each person accepted for training at a law enforcement training school or academy and for inservice training programs for law enforcement officers. The course must cover the following topics:

(A) Examination of the human and sexual trafficking laws (IC 35-42-3.5).

(B) Identification of human and sexual trafficking.

(C) Communicating with traumatized persons.

(D) Therapeutically appropriate investigative techniques.

(E) Collaboration with federal law enforcement officials.

(F) Rights of and protections afforded to victims.

(G) Providing documentation that satisfies the Declaration of Law Enforcement Officer for Victim of Trafficking in Persons (Form I-914, Supplement B) requirements established under federal law.

(H) The availability of community resources to assist human and sexual trafficking victims.

(11) Minimum standards for ongoing specialized, intensive, and integrative training for persons responsible for investigating sexual assault cases involving adult victims. This training must include instruction on:

(A) the neurobiology of trauma;

(B) trauma informed interviewing; and

(C) investigative techniques.

~~(11)~~ **(12)** Minimum standards for de-escalation training. De-escalation training shall be taught as a part of existing use-of-force training and not as a separate topic.

(b) A law enforcement officer appointed after July 5, 1972, and before July 1, 1993, may not enforce the laws or ordinances of the state or any political subdivision unless the officer has, within one (1) year from the date of appointment, successfully completed the minimum basic training requirements established under this chapter by the board. If a person fails to successfully complete the basic training requirements within one (1) year from the date of employment, the officer may not perform any of the duties of a law enforcement officer involving control or

direction of members of the public or exercising the power of arrest until the officer has successfully completed the training requirements. This subsection does not apply to any law enforcement officer appointed before July 6, 1972, or after June 30, 1993.

(c) Military leave or other authorized leave of absence from law enforcement duty during the first year of employment after July 6, 1972, shall toll the running of the first year, which shall be calculated by the aggregate of the time before and after the leave, for the purposes of this chapter.

(d) Except as provided in subsections (e), (m), (t), and (u), a law enforcement officer appointed to a law enforcement department or agency after June 30, 1993, may not:

(1) make an arrest;

(2) conduct a search or a seizure of a person or property; or

(3) carry a firearm;

unless the law enforcement officer successfully completes, at a board certified law enforcement academy or at a law enforcement training center under section 10.5 or 15.2 of this chapter, the basic training requirements established by the board under this chapter.

(e) This subsection does not apply to:

(1) a gaming agent employed as a law enforcement officer by the Indiana gaming commission; or

(2) an:

(A) attorney; or

(B) investigator;

designated by the securities commissioner as a police officer of the state under IC 23-19-6-1(k).

Before a law enforcement officer appointed after June 30, 1993, completes the basic training requirements, the law enforcement officer may exercise the police powers described in subsection (d) if the officer successfully completes the pre-basic course established in subsection (f). Successful completion of the pre-basic course authorizes a law enforcement officer to exercise the police powers described in subsection (d) for one (1) year after the date the law enforcement officer is appointed.

(f) The board shall adopt rules under IC 4-22-2 to establish a pre-basic course for the purpose of training:

(1) law enforcement officers;

(2) police reserve officers (as described in IC 36-8-3-20); and

(3) conservation reserve officers (as described in IC 14-9-8-27);

regarding the subjects of arrest, search and seizure, the lawful use of force, de-escalation training, interacting with individuals with autism, and the operation of an emergency vehicle. The pre-basic course must be offered on a periodic basis throughout the year at regional sites statewide. The pre-basic course must consist of at least forty (40) hours of course work. The board may prepare the classroom part of the pre-basic course using available technology in conjunction with live instruction. The board shall provide the course material, the instructors, and the facilities at the regional sites throughout the state that are used for the pre-basic course. In addition, the board may certify pre-basic courses that may be conducted by other public or private training entities, including postsecondary educational institutions.

(g) Subject to subsection (h), the board shall adopt rules under IC 4-22-2 to establish a mandatory inservice training program for police officers and police reserve officers (as described in IC 36-8-3-20). After June 30, 1993, a law enforcement officer who has satisfactorily completed basic training and has been appointed to a law enforcement department or agency on either a full-time or part-time basis is not eligible for continued employment unless the officer satisfactorily completes the mandatory inservice training requirements established by rules adopted by the board. Inservice training must include de-escalation training. Inservice training must also include training in interacting with persons with mental illness, addictive disorders, intellectual disabilities, autism, developmental disabilities, and Alzheimer's disease or related senile dementia, to be provided by persons approved by the secretary of family and social services and the board, and training concerning human and sexual trafficking and high risk missing persons (as defined in IC 5-2-17-1). The board may approve courses offered by other public or private training entities, including postsecondary educational institutions, as necessary in order to ensure the availability of an adequate number of inservice training programs. The board may waive an officer's inservice training requirements if the board determines that the officer's reason for lacking the required amount of inservice training hours is due to either an emergency situation or the unavailability of courses.

(h) This subsection applies only to a mandatory inservice training program under subsection (g). Notwithstanding subsection (g), the board may, without adopting rules under IC 4-22-2, modify the course work of a training subject matter, modify the number of hours of training required within a particular subject matter, or add a new subject matter, if the board satisfies the following requirements:

(1) The board must conduct at least two (2) public meetings on the proposed modification or addition.

(2) After approving the modification or addition at a public meeting, the board must post notice of the modification or addition on the Indiana law enforcement academy's Internet web site at least thirty (30) days before the modification or addition takes effect.

If the board does not satisfy the requirements of this subsection, the modification or addition is void. This subsection does not authorize the board to eliminate any inservice training subject matter required under subsection (g).

(i) The board shall also adopt rules establishing a town marshal basic training program, subject to the following:

(1) The program must require fewer hours of instruction and class attendance and fewer courses of study than are required for the mandated basic training program.

(2) Certain parts of the course materials may be studied by a candidate at the candidate's home in order to fulfill requirements of the program.

(3) Law enforcement officers successfully completing the requirements of the program are eligible for appointment only in towns employing the town marshal system (IC 36-5-7) and having not more than one (1) marshal and two (2) deputies.

(4) The limitation imposed by subdivision (3) does not apply to an officer who has successfully completed the mandated basic training program.

(5) The time limitations imposed by subsections (b) and (c) for completing the training are also applicable to the town marshal basic training program.

(6) The program must require training in interacting with individuals with autism.

(j) The board shall adopt rules under IC 4-22-2 to establish an executive training program. The executive training program must include training in the following areas:

(1) Liability.

(2) Media relations.

(3) Accounting and administration.

(4) Discipline.

(5) Department policy making.

(6) Lawful use of force and de-escalation training.

(7) Department programs.

(8) Emergency vehicle operation.

(9) Cultural diversity.

(k) A police chief shall apply for admission to the executive training program within two (2) months of the date the police chief initially takes office. A police chief must successfully complete the executive training program within six (6) months

of the date the police chief initially takes office. However, if space in the executive training program is not available at a time that will allow completion of the executive training program within six (6) months of the date the police chief initially takes office, the police chief must successfully complete the next available executive training program that is offered after the police chief initially takes office.

(l) A police chief who fails to comply with subsection (k) may not continue to serve as the police chief until completion of the executive training program. For the purposes of this subsection and subsection (k), "police chief" refers to:

(1) the police chief of any city;

(2) the police chief of any town having a metropolitan police department; and

(3) the chief of a consolidated law enforcement department established under IC 36-3-1-5.1.

A town marshal is not considered to be a police chief for these purposes, but a town marshal may enroll in the executive training program.

(m) A fire investigator in the department of homeland security appointed after December 31, 1993, is required to comply with the basic training standards established under this chapter.

(n) The board shall adopt rules under IC 4-22-2 to establish a program to certify handgun safety courses, including courses offered in the private sector, that meet standards approved by the board for training probation officers in handgun safety as required by IC 11-13-1-3.5(3).

(o) The board shall adopt rules under IC 4-22-2 to establish a refresher course for an officer who:

(1) is hired by an Indiana law enforcement department or agency as a law enforcement officer;

(2) has not been employed as a law enforcement officer for:

(A) at least two (2) years; and

(B) less than six (6) years before the officer is hired under subdivision (1); and

(3) completed at any time a basic training course certified or recognized by the board before the officer is hired under subdivision (1).

(p) An officer to whom subsection (o) applies must successfully complete the refresher course described in subsection (o) not later than six (6) months after the officer's date of hire, or the officer loses the officer's powers of:

(1) arrest;

(2) search; and

(3) seizure.

(q) The board shall adopt rules under IC 4-22-2 to establish a refresher course for an officer who:

(1) is appointed by an Indiana law enforcement department or agency as a reserve police officer; and

(2) has not worked as a reserve police officer for at least two (2) years after:

(A) completing the pre-basic course; or

(B) leaving the individual's last appointment as a reserve police officer.

An officer to whom this subsection applies must successfully complete the refresher course established by the board in order to work as a reserve police officer.

(r) This subsection applies to an individual who, at the time the individual completes a board certified or recognized basic training course, has not been appointed as a law enforcement officer by an Indiana law enforcement department or agency. If the individual is not employed as a law enforcement officer for at least two (2) years after completing the basic training course, the individual must successfully retake and complete the basic training course as set forth in subsection (d).

(s) The board shall adopt rules under IC 4-22-2 to establish a refresher course for an individual who:

(1) is appointed as a board certified instructor of law enforcement training; and

(2) has not provided law enforcement training instruction for more than one (1) year after the date the individual's instructor certification expired.

An individual to whom this subsection applies must successfully complete the refresher course established by the board in order to renew the individual's instructor certification.

(t) This subsection applies only to a gaming agent employed as a law enforcement officer by the Indiana gaming commission. A gaming agent appointed after June 30, 2005, may exercise the police powers described in subsection (d) if:

(1) the agent successfully completes the pre-basic course established in subsection (f); and

(2) the agent successfully completes any other training courses established by the Indiana gaming commission in conjunction with the board.

(u) This subsection applies only to a securities enforcement officer designated as a law enforcement officer by the securities commissioner. A securities enforcement officer may exercise the police powers described in subsection (d) if:

(1) the securities enforcement officer successfully completes the pre-basic course established in subsection (f); and

(2) the securities enforcement officer successfully completes any other training courses established by the securities commissioner in conjunction with the board.

(v) As used in this section, "upper level policymaking position" refers to the following:

(1) If the authorized size of the department or town marshal system is not more than ten (10) members, the term refers to the position held by the police chief or town marshal.

(2) If the authorized size of the department or town marshal system is more than ten (10) members but less than fifty-one (51) members, the term refers to:

(A) the position held by the police chief or town marshal; and

(B) each position held by the members of the police department or town marshal system in the next rank and pay grade immediately below the police chief or town marshal.

(3) If the authorized size of the department or town marshal system is more than fifty (50) members, the term refers to:

(A) the position held by the police chief or town marshal; and

(B) each position held by the members of the police department or town marshal system in the next two (2) ranks and pay grades immediately below the police chief or town marshal.

(w) This subsection applies only to a correctional police officer employed by the department of correction. A correctional police officer may exercise the police powers described in subsection (d) if:

(1) the officer successfully completes the pre-basic course described in subsection (f); and

(2) the officer successfully completes any other training courses established by the department of correction in conjunction with the board.

(x) This subsection applies only to the sexual assault training described in subsection (a)(11). The board shall:

(1) consult with experts on the neurobiology of trauma, trauma informed interviewing, and investigative techniques in developing the sexual assault training; and

(2) develop the sexual assault training and begin offering the training not later than July 1, 2022.

(y) After July 1, 2023, a law enforcement officer who regularly investigates sexual assaults involving adult victims must complete the training requirements described in subsection (a)(11) within one (1) year of being assigned to regularly

investigate sexual assaults involving adult victims.

(z) A law enforcement officer who regularly investigates sexual assaults involving adult victims may complete the training
requirements described in subsection (a)(11) by attending a:

(1) statewide or national training; or

(2) department hosted local training.

(aa) Notwithstanding any other provisions of this section, the board is authorized to establish certain required standards of training and procedure.

SECTION 3. IC 6-2.5-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) Any person who:

(1) removes;

(2) alters;

(3) defaces; or

(4) covers;

a sign posted by the department that states that no retail transactions or sales can be made at a retail merchant's location commits a ~~Class B misdemeanor.~~ **Class C infraction.**

(b) A retail merchant shall notify the department of any violation of subsection (a) that occurs on the retail merchant's premises.

(c) A retail merchant who fails to give the notice required by subsection (b) within two (2) business days after the violation of subsection (a) occurs commits a ~~Class B misdemeanor.~~ **Class B infraction.**

SECTION 4. IC 9-30-6-6, AS AMENDED BY P.L.224-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) A physician, a person trained in retrieving contraband or obtaining bodily substance samples and acting under the direction of or under a protocol prepared by a physician, or a licensed health care professional acting within the professional's scope of practice and under the direction of or under a protocol prepared by a physician, who:

(1) obtains a blood, urine, or other bodily substance sample from a person, regardless of whether the sample is taken for diagnostic purposes or at the request of a law enforcement officer under this section;

(2) performs a chemical test on blood, urine, or other bodily substance obtained from a person; or

(3) searches for or retrieves contraband from the body cavity of an individual;

shall deliver the sample or contraband or disclose the results of the test to a law enforcement officer who requests the sample, contraband, or results as a part of a criminal investigation. Samples, contraband, and test results shall be provided to a law enforcement officer even if the person has not consented to or otherwise authorized their release.

(b) A physician, a licensed health care professional, a hospital, or an agent of a physician or hospital is not civilly or criminally liable for any of the following:

(1) Disclosing test results in accordance with this section.

(2) Delivering contraband, or a blood, urine, or other bodily substance sample in accordance with this section.

(3) Searching for or retrieving contraband or obtaining a blood, urine, or other bodily substance sample in accordance with this section.

(4) Disclosing to the prosecuting attorney or the deputy prosecuting attorney for use at or testifying at the criminal trial of the person as to facts observed or opinions formed.

(5) Failing to treat a person from whom contraband is retrieved or a blood, urine, or other bodily substance sample is obtained at the request of a law enforcement officer if the person declines treatment.

(6) Injury to a person arising from the performance of duties in good faith under this section. However, immunity does not apply if the physician, licensed health care professional, hospital, or agent of a physician or hospital acts with gross negligence or willful or wanton misconduct.

(c) For the purposes of a criminal proceeding:

(1) the privileges arising from a patient-physician relationship do not apply to the contraband, samples, test results, or testimony described in this section; and

(2) contraband, samples, test results, and testimony may be admitted in a proceeding in accordance with the applicable rules of evidence.

(d) The exceptions to the patient-physician relationship specified in subsection (c) do not affect those relationships in a proceeding that is not a criminal proceeding.

(e) The contraband, test results, and samples obtained by a law enforcement officer under subsection (a) may be disclosed only to a prosecuting attorney or a deputy prosecuting attorney for use as evidence in a criminal proceeding.

(f) This section does not require a physician or a person under the direction of a physician to perform a chemical test or to retrieve contraband.

(g) If the person:

(1) from whom the contraband is to be retrieved or the bodily substance sample is to be obtained under this section does not consent; and

(2) resists the retrieval of the contraband or the taking of a sample;

the law enforcement officer may use reasonable force to assist an individual, who must be authorized under this section to retrieve contraband or obtain a sample, in the retrieval of the contraband or the taking of the sample.

(h) The person authorized under this section to retrieve contraband or obtain a bodily substance sample shall take the sample or retrieve the contraband in a medically accepted manner.

(i) This subsection does not apply to contraband retrieved or a bodily substance sample taken at a licensed hospital (as defined in IC 16-18-2-179(a) and IC 16-18-2-179(b)). A law enforcement officer may transport the person to a place where the contraband may be retrieved or the sample may be obtained by any of the following persons who are trained in retrieving contraband or obtaining bodily substance samples and who have been engaged to retrieve contraband or obtain samples under this section:

(1) A physician holding an unlimited license to practice medicine or osteopathy.

(2) A registered nurse.

(3) A licensed practical nurse.

(4) An advanced emergency medical technician (as defined in IC 16-18-2-6.5).

(5) A paramedic (as defined in IC 16-18-2-266).

(6) Except as provided in subsections (j) through (k), any other person qualified through training, experience, or education to retrieve contraband or obtain a bodily substance sample.

(j) A law enforcement officer may not retrieve contraband or obtain a bodily substance sample under this section if the contraband is to be retrieved or the sample is to be obtained from another law enforcement officer as a result of the other law enforcement officer's involvement in an accident or alleged crime.

(k) A law enforcement officer who is otherwise qualified to obtain a bodily substance sample under this section may obtain a bodily substance sample from a person involved in an accident or alleged crime who is not a law enforcement officer only if:

(1) ~~before January 1, 2013,~~ the officer obtained a bodily substance sample from an individual as part of the officer's official duties as a law enforcement officer; and

(2) the:

(A) person consents to the officer obtaining a bodily substance sample; or

(B) obtaining of the bodily substance sample is

authorized by a search warrant.

(l) A physician or a person trained in obtaining bodily samples who is acting under the direction of or under a protocol prepared by a physician shall obtain a blood sample if the following conditions are satisfied:

(1) A law enforcement officer requests that the sample be obtained.

(2) The law enforcement officer has certified in writing the following:

(A) That the officer has probable cause to believe the person from whom the sample is to be obtained has violated IC 9-30-5-4, IC 9-30-5-5, IC 35-46-9-6(b)(2), or IC 35-46-9-6(c).

(B) That the offense resulting in a criminal investigation described in subsection (a) occurred not more than three (3) hours before the time the sample is requested.

(C) That exigent circumstances exist that create pressing health, safety, or law enforcement needs that would take priority over a warrant application.

(3) Not more than the use of reasonable force is necessary to obtain the sample.

SECTION 5. IC 11-8-5-2, AS AMENDED BY P.L.10-2019, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) The department may, under IC 4-22-2, classify as confidential the following personal information maintained on a person who has been committed to the department or who has received correctional services from the department:

(1) Medical, psychiatric, or psychological data or opinion which might adversely affect that person's emotional well-being.

(2) Information relating to a pending investigation of alleged criminal activity or other misconduct.

(3) Information which, if disclosed, might result in physical harm to that person or other persons.

(4) Sources of information obtained only upon a promise of confidentiality.

(5) Information required by law or promulgated rule to be maintained as confidential.

(b) The department may deny the person about whom the information pertains and other persons access to information classified as confidential under subsection (a). However, confidential information shall be disclosed:

(1) upon the order of a court;

(2) to employees of the department who need the information in the performance of their lawful duties;

(3) to other agencies in accord with IC 4-1-6-2(13) and IC 4-1-6-8.5;

(4) to the governor or the governor's designee;

(5) for research purposes in accord with IC 4-1-6-8.6(a);

(6) to the department of correction ombudsman bureau in accord with IC 11-11-1.5;

(7) to a person who is or may be the victim of ~~inmate fraud (IC 35-43-5-20)~~ **fraud under IC 35-43-5-4(b)(6)** if the commissioner determines that the interest in disclosure overrides the interest to be served by nondisclosure; or

(8) if the commissioner determines there exists a compelling public interest for disclosure which overrides the interest to be served by nondisclosure.

(c) The department shall disclose information classified as confidential under subsection (a)(1) to a physician, psychiatrist, or psychologist designated in writing by the person about whom the information pertains.

(d) The department may disclose confidential information to the following:

(1) A provider of sex offender management, treatment, or programming.

(2) A provider of mental health services.

(3) Any other service provider working with the department to assist in the successful return of an offender to the community following the offender's release from incarceration.

(e) This subsection does not prohibit the department from sharing information available on the Indiana sex offender registry with another person.

SECTION 6. IC 11-11-2-1, AS AMENDED BY P.L.81-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. As used in this chapter:

"Contraband" means property the possession of which is in violation of an Indiana or federal statute.

"Prohibited property" means property other than contraband that the department does not permit a confined person to possess. The term includes money in a confined person's account that was derived from ~~inmate fraud (IC 35-43-5-20).~~ **fraud under IC 35-43-5-4(b)(6).**

SECTION 7. IC 11-11-2-6, AS ADDED BY P.L.81-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) This section applies if the department has reasonable suspicion that money in a confined person's account was derived from the commission of ~~inmate fraud (IC 35-43-5-20).~~ **fraud under IC 35-43-5-4(b)(6).**

(b) If the department has reasonable suspicion that money in a confined person's account was derived from the commission of ~~inmate~~ fraud, the department may freeze all or a part of the confined person's account for not more than one hundred eighty (180) days while the department conducts an investigation to determine whether money in the confined person's account derives from ~~inmate~~ fraud. If the department freezes the account of a confined person under this subsection, the department shall notify the confined person in writing.

(c) If the department's investigation reveals that no money in the confined person's account was derived from ~~inmate~~ fraud, the department shall unfreeze the account at the conclusion of the investigation.

(d) If the department's investigation reveals that money in the confined person's account may have been derived from the commission of ~~inmate~~ fraud, the department shall notify the prosecuting attorney of the results of the department's investigation.

(e) If the prosecuting attorney charges the confined person with ~~inmate~~ fraud, the department shall freeze the confined person's account until the case reaches final judgment.

(f) If the prosecuting attorney does not charge the confined person with ~~inmate~~ fraud, or if the confined person is acquitted of the charge of ~~inmate~~ fraud, the department shall unfreeze the confined person's account.

(g) If the confined person is convicted of ~~inmate~~ fraud, the department, in consultation with the prosecuting attorney, shall locate the money or property derived from ~~inmate~~ fraud and return it to the rightful owner.

(h) If, ninety (90) days after the date of a confined person's conviction for ~~inmate~~ fraud, the department has located the money or property derived from the commission of ~~inmate~~ fraud but is unable to return the money to the rightful owner, the department shall deposit the money in the violent crime victims compensation fund established by IC 5-2-6.1-40.

SECTION 8. IC 12-14-1-1, AS AMENDED BY P.L.161-2007, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) Assistance under TANF shall be given to a dependent child who otherwise qualifies for assistance if the child is living in a family home of a person who is:

(1) at least eighteen (18) years of age; and

(2) the child's relative, including:

(A) the child's mother, father, stepmother, stepfather, grandmother, or grandfather; or

(B) a relative not listed in clause (A) who has custody

of the child.

(b) A parent or relative and a dependent child of the parent or relative are not eligible for TANF assistance when the physical custody of the dependent child was obtained for the purpose of establishing TANF eligibility.

(c) Except as provided in IC 12-14-28-3.3, a person convicted of a felony under ~~IC 35-43-5-7~~ **IC 35-43-5 relating to public relief or assistance fraud** or IC 35-48-4 is not eligible to receive assistance under TANF for ten (10) years after the conviction.

(d) The assistance paid to a dependent child under this section may not be affected by the conviction of a parent or an essential person of the dependent child under subsection (c).

SECTION 9. IC 12-14-2-21, AS AMENDED BY P.L.160-2012, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 21. (a) A TANF recipient or the parent or essential person of a TANF recipient, if the TANF recipient is less than eighteen (18) years of age, must sign a personal responsibility agreement to do the following:

(1) Develop an individual self-sufficiency plan with other family members and a caseworker.

(2) Accept any reasonable employment as soon as it becomes available.

(3) Agree to a loss of assistance, including TANF assistance under this article, if convicted of a felony under ~~IC 35-43-5-7~~ ~~or~~ ~~IC 35-43-5-7.1~~ **IC 35-43-5 for fraud relating to Medicaid or public relief or assistance** for ten (10) years after the conviction.

(4) Subject to section 5.3 of this chapter, understand that additional TANF assistance under this article will not be available for a child born more than ten (10) months after the person qualifies for assistance.

(5) Accept responsibility for ensuring that each child of the person receives all appropriate vaccinations against disease at an appropriate age.

(6) If the person is less than eighteen (18) years of age and is a parent, live with the person's parents, legal guardian, or an adult relative other than a parent or legal guardian in order to receive public assistance.

(7) Subject to IC 12-8-1.5-11 and section 5.1 of this chapter, agree to accept assistance for not more than twenty-four (24) months under the TANF program (IC 12-14).

(8) Be available for and actively seek and maintain employment.

(9) Participate in any training program required by the division.

(10) Accept responsibility for ensuring that the person and each child of the person attend school until the person and each child of the person graduate from high school or attain a high school equivalency certificate (as defined in IC 12-14-5-2).

(11) Raise the person's children in a safe, secure home.

(12) Agree not to abuse illegal drugs or other substances that would interfere with the person's ability to attain self-sufficiency.

(b) Except as provided in subsection (c), assistance under the TANF program shall be withheld or denied to a person who does not fulfill the requirements of the personal responsibility agreement under subsection (a).

(c) A person who is granted an exemption under section 23 of this chapter may be excused from specific provisions of the personal responsibility agreement as determined by the director.

SECTION 10. IC 12-15-22-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1.5. In addition to any sanction imposed on a provider under section 1 of this chapter, a provider convicted of an offense under ~~IC 35-43-5-7.1~~ **IC 35-43-5 for fraud relating to Medicaid** is ineligible to participate in the Medicaid program for ten (10) years after the conviction.

SECTION 11. IC 12-17.6-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. In addition to any sanction imposed on a provider under section 2 of this chapter, a provider convicted of an offense under ~~IC 35-43-5-7.2~~ **IC 35-43-5 relating to the program** is ineligible to participate in the program for ten (10) years after the conviction.

SECTION 12. IC 12-20-6-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 0.5. (a) As used in this section, "member of the applicant's household" includes any person who lives in the same residence as the applicant.

(b) The township trustee shall determine whether an applicant or a member of the applicant's household has been denied assistance under IC 12-14-1-1, IC 12-14-1-1.5, IC 12-14-2-5.1, IC 12-14-2-5.3, IC 12-14-2-18, IC 12-14-2-20, IC 12-14-2-21, IC 12-14-2-24, IC 12-14-2-26, IC 12-14-2.5, or IC 12-14-5.5.

(c) A township trustee has no obligation to extend aid to an applicant or to a member of an applicant's household who has been denied assistance as described in subsection (b).

(d) A township trustee shall not extend aid to an applicant or to a member of an applicant's household if the applicant or the member of the applicant's household has been convicted of an offense under ~~IC 35-43-5-7~~ ~~or~~ ~~IC 35-43-5-7.1~~ **IC 35-43-5 concerning fraud relating to Medicaid or public relief or assistance** as follows:

(1) If the conviction is a misdemeanor, a township trustee shall not extend aid to the applicant or the member of the applicant's household for one (1) year after the conviction.

(2) If the conviction is a felony, a township trustee shall not extend aid to the applicant or the member of the applicant's household for ten (10) years after the conviction.

SECTION 13. IC 12-20-6-6.5, AS AMENDED BY P.L.73-2005, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6.5. (a) If an individual has been convicted of an offense under ~~IC 35-43-5-7,~~ **IC 35-43-5 concerning fraud relating to public relief or assistance,** a township trustee may not extend aid to or for the benefit of that individual for the following periods:

(1) If the conviction is for a misdemeanor, for one (1) year after the conviction.

(2) If the conviction is for a felony, for ten (10) years after the conviction.

(b) If a township trustee finds that an individual has obtained township assistance from any township by means of conduct described in ~~IC 35-43-5-7,~~ **IC 35-43-5,** the township trustee may refuse to extend aid to or for the benefit of that individual for sixty (60) days after the later of the:

(1) date of the improper conduct; or

(2) date aid was last extended to the individual based on the improper conduct.

SECTION 14. IC 13-25-2-10, AS AMENDED BY P.L.85-2015, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. (a) On or after January 1 and before March 1 of each year, a facility that is required to prepare or have available a material safety data sheet for a hazardous chemical under the federal Occupational Safety and Health Act (29 U.S.C. 651 through 658) and regulations adopted under the Act shall submit the following to the commission:

(1) A tier II emergency and hazardous chemical inventory form containing the information required by section 9 of this chapter.

(2) A fee in the amount established by section 10.4 of this chapter. This fee shall be deposited in the local emergency planning and right to know fund established in section 10.5 of this chapter.

The tier II inventory form must contain data with respect to the

preceding calendar year, and the inventory form and the fee shall be submitted in the form and manner established by the commission.

(b) The commission shall make the tier II emergency and hazardous chemical inventory form information provided to the commission by a facility under subsection (a)(1) available to the following:

(1) The appropriate local emergency planning committee.

(2) The fire department that has jurisdiction over the facility.

(c) Upon the request of:

(1) a local emergency planning committee; or

(2) a fire department with jurisdiction over a facility;

the owner or operator of a facility that is required to prepare or have available a material safety data sheet for a hazardous chemical under the federal Occupational Safety and Health Act (29 U.S.C. 651 through 658) and regulations adopted under the Act shall provide the tier II emergency and hazardous chemical inventory form information to the person making the request. A request must be made with respect to a specific facility.

(d) A state or local official acting in the official's capacity may have access to information on the tier II emergency and hazardous chemical inventory forms by submitting a request to the commission or a local emergency planning committee. If the commission or the emergency planning committee does not already possess the requested information, upon receipt of a request for tier II emergency and hazardous chemical inventory form information, the commission or committee shall request the facility owner or operator to provide the tier II emergency and hazardous chemical inventory form information. The commission or the local emergency planning committee shall make the information available to the official.

(e) A person may make a request to the commission or a local emergency planning committee for tier II emergency and hazardous chemical inventory form information relating to the preceding year with respect to a facility. The request must be in writing and must be made with respect to a specific facility.

(f) Any tier II emergency and hazardous chemical inventory form information that the commission or a local emergency planning committee possesses shall be made available to a person making a request under this section in accordance with section 14 of this chapter. If the commission or local emergency planning committee does not possess the tier II emergency and hazardous chemical inventory form information requested, the commission or local emergency planning committee shall request the facility owner or operator to:

(1) provide the tier II emergency and hazardous chemical inventory form information with respect to a hazardous chemical that a facility has stored in an amount of at least ten thousand (10,000) pounds present at the facility at any time during the preceding year; and

(2) make the information available in accordance with section 14 of this chapter;

to the person making the request.

(g) For tier II emergency and hazardous chemical inventory form information that is not in the possession of the commission or a local emergency planning committee with respect to a hazardous chemical that a facility has stored in an amount that is less than ten thousand (10,000) pounds at the facility at any time during the preceding year, a request from a person must include a statement specifying the general need for the information. The commission or local emergency planning committee may request the facility owner or operator for the tier II emergency and hazardous chemical inventory form information on behalf of the person making the request. Upon receipt of any information requested on behalf of the person, the commission or local emergency planning committee shall make the information available in accordance with section 14 of this chapter to the person.

(h) The commission or a local emergency planning committee shall respond to a request for tier II emergency and hazardous chemical inventory form information under this section not later than seven (7) days after the date the request is received.

(i) The following provisions apply to the fee required by subsection (a)(2):

(1) A facility that is subject to the fee required by subsection (a)(2) that fails to pay the entire fee by March 1 of each year shall pay to the commission a late fee of twenty dollars ($20) in addition to the fee payable under subsection (a)(2). This late fee shall increase by twenty dollars ($20) for each month that the required fee is not paid. This late fee shall never exceed one hundred percent (100%) of the fee required by subsection (a)(2).

(2) If a payment is made by bank draft, check, cashier's check, electronic check, or money order, the liability is not finally discharged and the person has not paid the fee until the draft, check, or money order has been honored by the institution on which it is drawn. If the payment is made by credit card, debit card, charge card, or similar method, the liability is not finally discharged and the person has not paid the fee until the commission receives payment or credit from the institution responsible for making the payment or credit.

(3) If a financial institution reports that it dishonors or rejects a person's check, credit card payment, electronic funds transfer, or other form of payment, the commission shall assess and collect the fees and charges authorized in ~~IC 35-43-5-5(c),~~ **IC 35-43-5, if applicable,** in addition to the applicable late fee assessed under subdivision (1). If the person subject to the penalty under this subsection can show that there is reasonable cause for the payment not being honored, the commission may waive the fees and charges imposed under this subsection.

SECTION 15. IC 16-20-1-25, AS AMENDED BY P.L.292-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 25. (a) A person shall not institute, permit, or maintain any conditions that may transmit, generate, or promote disease.

(b) A health officer, upon receiving a complaint asserting the existence of unlawful conditions described in subsection (a) within the officer's jurisdiction, shall document the complaint as provided in subsection (d). Upon verifying the information contained in the complaint, the health officer shall order the abatement of those conditions. The order must:

(1) be in writing;

(2) specify the conditions that may transmit disease; and

(3) name the shortest reasonable time for abatement.

(c) If a person refuses or neglects to obey an order issued under this section, the attorney representing the county of the health jurisdiction where the offense occurs shall, upon receiving the information from the health officer, institute proceedings in the courts for enforcement. An order may be enforced by injunction. If the action concerning public health is a criminal offense, a law enforcement authority with jurisdiction over the place where the offense occurred shall be notified.

(d) A complaint made under subsection (b) must include adequate details to allow the health officer to verify the existence of the unlawful conditions that are the subject of the complaint. A health officer shall provide a copy of a complaint upon request to the person who is the subject of the complaint.

~~(e) A person who provides false information upon which a health officer relies in issuing an order under this section commits a Class C misdemeanor.~~

SECTION 16. IC 16-37-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16. (a) **This section does not apply to section 3 of this chapter.**

(b) Except as provided, a person who recklessly violates or fails to comply with this chapter commits a Class B misdemeanor.

~~(b)~~ **(c)** Each day a violation continues constitutes a separate offense.

SECTION 17. IC 16-42-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) This section does not apply to an advertisement that:

(1) is disseminated only to members of the medical, dental, pharmaceutical, and other legally recognized professions dealing with the healing arts;

(2) appears only in the scientific periodicals of those professions; or

(3) is disseminated only for the purpose of public health education by persons not commercially interested in the sale of such drugs or devices.

(b) The advertisement of a drug or device that represents that the drug or device has any effect in:

albuminuria
appendicitis
arteriosclerosis
blood poison
bone disease
Bright's disease
carbuncles
cancer
cholecystitis
diabetes
diphtheria
dropsy
erysipelas
gallstones
heart and vascular diseases
high blood pressure
mastoiditis
measles
mumps
nephritis
otitis media
paralysis
pneumonia
poliomyelitis (infantile paralysis)
prostate gland disorders
pyelitis
scarlet fever
sexual impotence
sinus infection
smallpox
tuberculosis
tumors
typhoid
uremia
venereal disease
meningitis

is considered false for purposes of ~~IC 35-43-5-3.~~ **IC 35-43-5-4.**

(c) Whenever the state department determines that an advance in medical science has made a type of self medication safe as to any of the diseases listed in this section, the state department shall adopt rules to authorize the advertisement of drugs having curative or therapeutic effect for the disease, subject to conditions and restrictions the state department considers necessary in the interests of public health.

SECTION 18. IC 20-27-7-19, AS AMENDED BY P.L.231-2005, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 19. A person who knowingly, intentionally, or recklessly violates this chapter commits a Class C ~~misdemeanor.~~ **infraction.**

SECTION 19. IC 20-28-5-8, AS AMENDED BY HEA 1564-2021, SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) This section applies when a prosecuting attorney knows that a licensed employee of a public school or a nonpublic school has been convicted of an offense listed in subsection (c). The prosecuting attorney shall immediately give written notice of the conviction to the following:

(1) The secretary of education.

(2) Except as provided in subdivision (3), the superintendent of the school corporation that employs the licensed employee or the equivalent authority if a nonpublic school employs the licensed employee.

(3) The presiding officer of the governing body of the school corporation that employs the licensed employee, if the convicted licensed employee is the superintendent of the school corporation.

(b) The superintendent of a school corporation, presiding officer of the governing body, or equivalent authority for a nonpublic school shall immediately notify the secretary of education when the individual knows that a current or former licensed employee of the public school or nonpublic school has been convicted of an offense listed in subsection (c), or when the governing body or equivalent authority for a nonpublic school takes any final action in relation to an employee who engaged in any offense listed in subsection (c).

(c) Except as provided in section 8.5 of this chapter, the department shall permanently revoke the license of a person who is known by the department to have been convicted of any of the following felonies:

(1) Kidnapping (IC 35-42-3-2).
(2) Criminal confinement (IC 35-42-3-3).
(3) Rape (IC 35-42-4-1).
(4) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).
(5) Child molesting (IC 35-42-4-3).
(6) ~~Child exploitation~~ **An offense under** IC 35-42-4-4(b) or IC 35-42-4-4(c).
(7) Vicarious sexual gratification (IC 35-42-4-5).
(8) Child solicitation (IC 35-42-4-6).
(9) Child seduction (IC 35-42-4-7).
(10) Sexual misconduct with a minor (IC 35-42-4-9).
(11) Incest (IC 35-46-1-3).
(12) Dealing in or manufacturing cocaine or a narcotic drug (IC 35-48-4-1).
(13) Dealing in methamphetamine (IC 35-48-4-1.1).
(14) Manufacturing methamphetamine (IC 35-48-4-1.2).
(15) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).
(16) Dealing in a schedule IV controlled substance (IC 35-48-4-3).
(17) Dealing in a schedule V controlled substance (IC 35-48-4-4).
(18) Dealing in a counterfeit substance (IC 35-48-4-5).
(19) Dealing in marijuana, hash oil, hashish, or salvia as a felony (IC 35-48-4-10).
(20) An offense under IC 35-48-4 involving the manufacture or sale of a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under IC 35-48-4-10.5 (before its repeal on July 1, 2019), a controlled substance analog (as defined in IC 35-48-1-9.3), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6).
(21) Possession of child pornography (IC 35-42-4-4(d) or IC 35-42-4-4(e)).
(22) Homicide (IC 35-42-1).
(23) Voluntary manslaughter (IC 35-42-1-3).
(24) Reckless homicide (IC 35-42-1-5).
(25) Battery as any of the following:

(A) A Class A felony (for a crime committed before July 1, 2014) or a Level 2 felony (for a crime committed after June 30, 2014).

(B) A Class B felony (for a crime committed before July 1, 2014) or a Level 3 felony (for a crime committed after June 30, 2014).

(C) A Class C felony (for a crime committed before July 1, 2014) or a Level 5 felony (for a crime committed after June 30, 2014).

(26) Aggravated battery (IC 35-42-2-1.5).

(27) Robbery (IC 35-42-5-1).

(28) Carjacking (IC 35-42-5-2) (before its repeal).

(29) Arson as a Class A felony or Class B felony (for a crime committed before July 1, 2014) or as a Level 2, Level 3, or Level 4 felony (for a crime committed after June 30, 2014) (IC 35-43-1-1(a)).

(30) Burglary as a Class A felony or Class B felony (for a crime committed before July 1, 2014) or as a Level 1, Level 2, Level 3, or Level 4 felony (for a crime committed after June 30, 2014) (IC 35-43-2-1).

(31) Human trafficking (IC 35-42-3.5).

(32) Dealing in a controlled substance resulting in death (IC 35-42-1-1.5).

(33) Attempt under IC 35-41-5-1 to commit an offense listed in this subsection.

(34) Conspiracy under IC 35-41-5-2 to commit an offense listed in this subsection.

(d) The department shall permanently revoke the license of a person who is known by the department to have been convicted of a federal offense or an offense in another state that is comparable to a felony listed in subsection (c).

(e) A license may be suspended by the secretary of education as specified in IC 20-28-7.5.

(f) The department shall develop a data base of information on school corporation employees who have been reported to the department under this section.

(g) Upon receipt of information from the office of judicial administration in accordance with IC 33-24-6-3 concerning persons convicted of an offense listed in subsection (c), the department shall:

(1) cross check the information received from the office of judicial administration with information concerning licensed teachers (as defined in IC 20-18-2-22(b)) maintained by the department; and

(2) if a licensed teacher (as defined in IC 20-18-2-22(b)) has been convicted of an offense described in subsection (c), revoke the licensed teacher's license.

SECTION 20. IC 20-33-2-44, AS AMENDED BY P.L.32-2019, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 44. (a) This section does not apply to section **18 or** 47 of this chapter.

(b) Except as otherwise provided, a person who knowingly violates this chapter commits a Class B misdemeanor.

SECTION 21. IC 24-5-14.5-11 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 11. A person who knowingly violates this chapter commits a Class B misdemeanor. However, the offense is a Class A misdemeanor if the person has a previous unrelated conviction under this chapter.~~

SECTION 22. IC 24-5-26-1, AS AMENDED BY P.L.142-2020, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. As used in this chapter, "identity theft" means:

(1) identity deception (IC 35-43-5-3.5); or

(2) synthetic identity deception (IC 35-43-5-3.8) **(before its repeal).**

SECTION 23. IC 24-5-26-2, AS ADDED BY P.L.137-2009, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. A person shall not do any of the following in the conduct of trade or commerce:

(1) Deny credit or public utility service to or reduce the credit limit of a consumer solely because the consumer was a victim of identity theft, if the person had prior knowledge that the consumer was a victim of identity deception or synthetic identity deception **(before its repeal).** A consumer is presumed to be a victim of identity theft for purposes of this subdivision if the consumer provides to the person:

(A) a copy of a police report evidencing the claim of the victim of identity theft; and

(B) either:

(i) a properly completed copy of a standardized affidavit of identity theft developed and made available by the Federal Trade Commission under 15 U.S.C. 1681g; or

(ii) an affidavit of fact that is acceptable to the person for that purpose.

This subdivision does not prohibit denial of credit or public utility service if a consumer has placed a security freeze on the consumer's consumer report and does not wish to temporarily lift the freeze for purposes of the credit or public utility service request or application.

(2) Solicit to extend credit to a consumer who does not have an existing line of credit, or has not had or applied for a line of credit within the preceding year, through the use of an unsolicited check that includes personal identifying information other than the recipient's name, address, and a partial, encoded, or truncated personal identifying number. In addition to any other penalty or remedy under this chapter or under IC 24-5-0.5, a credit card issuer, financial institution, or other lender that violates this subdivision, and not the consumer, is liable for the amount of the instrument if the instrument is used by an unauthorized user and for any fees assessed to the consumer if the instrument is dishonored.

(3) Solicit to extend credit to a consumer who does not have a current credit card, or has not had or applied for a credit card within the preceding year, through the use of an unsolicited credit card sent to the consumer. In addition to any other penalty or remedy under this chapter or under IC 24-5-0.5, a credit card issuer, financial institution, or other lender that violates this subdivision, and not the consumer, is liable for any charges if the credit card is used by an unauthorized user and for any interest or finance charges assessed to the consumer.

(4) Extend credit to a consumer without exercising reasonable procedures to verify the identity of that consumer. Compliance with regulations issued for depository institutions, and to be issued for other financial institutions, by the United States Department of Treasury under Section 326 of the USA PATRIOT Act, 31 U.S.C. 5318, is considered compliance with this subdivision. This subdivision does not apply to a purchase of a credit obligation in an acquisition, a merger, a purchase of assets, or an assumption of liabilities or any change to or review of an existing credit account.

SECTION 24. IC 27-2-16-3, AS AMENDED BY P.L.181-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) All preprinted claim forms provided by an insurer to a claimant that are required as a condition of payment of a claim must contain a statement that clearly states in substance the following:

"A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.".

(b) The lack of a statement required under subsection (a) does not constitute a defense against a prosecution under ~~IC 35-43-5-4.5.~~ **IC 35-43-5.**

SECTION 25. IC 27-8-17-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 16. A provider of record, an enrollee, or the agent of a provider of record or an enrollee who provides fraudulent or misleading information is subject to appropriate administrative, civil, and criminal penalties, including ~~the penalty for deception under IC 35-43-5-3.~~ **criminal penalties under IC 35-43-5.**

SECTION 26. IC 32-37-1-1, AS AMENDED BY P.L.181-2005, SECTION 2, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. This article does not apply to the following:

(1) A contract between a performing rights society and:

(A) a broadcaster licensed by the Federal Communications Commission;

(B) a cable television operator or programmer; or

(C) another transmission service.

(2) An investigation by a law enforcement agency.

(3) An investigation by a law enforcement agency or other person concerning a suspected violation of IC 24-4-10-4, IC 35-43-4-2, or ~~IC 35-43-5-4(10).~~ **IC 35-43-5-4 relating to a recording that does not conspicuously display the true name and manufacturer of the recording.**

SECTION 27. IC 33-23-8-4, AS AMENDED BY P.L.142-2020, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. If a practitioner: ~~is convicted under IC 35-43-5-4.5 of insurance fraud,~~

(1) violates IC 35-43-5-4.7 (insurance fraud); or

(2) is convicted under IC 35-43-5-4 of an offense that relates to insurance (including an attempt or a conspiracy);

the sentencing court shall provide notice of the conviction to each governmental body that has issued a license to the practitioner.

SECTION 28. IC 34-24-1-1, AS AMENDED BY P.L.142-2020, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) The following may be seized:

(1) All vehicles (as defined by IC 35-31.5-2-346), if they are used or are intended for use by the person or persons in possession of them to transport or in any manner to facilitate the transportation of the following:

(A) A controlled substance for the purpose of committing, attempting to commit, or conspiring to commit any of the following:

(i) Dealing in or manufacturing cocaine or a narcotic drug (IC 35-48-4-1).

(ii) Dealing in methamphetamine (IC 35-48-4-1.1).

(iii) Manufacturing methamphetamine (IC 35-48-4-1.2).

(iv) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).

(v) Dealing in a schedule IV controlled substance (IC 35-48-4-3).

(vi) Dealing in a schedule V controlled substance (IC 35-48-4-4).

(vii) Dealing in a counterfeit substance (IC 35-48-4-5).

(viii) Possession of cocaine or a narcotic drug (IC 35-48-4-6).

(ix) Possession of methamphetamine (IC 35-48-4-6.1).

(x) Dealing in paraphernalia (IC 35-48-4-8.5).

(xi) Dealing in marijuana, hash oil, hashish, or salvia (IC 35-48-4-10).

(xii) An offense under IC 35-48-4 involving a synthetic drug (as defined in IC 35-31.5-2-321), a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under IC 35-48-4-10.5 (before its repeal on July 1, 2019), a controlled substance analog (as defined in IC 35-48-1-9.3), or a substance represented to be a controlled substance (as described in IC 35-48-4-4.6).

(B) Any stolen (IC 35-43-4-2) or converted property (IC 35-43-4-3) if the retail or repurchase value of that property is one hundred dollars ($100) or more.

(C) Any hazardous waste in violation of IC 13-30-10-1.5.

(D) A bomb (as defined in IC 35-31.5-2-31) or weapon of mass destruction (as defined in IC 35-31.5-2-354) used to commit, used in an attempt to commit, or used in a conspiracy to commit a felony terrorist offense (as defined in IC 35-50-2-18) or an offense under IC 35-47 as part of or in furtherance of an act of terrorism (as defined by IC 35-31.5-2-329).

(2) All money, negotiable instruments, securities, weapons, communications devices, or any property used to commit, used in an attempt to commit, or used in a conspiracy to commit a felony terrorist offense (as defined in IC 35-50-2-18) or an offense under IC 35-47 as part of or in furtherance of an act of terrorism or commonly used as consideration for a violation of IC 35-48-4 (other than items subject to forfeiture under IC 16-42-20-5 or IC 16-6-8.5-5.1, before its repeal):

(A) furnished or intended to be furnished by any person in exchange for an act that is in violation of a criminal statute;

(B) used to facilitate any violation of a criminal statute; or

(C) traceable as proceeds of the violation of a criminal statute.

(3) Any portion of real or personal property purchased with money that is traceable as a proceed of a violation of a criminal statute.

(4) A vehicle that is used by a person to:

(A) commit, attempt to commit, or conspire to commit;

(B) facilitate the commission of; or

(C) escape from the commission of;

murder (IC 35-42-1-1), dealing in a controlled substance resulting in death (IC 35-42-1-1.5), kidnapping (IC 35-42-3-2), criminal confinement (IC 35-42-3-3), rape (IC 35-42-4-1), child molesting (IC 35-42-4-3), or child exploitation (IC 35-42-4-4), or an offense under IC 35-47 as part of or in furtherance of an act of terrorism.

(5) Real property owned by a person who uses it to commit any of the following as a Level 1, Level 2, Level 3, Level 4, or Level 5 felony:

(A) Dealing in or manufacturing cocaine or a narcotic drug (IC 35-48-4-1).

(B) Dealing in methamphetamine (IC 35-48-4-1.1).

(C) Manufacturing methamphetamine (IC 35-48-4-1.2).

(D) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).

(E) Dealing in a schedule IV controlled substance (IC 35-48-4-3).

(F) Dealing in marijuana, hash oil, hashish, or salvia (IC 35-48-4-10).

(G) Dealing in a synthetic drug (as defined in IC 35-31.5-2-321) or synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) under IC 35-48-4-10.5 (before its repeal on July 1, 2019).

(H) Dealing in a controlled substance resulting in death (IC 35-42-1-1.5).

(6) Equipment and recordings used by a person to commit fraud under ~~IC 35-43-5-4(10).~~ **IC 35-43-5.**

(7) Recordings sold, rented, transported, or possessed by a person in violation of IC 24-4-10.

(8) Property (as defined by IC 35-31.5-2-253) or an enterprise (as defined by IC 35-45-6-1) that is the object of a corrupt business influence violation (IC 35-45-6-2).

(9) Unlawful telecommunications devices (as defined in IC 35-45-13-6) and plans, instructions, or publications used to commit an offense under IC 35-45-13.

(10) Any equipment, including computer equipment and cellular telephones, used for or intended for use in preparing, photographing, recording, videotaping,

digitizing, printing, copying, or disseminating matter in violation of IC 35-42-4.

(11) Destructive devices used, possessed, transported, or sold in violation of IC 35-47.5.

(12) Tobacco products that are sold in violation of IC 24-3-5, tobacco products that a person attempts to sell in violation of IC 24-3-5, and other personal property owned and used by a person to facilitate a violation of IC 24-3-5.

(13) Property used by a person to commit counterfeiting or forgery in violation of IC 35-43-5-2.

(14) After December 31, 2005, if a person is convicted of an offense specified in IC 25-26-14-26(b) or IC 35-43-10, the following real or personal property:

(A) Property used or intended to be used to commit, facilitate, or promote the commission of the offense.

(B) Property constituting, derived from, or traceable to the gross proceeds that the person obtained directly or indirectly as a result of the offense.

(15) Except as provided in subsection (e), a vehicle used by a person who operates the vehicle:

(A) while intoxicated, in violation of IC 9-30-5-1 through IC 9-30-5-5, if in the previous five (5) years the person has two (2) or more prior unrelated convictions for operating a motor vehicle while intoxicated in violation of IC 9-30-5-1 through IC 9-30-5-5; or

(B) on a highway while the person's driving privileges are suspended in violation of IC 9-24-19-2 through IC 9-24-19-3, if in the previous five (5) years the person has two (2) or more prior unrelated convictions for operating a vehicle while intoxicated in violation of IC 9-30-5-1 through IC 9-30-5-5.

If a court orders the seizure of a vehicle under this subdivision, the court shall transmit an order to the bureau of motor vehicles recommending that the bureau not permit a vehicle to be registered in the name of the person whose vehicle was seized until the person possesses a current driving license (as defined in IC 9-13-2-41).

(16) The following real or personal property:

(A) Property used or intended to be used to commit, facilitate, or promote the commission of an offense specified in IC 23-14-48-9, IC 30-2-9-7(b), IC 30-2-10-9(b), or IC 30-2-13-38(f).

(B) Property constituting, derived from, or traceable to the gross proceeds that a person obtains directly or indirectly as a result of an offense specified in IC 23-14-48-9, IC 30-2-9-7(b), IC 30-2-10-9(b), or IC 30-2-13-38(f).

~~(17) An automated sales suppression device (as defined in IC 35-43-5-4.6(a)(1) or phantom-ware (as defined in IC 35-43-5-4.6(a)(3)).~~

~~(18)~~ **(17)** Real or personal property, including a vehicle, that is used by a person to:

(A) commit, attempt to commit, or conspire to commit;

(B) facilitate the commission of; or

(C) escape from the commission of;

a violation of IC 35-42-3.5-1 through IC 35-42-3.5-1.4 (human trafficking) or IC 35-45-4-4 (promoting prostitution).

(b) A vehicle used by any person as a common or contract carrier in the transaction of business as a common or contract carrier is not subject to seizure under this section, unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a).

(c) Equipment under subsection (a)(10) may not be seized unless it can be proven by a preponderance of the evidence that the owner of the equipment knowingly permitted the equipment to be used to engage in conduct that subjects it to seizure under subsection (a)(10).

(d) Money, negotiable instruments, securities, weapons, communications devices, or any property commonly used as consideration for a violation of IC 35-48-4 found near or on a person who is committing, attempting to commit, or conspiring to commit any of the following offenses shall be admitted into evidence in an action under this chapter as prima facie evidence that the money, negotiable instrument, security, or other thing of value is property that has been used or was to have been used to facilitate the violation of a criminal statute or is the proceeds of the violation of a criminal statute:

(1) IC 35-42-1-1.5 (dealing in a controlled substance resulting in death).

(2) IC 35-48-4-1 (dealing in or manufacturing cocaine or a narcotic drug).

(3) IC 35-48-4-1.1 (dealing in methamphetamine).

(4) IC 35-48-4-1.2 (manufacturing methamphetamine).

(5) IC 35-48-4-2 (dealing in a schedule I, II, or III controlled substance).

(6) IC 35-48-4-3 (dealing in a schedule IV controlled substance).

(7) IC 35-48-4-4 (dealing in a schedule V controlled substance) as a Level 4 felony.

(8) IC 35-48-4-6 (possession of cocaine or a narcotic drug) as a Level 3, Level 4, or Level 5 felony.

(9) IC 35-48-4-6.1 (possession of methamphetamine) as a Level 3, Level 4, or Level 5 felony.

(10) IC 35-48-4-10 (dealing in marijuana, hash oil, hashish, or salvia) as a Level 5 felony.

(11) IC 35-48-4-10.5 (before its repeal on July 1, 2019) (dealing in a synthetic drug or synthetic drug lookalike substance) as a Level 5 felony or Level 6 felony (or as a Class C felony or Class D felony under IC 35-48-4-10 before its amendment in 2013).

(e) A vehicle operated by a person who is not:

(1) an owner of the vehicle; or

(2) the spouse of the person who owns the vehicle;

is not subject to seizure under subsection (a)(15) unless it can be proven by a preponderance of the evidence that the owner of the vehicle knowingly permitted the vehicle to be used to engage in conduct that subjects it to seizure under subsection (a)(15).

SECTION 29. IC 34-30-2-150.2 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 150.2. IC 35-43-5-5 (Concerning the payee or holder of a check, draft, or order that gives notice that the check, draft, or order was not paid by the credit institution).~~

SECTION 30. IC 35-31.5-2-34 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 34. "Card skimming device", for purposes of IC 35-43-5-4.3, has the meaning set forth in IC 35-43-5-4.3(a).~~

SECTION 31. IC 35-31.5-2-132.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 132.5. "Financial institution":**

(1) has the meaning set forth in IC 28-1-1-3(1); and

(2) includes any bank, trust company, corporate fiduciary, savings association, credit union, savings bank, bank of discount and deposit, or industrial loan and investment company organized or reorganized under the laws of this state, any other state, or the United States.

SECTION 32. IC 35-31.5-2-135, AS AMENDED BY P.L.158-2013, SECTION 371, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 135. "Firefighter", for purposes of **IC 35-44.1-3 and** IC 35-44.1-4, has the meaning set forth in IC 35-44.1-4-3.

SECTION 33. IC 35-31.5-2-170 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 170. "Inmate", for purposes of IC 35-43-5-20, has the meaning set forth in IC 35-43-5-20(a).~~

SECTION 34. IC 35-31.5-2-312 IS REPEALED

[EFFECTIVE JULY 1, 2021]. ~~Sec. 312. "State or federally chartered or federally insured financial institution", for purposes of IC 35-43-5-8, has the meaning set forth in IC 35-43-5-8(b).~~

SECTION 35. IC 35-31.5-2-322 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 322. "Synthetic identifying information", for purposes of IC 35-43-5, has the meaning set forth in IC 35-43-5-1(r).~~

SECTION 36. IC 35-31.5-2-344, AS ADDED BY P.L.114-2012, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 344. "Utility", for purposes of IC 35-43-5, has the meaning set forth in ~~IC 35-43-5-1(s).~~ **IC 35-43-5-1.**

SECTION 37. IC 35-31.5-2-356, AS ADDED BY P.L.114-2012, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 356. "Written instrument", for purposes of IC 35-43-5, has the meaning set forth in ~~IC 35-43-5-1(t).~~ **IC 35-43-5-1.**

SECTION 38. IC 35-32-2-6, AS AMENDED BY P.L.137-2009, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) Subject to subsection (b), a person who commits the offense of identity deception or synthetic identity deception **(before its repeal)** may be tried in a county in which:

(1) the victim resides; or

(2) the person:

(A) obtains;

(B) possesses;

(C) transfers; or

(D) uses;

the information used to commit the offense.

(b) If:

(1) a person is charged with more than one (1) offense of identity deception or synthetic identity deception **(before its repeal),** or if a person is charged with both identity deception and synthetic identity deception **(before its repeal);** and

(2) either:

(A) the victims of the crimes reside in more than one (1) county; or

(B) the person performs an act described in subsection (a)(2) in more than one (1) county;

the person may be tried in any county described in subdivision (2).

SECTION 39. IC 35-33-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. The court may detain, for a maximum period of fifteen (15) calendar days, a person charged with any offense who comes before it for a bail determination, if the person is on probation, ~~or~~ parole, **or other community supervision.** During the fifteen (15) day period, the prosecuting attorney shall notify the appropriate parole, ~~or~~ probation, **or other community supervision** authority. If that authority fails to initiate probation or parole revocation proceedings during the fifteen (15) day period, the person shall be treated in accordance with the other sections of this chapter.

SECTION 40. IC 35-37-4-6, AS AMENDED BY P.L.142-2020, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) This section applies to a criminal action involving the following offenses where the victim is a protected person under subsection (c)(1) or (c)(2):

(1) Sex crimes (IC 35-42-4).

(2) A battery offense included in IC 35-42-2 upon a child less than fourteen (14) years of age.

(3) Kidnapping and confinement (IC 35-42-3).

(4) Incest (IC 35-46-1-3).

(5) Neglect of a dependent (IC 35-46-1-4).

(6) Human and sexual trafficking crimes (IC 35-42-3.5).

(b) This section applies to a criminal action involving the following offenses where the victim is a protected person under subsection (c)(3):

(1) Exploitation of a dependent or endangered adult (IC 35-46-1-12).

(2) A sex crime (IC 35-42-4).

(3) A battery offense included in IC 35-42-2.

(4) Kidnapping, confinement, or interference with custody (IC 35-42-3).

(5) Home improvement fraud (IC 35-43-6).

(6) Fraud (IC 35-43-5).

(7) Identity deception (IC 35-43-5-3.5).

(8) Synthetic identity deception (IC 35-43-5-3.8) **(before its repeal).**

(9) Theft (IC 35-43-4-2).

(10) Conversion (IC 35-43-4-3).

(11) Neglect of a dependent (IC 35-46-1-4).

(12) Human and sexual trafficking crimes (IC 35-42-3.5).

(c) As used in this section, "protected person" means:

(1) a child who is less than fourteen (14) years of age;

(2) an individual with a mental disability who has a disability attributable to an impairment of general intellectual functioning or adaptive behavior that:

(A) is manifested before the individual is eighteen (18) years of age;

(B) is likely to continue indefinitely;

(C) constitutes a substantial impairment of the individual's ability to function normally in society; and

(D) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated; or

(3) an individual who is:

(A) at least eighteen (18) years of age; and

(B) incapable by reason of mental illness, intellectual disability, dementia, or other physical or mental incapacity of:

(i) managing or directing the management of the individual's property; or

(ii) providing or directing the provision of self-care.

(d) A statement or videotape that:

(1) is made by a person who at the time of trial is a protected person;

(2) concerns an act that is a material element of an offense listed in subsection (a) or (b) that was allegedly committed against the person; and

(3) is not otherwise admissible in evidence;

is admissible in evidence in a criminal action for an offense listed in subsection (a) or (b) if the requirements of subsection (e) are met.

(e) A statement or videotape described in subsection (d) is admissible in evidence in a criminal action listed in subsection (a) or (b) if, after notice to the defendant of a hearing and of the defendant's right to be present, all of the following conditions are met:

(1) The court finds, in a hearing:

(A) conducted outside the presence of the jury; and

(B) attended by the protected person in person or by using closed circuit television testimony as described in section 8(f) and 8(g) of this chapter;

that the time, content, and circumstances of the statement or videotape provide sufficient indications of reliability.

(2) The protected person:

(A) testifies at the trial; or

(B) is found by the court to be unavailable as a witness for one (1) of the following reasons:

(i) From the testimony of a psychiatrist, physician, or psychologist, and other evidence, if any, the court finds that the protected person's testifying in the physical presence of the defendant will cause the protected person to suffer serious emotional distress such that the protected person cannot reasonably

communicate.

(ii) The protected person cannot participate in the trial for medical reasons.

(iii) The court has determined that the protected person is incapable of understanding the nature and obligation of an oath.

(f) If a protected person is unavailable to testify at the trial for a reason listed in subsection (e)(2)(B), a statement or videotape may be admitted in evidence under this section only if the protected person was available for cross-examination:

(1) at the hearing described in subsection (e)(1); or

(2) when the statement or videotape was made.

(g) A statement or videotape may not be admitted in evidence under this section unless the prosecuting attorney informs the defendant and the defendant's attorney at least ten (10) days before the trial of:

(1) the prosecuting attorney's intention to introduce the statement or videotape in evidence; and

(2) the content of the statement or videotape.

(h) If a statement or videotape is admitted in evidence under this section, the court shall instruct the jury that it is for the jury to determine the weight and credit to be given the statement or videotape and that, in making that determination, the jury shall consider the following:

(1) The mental and physical age of the person making the statement or videotape.

(2) The nature of the statement or videotape.

(3) The circumstances under which the statement or videotape was made.

(4) Other relevant factors.

(i) If a statement or videotape described in subsection (d) is admitted into evidence under this section, a defendant may introduce a:

(1) transcript; or

(2) videotape;

of the hearing held under subsection (e)(1) into evidence at trial.

SECTION 41. IC 35-40-14-1, AS AMENDED BY P.L.142-2020, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. As used in this chapter, "identity theft" means:

(1) identity deception (IC 35-43-5-3.5); or

(2) synthetic identity deception (IC 35-43-5-3.8) **(before its repeal).**

SECTION 42. IC 35-41-1-1, AS AMENDED BY P.L.137-2009, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) As used in this section, "Indiana" includes:

(1) the area within the boundaries of the state of Indiana, as set forth in Article 14, Section 1 of the Constitution of the State of Indiana;

(2) the portion of the Ohio River on which Indiana possesses concurrent jurisdiction with the state of Kentucky under Article 14, Section 2 of the Constitution of the State of Indiana; and

(3) the portion of the Wabash River on which Indiana possesses concurrent jurisdiction with the state of Illinois under Article 14, Section 2 of the Constitution of the State of Indiana.

(b) A person may be convicted under Indiana law of an offense if:

(1) either the conduct that is an element of the offense, the result that is an element, or both, occur in Indiana;

(2) conduct occurring outside Indiana is sufficient under Indiana law to constitute an attempt to commit an offense in Indiana;

(3) conduct occurring outside Indiana is sufficient under Indiana law to constitute a conspiracy to commit an offense in Indiana, and an overt act in furtherance of the conspiracy occurs in Indiana;

(4) conduct occurring in Indiana establishes complicity in the commission of, or an attempt or conspiracy to commit, an offense in another jurisdiction that also is an offense under Indiana law;

(5) the offense consists of the omission to perform a duty imposed by Indiana law with respect to domicile, residence, or a relationship to a person, thing, or transaction in Indiana;

(6) conduct that is an element of the offense or the result of conduct that is an element of the offense, or both, involve the use of the Internet or another computer network (as defined in IC 35-43-2-3) and access to the Internet or other computer network occurs in Indiana; or

(7) conduct:

(A) involves the use of:

(i) the Internet or another computer network (as defined in IC 35-43-2-3); or

(ii) another form of electronic communication;

(B) occurs outside Indiana and the victim of the offense resides in Indiana at the time of the offense; and

(C) is sufficient under Indiana law to constitute an offense in Indiana.

(c) When the offense is homicide, either the death of the victim or bodily impact causing death constitutes a result under subsection (b)(1). If the body of a homicide victim is found in Indiana, it is presumed that the result occurred in Indiana.

(d) If the offense is identity deception or synthetic identity deception **(before its repeal),** the lack of the victim's consent constitutes conduct that is an element of the offense under subsection (b)(1). If a victim of identity deception or synthetic identity deception **(before its repeal)** resides in Indiana when a person knowingly or intentionally obtains, possesses, transfers, or uses the victim's identifying information, it is presumed that the conduct that is the lack of the victim's consent occurred in Indiana.

SECTION 43. IC 35-43-5-1, AS AMENDED BY P.L.43-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) The definitions set forth in this section apply throughout this chapter.

(b) "Claim statement" means an insurance policy, a document, or a statement made in support of or in opposition to a claim for payment or other benefit under an insurance policy, or other evidence of expense, injury, or loss. The term includes statements made orally, in writing, or electronically, including the following:

(1) An account.

(2) A bill for services.

(3) A bill of lading.

(4) A claim.

(5) A diagnosis.

(6) An estimate of property damages.

(7) A hospital record.

(8) An invoice.

(9) A notice.

(10) A proof of loss.

(11) A receipt for payment.

(12) A physician's records.

(13) A prescription.

(14) A statement.

(15) A test result.

(16) X-rays.

(c) "Coin machine" means a coin box, vending machine, or other mechanical or electronic device or receptacle designed:

(1) to receive a coin, bill, or token made for that purpose; and

(2) in return for the insertion or deposit of a coin, bill, or token automatically:

(A) to offer, provide, or assist in providing; or

(B) to permit the acquisition of;

some property.

(d) "Credit card" means an instrument or device (whether known as a credit card or charge plate, or by any other name) issued by an issuer for use by or on behalf of the credit card holder in obtaining property.

(e) "Credit card holder" means the person to whom or for whose benefit the credit card is issued by an issuer.

(f) "Customer" means a person who receives or has contracted for a utility service.

(g) "Drug or alcohol screening test" means a test that:

(1) is used to determine the presence or use of alcohol, a controlled substance, or a drug in a person's bodily substance; and

(2) is:

(A) administered in the course of monitoring a person who is:

(i) incarcerated in a prison or jail;

(ii) placed in a community corrections program;

(iii) on probation or parole;

(iv) participating in a court ordered alcohol or drug treatment program; or

(v) on court ordered pretrial release; or

(B) ordered by a court as part of a civil action.

(h) "Entrusted" means held in a fiduciary capacity or placed in charge of a person engaged in the business of transporting, storing, lending on, or otherwise holding property of others.

(i) "Identifying information" means information, **genuine or fabricated,** that identifies **or purports to identify** a person, including: ~~a person's:~~

(1) **a** name, address, date of birth, place of employment, employer identification number, mother's maiden name, Social Security number, or any identification number issued by a governmental entity;

(2) unique biometric data, including ~~the person's~~ **a** fingerprint, voice print, or retina or iris image;

(3) unique electronic identification number, address, or routing code;

(4) telecommunication identifying information; or

(5) telecommunication access device, including a card, a plate, a code, a telephone number, an account number, a personal identification number, an electronic serial number, a mobile identification number, or another telecommunications service or device or means of account access that may be used to:

(A) obtain money, goods, services, or any other thing of value; or

(B) initiate a transfer of funds.

(j) "Insurance policy" includes the following:

(1) An insurance policy.

(2) A contract with a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance organization (as defined in IC 27-13-1-27).

(3) A written agreement entered into under IC 27-1-25.

(k) "Insurer" has the meaning set forth in IC 27-1-2-3(x). The term also includes the following:

(1) A reinsurer.

(2) A purported insurer or reinsurer.

(3) A broker.

(4) An agent of an insurer, a reinsurer, a purported insurer or reinsurer, or a broker.

(5) A health maintenance organization.

(6) A limited service health maintenance organization.

(l) "Manufacturer" means a person who manufactures a recording. The term does not include a person who manufactures a medium upon which sounds or visual images can be recorded or stored.

(m) "Make" means to draw, prepare, complete, counterfeit, copy or otherwise reproduce, or alter any written instrument in whole or in part.

(n) "Metering device" means a mechanism or system used by a utility to measure or record the quantity of services received by a customer.

(o) "Public relief or assistance" means any payment made, service rendered, hospitalization provided, or other benefit extended to a person by a governmental entity from public funds and includes township assistance, food stamps, direct relief, unemployment compensation, and any other form of support or aid.

(p) "Recording" means a tangible medium upon which sounds or visual images are recorded or stored. The term includes the following:

(1) An original:

(A) phonograph record;

(B) compact disc;

(C) wire;

(D) tape;

(E) audio cassette;

(F) video cassette; or

(G) film.

(2) Any other medium on which sounds or visual images are or can be recorded or otherwise stored.

(3) A copy or reproduction of an item in subdivision (1) or (2) that duplicates an original recording in whole or in part.

(q) "Slug" means an article or object that is capable of being deposited in a coin machine as an improper substitute for a genuine coin, bill, or token.

(r) ~~"Synthetic identifying information" means identifying information that identifies:~~

~~(1) a false or fictitious person;~~

~~(2) a person other than the person who is using the information; or~~

~~(3) a combination of persons described under subdivisions (1) and (2).~~

~~(s)~~ "Utility" means a person who owns or operates, for public use, any plant, equipment, property, franchise, or license for the production, storage, transmission, sale, or delivery of electricity, water, steam, telecommunications, information, or gas.

~~(t)~~ **(s)** "Written instrument" means a paper, a document, or other instrument containing written matter and includes money, coins, tokens, stamps, seals, credit cards, badges, trademarks, medals, retail sales receipts, labels or markings (including a universal product code (UPC) or another product identification code), or other objects or symbols of value, right, privilege, or identification.

SECTION 44. IC 35-43-5-2, AS AMENDED BY P.L.197-2015, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) A person who knowingly or intentionally:

(1) makes or utters a written instrument in such a manner that it purports to have been made:

(A) by another person;

(B) at another time;

(C) with different provisions; or

(D) by authority of one who did not give authority; or

(2) possesses more than one (1) written instrument knowing that the written instruments were made in a manner that they purport to have been made:

(A) by another person;

(B) at another time;

(C) with different provisions; or

(D) by authority of one who did not give authority;

commits counterfeiting, a Level 6 felony.

~~(b) A person who, with intent to defraud:~~

~~(1) makes or delivers to another person:~~

~~(A) a false sales receipt;~~

~~(B) a duplicate of a sales receipt; or~~

~~(C) a label or other item with a false universal product code (UPC) or other product identification code; or~~

~~(2) places a false universal product code (UPC) or another~~

product identification code on property displayed or offered for sale;

commits making or delivering a false sales document, a Level 6 felony.

(c) A person who, with intent to defraud, possesses:

(1) a retail sales receipt;

(2) a label or other item with a universal product code (UPC); or

(3) a label or other item that contains a product identification code that applies to an item other than the item to which the label or other item applies;

commits possession of a fraudulent sales document, a Class A misdemeanor. However, the offense is a Level 6 felony if the person possesses at least fifteen (15) retail sales receipts, at least fifteen (15) labels containing a universal product code (UPC), at least fifteen (15) labels containing another product identification code, or at least fifteen (15) of any combination of the items described in subdivisions (1) through (3).

(d) **(b)** A person who, with intent to defraud, makes, utters, or possesses a written instrument in such a manner that it purports to have been made:

(1) by another person;

(2) at another time;

(3) with different provisions; or

(4) by authority of one who did not give authority;

commits forgery, a Level 6 felony.

(e) This subsection applies to a person who applies for a driver's license (as defined in IC 9-13-2-48), a state identification card (as described in IC 9-24-16), or a photo exempt identification card (as described in IC 9-24-16.5). A person who:

(1) knowingly or intentionally uses a false or fictitious name or gives a false or fictitious address in an application for a driver's license, a state identification card, or a photo exempt identification card or for a renewal or a duplicate of a driver's license, a state identification card, or a photo exempt identification card; or

(2) knowingly or intentionally makes a false statement or conceals a material fact in an application for a driver's license, a state identification card, or a photo exempt identification card;

commits application fraud, a Level 6 felony.

SECTION 45. IC 35-43-5-3 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 3. (a) A person who:

(1) being an officer, manager, or other person participating in the direction of a credit institution, knowingly or intentionally receives or permits the receipt of a deposit or other investment, knowing that the institution is insolvent;

(2) knowingly or intentionally makes a false or misleading written statement with intent to obtain property, employment, or an educational opportunity;

(3) misapplies entrusted property, property of a governmental entity, or property of a credit institution in a manner that the person knows is unlawful or that the person knows involves substantial risk of loss or detriment to either the owner of the property or to a person for whose benefit the property was entrusted;

(4) knowingly or intentionally, in the regular course of business, either:

(A) uses or possesses for use a false weight or measure or other device for falsely determining or recording the quality or quantity of any commodity; or

(B) sells, offers, or displays for sale or delivers less than the represented quality or quantity of any commodity;

(5) with intent to defraud another person furnishing electricity, gas, water, telecommunication, or any other utility service, avoids a lawful charge for that service by scheme or device or by tampering with facilities or equipment of the person furnishing the service;

(6) with intent to defraud, misrepresents the identity of the person or another person or the identity or quality of property;

(7) with intent to defraud an owner of a coin machine, deposits a slug in that machine;

(8) with intent to enable the person or another person to deposit a slug in a coin machine, makes, possesses, or disposes of a slug;

(9) disseminates to the public an advertisement that the person knows is false, misleading, or deceptive, with intent to promote the purchase or sale of property or the acceptance of employment;

(10) with intent to defraud, misrepresents a person as being a physician licensed under IC 25-22.5;

(11) knowingly and intentionally defrauds another person furnishing cable TV service by avoiding paying compensation for that service by any scheme or device or by tampering with facilities or equipment of the person furnishing the service; or

(12) knowingly or intentionally provides false information to a governmental entity to obtain a contract from the governmental entity;

commits deception, a Class A misdemeanor, except as provided in subsection (b).

(b) An offense under:

(1) subsection (a)(12) is a Level 6 felony if the provision of false information results in financial loss to the governmental entity; and

(2) subsection (a)(6) is a Level 6 felony if the misrepresentation relates to:

(A) a medical procedure, medical device, or drug; and

(B) human reproductive material (as defined in IC 34-24-5-1).

(c) In determining whether an advertisement is false, misleading, or deceptive under subsection (a)(9), there shall be considered, among other things, not only representations contained or suggested in the advertisement, by whatever means, including device or sound, but also the extent to which the advertisement fails to reveal material facts in the light of the representations.

(d) A person who knowingly or intentionally falsely represents:

(1) any entity as:

(A) a disadvantaged business enterprise (as defined in IC 5-16-6.5-1); or

(B) a women-owned business enterprise (as defined in IC 5-16-6.5-3);

in order to qualify for certification as such an enterprise under a program conducted by a public agency (as defined in IC 5-16-6.5-2) designed to assist disadvantaged business enterprises or women-owned business enterprises in obtaining contracts with public agencies for the provision of goods and services; or

(2) an entity with which the person will subcontract all or part of a contract with a public agency (as defined in IC 5-16-6.5-2) as:

(A) a disadvantaged business enterprise (as defined in IC 5-16-6.5-1); or

(B) a women-owned business enterprise (as defined in IC 5-16-6.5-3);

in order to qualify for certification as an eligible bidder under a program that is conducted by a public agency designed to assist disadvantaged business enterprises or women-owned business enterprises in obtaining contracts with public agencies for the provision of goods and services;

commits a Level 6 felony.

SECTION 46. IC 35-43-5-3.5, AS AMENDED BY P.L.158-2013, SECTION 471, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3.5. (a) Except

as provided in subsection (c), ~~a person who knowingly or intentionally obtains, possesses, transfers, or uses the identifying information of another person, including the identifying information of a person who is deceased:~~

~~(1) without the other person's consent; and~~

~~(2) with intent to:~~

~~(A) harm or defraud another person;~~

~~(B) assume another person's identity; or~~

~~(C) profess to be another person;~~

a person who, with intent to harm or defraud another person, knowingly or intentionally obtains, possesses, transfers, or uses identifying information to profess to be another person, commits identity deception, a Level 6 felony.

(b) However, the offense defined in subsection (a) is a Level 5 felony if:

(1) a person obtains, possesses, transfers, or uses the identifying information of more than one hundred (100) persons;

(2) the fair market value of the fraud or harm caused by the offense is at least fifty thousand dollars ($50,000); or

(3) a person obtains, possesses, transfers, or uses the identifying information of a person who is less than eighteen (18) years of age and is:

(A) the person's son or daughter;

(B) a dependent of the person;

(C) a ward of the person; or

(D) an individual for whom the person is a guardian.

(c) The conduct prohibited in subsections (a) and (b) does not apply to:

(1) a person less than twenty-one (21) years of age who uses ~~the~~ identifying information ~~of another person~~ to acquire an alcoholic beverage (as defined in IC 7.1-1-3-5);

(2) a minor (as defined in IC 35-49-1-4) who uses ~~the~~ identifying information ~~of another person~~ to acquire:

(A) a cigarette, an electronic cigarette (as defined in IC 35-46-1-1.5), or a tobacco product (as defined in IC 6-7-2-5);

(B) a periodical, a videotape, or other communication medium that contains or depicts nudity (as defined in IC 35-49-1-5);

(C) admittance to a performance (live or film) that prohibits the attendance of the minor based on age; or

(D) an item that is prohibited by law for use or consumption by a minor; or

(3) any person who uses ~~the~~ identifying information for a lawful purpose.

(d) It is not a defense in a prosecution under subsection (a) or (b) that no person was harmed or defrauded.

SECTION 47. IC 35-43-5-3.8 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 3.8. (a) A person who knowingly or intentionally obtains, possesses, transfers, or uses the synthetic identifying information:~~

~~(1) with intent to harm or defraud another person;~~

~~(2) with intent to assume another person's identity; or~~

~~(3) with intent to profess to be another person;~~

~~commits synthetic identity deception, a Level 6 felony.~~

~~(b) The offense under subsection (a) is a Level 5 felony if:~~

~~(1) a person obtains, possesses, transfers, or uses the synthetic identifying information of more than one hundred (100) persons; or~~

~~(2) the fair market value of the fraud or harm caused by the offense is at least fifty thousand dollars ($50,000).~~

~~(c) The conduct prohibited in subsections (a) and (b) does not apply to:~~

~~(1) a person less than twenty-one (21) years of age who uses the synthetic identifying information of another person to acquire:~~

~~(A) an alcoholic beverage (as defined in IC 7.1-1-3-5); or~~

~~(B) a cigarette, e-liquid, or tobacco product (as defined in IC 6-7-2-5); or~~

~~(2) a minor (as defined in IC 35-49-1-4) who uses the synthetic identifying information of another person to acquire:~~

~~(A) a periodical, a videotape, or other communication medium that contains or depicts nudity (as defined in IC 35-49-1-5);~~

~~(B) admittance to a performance (live or on film) that prohibits the attendance of the minor based on age; or~~

~~(C) an item that is prohibited by law for use or consumption by a minor.~~

~~(d) It is not a defense in a prosecution under subsection (a) or (b) that no person was harmed or defrauded.~~

SECTION 48. IC 35-43-5-4, AS AMENDED BY P.L.158-2013, SECTION 474, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. ~~A person who:~~

~~(1) with intent to defraud, obtains property by:~~

~~(A) using a credit card, knowing that the credit card was unlawfully obtained or retained;~~

~~(B) using a credit card, knowing that the credit card is forged, revoked, or expired;~~

~~(C) using, without consent, a credit card that was issued to another person;~~

~~(D) representing, without the consent of the credit card holder, that the person is the authorized holder of the credit card; or~~

~~(E) representing that the person is the authorized holder of a credit card when the card has not in fact been issued;~~

~~(2) being authorized by an issuer to furnish property upon presentation of a credit card, fails to furnish the property and, with intent to defraud the issuer or the credit card holder, represents in writing to the issuer that the person has furnished the property;~~

~~(3) being authorized by an issuer to furnish property upon presentation of a credit card, furnishes, with intent to defraud the issuer or the credit card holder, property upon presentation of a credit card, knowing that the credit card was unlawfully obtained or retained or that the credit card is forged, revoked, or expired;~~

~~(4) not being the issuer, knowingly or intentionally sells a credit card;~~

~~(5) not being the issuer, receives a credit card, knowing that the credit card was unlawfully obtained or retained or that the credit card is forged, revoked, or expired;~~

~~(6) with intent to defraud, receives a credit card as security for debt;~~

~~(7) receives property, knowing that the property was obtained in violation of subdivision (1) of this section;~~

~~(8) with intent to defraud the person's creditor or purchaser, conceals, encumbers, or transfers property;~~

~~(9) with intent to defraud, damages property; or~~

~~(10) knowingly or intentionally:~~

~~(A) sells;~~

~~(B) rents;~~

~~(C) transports; or~~

~~(D) possesses;~~

~~a recording for commercial gain or personal financial gain that does not conspicuously display the true name and address of the manufacturer of the recording;~~

~~commits fraud, a Level 6 felony.~~

(a) A person who:

(1) with the intent to obtain property or data, or an educational, governmental, or employment benefit to which the person is not entitled, knowingly or intentionally:

(A) makes a false or misleading statement; or

(B) creates a false impression in another person;

(2) with the intent to cause another person to obtain

property, knowingly or intentionally:

(A) makes a false or misleading statement;

(B) creates a false impression in a third person; or

(C) causes to be presented a claim that:

(i) contains a false or misleading statement; or

(ii) creates a false or misleading impression in a third person;

(3) possesses, manufactures, uses, or alters a document, instrument, computer program, or device with the intent to obtain:

(A) property;

(B) data; or

(C) an educational, governmental, or employment benefit;

to which the person is not entitled; or

(4) knowingly or intentionally engages in a scheme or artifice to commit an offense described in subdivisions (1) through (3);

commits fraud, a Class A misdemeanor except as otherwise provided in this section.

(b) The offense described in subsection (a) is a Level 6 felony if one (1) or more of the following apply:

(1) The offense is committed not later than seven (7) years from the date the person:

(A) was convicted of a prior unrelated conviction for an offense under this article; or

(B) was released from a term of incarceration, probation, or parole (whichever occurred last) imposed for a prior unrelated conviction for an offense under this article;

whichever occurred last.

(2) The pecuniary loss is at least seven hundred fifty dollars ($750) but less than fifty thousand dollars ($50,000).

(3) The victim is:

(A) an endangered adult (as defined in IC 12-10-3-2(a)); or

(B) less than eighteen (18) years of age.

(4) The person makes a false or misleading statement representing an entity as:

(A) a disadvantaged business enterprise (as defined in IC 5-16-6.5-1); or

(B) a women-owned business enterprise (as defined in IC 5-16-6.5-3);

in order to qualify for certification as such an enterprise under a program conducted by a public agency (as defined in IC 5-16-6.5-2) designed to assist disadvantaged business enterprises or women-owned business enterprises in obtaining contracts with public agencies for the provision of goods and services.

(5) The person makes a false or misleading statement representing an entity with which the person will subcontract all or part of a contract with a public agency (as defined in IC 5-16-6.5-2) as:

(A) a disadvantaged business enterprise (as defined in IC 5-16-6.5-1); or

(B) a women-owned business enterprise (as defined in IC 5-16-6.5-3);

in order to qualify for certification as an eligible bidder under a program that is conducted by a public agency designed to assist disadvantaged business enterprises or women-owned business enterprises in obtaining contracts with public agencies for the provision of goods and services.

(6) The offense is committed by a person who is confined in:

(A) the department of correction;

(B) a county jail; or

(C) a secure juvenile facility.

(7) The document or instrument that the person possesses, manufactures, uses, or alters is a document or instrument:

(A) issued by a public servant or a governmental entity;

(B) that has been manufactured or altered to appear to have been issued by a public servant or a governmental entity; or

(C) that the person tendered to, or intends to tender to a public servant or a governmental entity.

(8) Except as provided in subsection (d), the person:

(A) made the false or misleading statement; or

(B) created the false impression in another person;

on or by means of a document or written instrument.

(9) The agreement is unconscionable.

(10) The offense involves human reproductive material (as defined in IC 34-24-5-1).

(c) The offense described in subsection (a) is a Level 5 felony if one (1) or more of the following apply:

(1) The pecuniary loss is at least fifty thousand dollars ($50,000) and less than one hundred thousand dollars ($100,000).

(2) The pecuniary loss is at least seven hundred fifty dollars ($750) and the victim is:

(A) an endangered adult (as defined in IC 12-10-3-2(a)); or

(B) less than eighteen (18) years of age.

(3) The victim was a financial institution.

(d) The offense described in subsection (b)(9) is a Class A misdemeanor if the defendant proves by a preponderance of the evidence that the:

(1) value of the property, data, or benefit intended to be obtained; and

(2) actual pecuniary loss;

is less than seven hundred fifty dollars ($750).

SECTION 49. IC 35-43-5-4.3 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 4.3. (a) As used in this section, "card skimming device" means a device that is designed to read information encoded on a credit card. The term includes a device designed to read, record, or transmit information encoded on a credit card:~~

~~(1) directly from a credit card; or~~

~~(2) from another device that reads information directly from a credit card.~~

~~(b) A person who possesses a card skimming device with intent to commit:~~

~~(1) identity deception (IC 35-43-5-3.5);~~

~~(2) synthetic identity deception (IC 35-43-5-3.8);~~

~~(3) fraud (IC 35-43-5-4); or~~

~~(4) terroristic deception (IC 35-46.5-2-4) (or IC 35-43-5-3.6 before its repeal);~~

~~commits unlawful possession of a card skimming device. Unlawful possession of a card skimming device under subdivision (1), (2), or (3) is a Level 6 felony. Unlawful possession of a card skimming device under subdivision (4) is a Level 5 felony.~~

SECTION 50. IC 35-43-5-4.5 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 4.5. (a) A person who, knowingly and with intent to defraud:~~

~~(1) makes, utters, presents, or causes to be presented to an insurer or an insurance claimant, a claim statement that contains false, incomplete, or misleading information concerning the claim;~~

~~(2) presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer, an oral, a written, or an electronic statement that the person knows to contain materially false information as part of, in support of, or concerning a fact that is material to:~~

~~(A) the rating of an insurance policy;~~

~~(B) a claim for payment or benefit under an insurance policy;~~

~~(C) premiums paid on an insurance policy;~~
~~(D) payments made in accordance with the terms of an insurance policy;~~
~~(E) an application for a certificate of authority;~~
~~(F) the financial condition of an insurer; or~~
~~(G) the acquisition of an insurer;~~
~~or conceals any information concerning a subject set forth in clauses (A) through (G);~~
~~(3) solicits or accepts new or renewal insurance risks by or for an insolvent insurer or other entity regulated under IC 27;~~
~~(4) removes:~~
~~(A) the assets;~~
~~(B) the record of assets, transactions, and affairs; or~~
~~(C) a material part of the assets or the record of assets, transactions, and affairs;~~
~~of an insurer or another entity regulated under IC 27, from the home office, other place of business, or place of safekeeping of the insurer or other regulated entity, or conceals or attempts to conceal from the department of insurance assets or records referred to in clauses (A) through (B); or~~
~~(5) diverts funds of an insurer or another person in connection with:~~
~~(A) the transaction of insurance or reinsurance;~~
~~(B) the conduct of business activities by an insurer or another entity regulated under IC 27; or~~
~~(C) the formation, acquisition, or dissolution of an insurer or another entity regulated under IC 27;~~
~~commits insurance fraud. Except as provided in subsection (b), insurance fraud is a Level 6 felony.~~

~~(b) An offense described in subsection (a) is a Level 5 felony if:~~
~~(1) the person who commits the offense has a prior unrelated conviction under this section; or~~
~~(2) the:~~
~~(A) value of property, services, or other benefits obtained or attempted to be obtained by the person as a result of the offense; or~~
~~(B) economic loss suffered by another person as a result of the offense;~~
~~is at least two thousand five hundred dollars ($2,500).~~

~~(c) A person who knowingly and with intent to defraud makes a material misstatement in support of an application for the issuance of an insurance policy commits insurance application fraud, a Class A misdemeanor.~~

SECTION 51. IC 35-43-5-4.6 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 4.6. (a) The following definitions apply throughout this section:~~
~~(1) "Automated sales suppression device" means a software program:~~
~~(A) carried on a memory stick or removable compact disc;~~
~~(B) accessed through an Internet link; or~~
~~(C) accessed through any other means;~~
~~that falsifies the electronic records of electronic cash registers and other point-of-sale systems, including transaction data and transaction reports.~~
~~(2) "Electronic cash register" means a device that keeps a register or supporting documents through the means of an electronic device or a computer system designed to record transaction data for the purpose of computing, compiling, or processing retail sales transaction data in any manner.~~
~~(3) "Phantom-ware" means a hidden, a pre-installed, or an installed at a later time programming option embedded in the operating system of an electronic cash register or hardwired into the electronic cash register that:~~
~~(A) can be used to create a virtual second till; or~~
~~(B) may eliminate or manipulate transaction records that may or may not be preserved in digital formats to represent the true or manipulated record of transactions in the electronic cash register.~~
~~(4) "Transaction data" includes information regarding:~~
~~(A) items purchased by a customer;~~
~~(B) the price for each item;~~
~~(C) a taxability determination for each item;~~
~~(D) a segregated tax amount for each of the taxed items;~~
~~(E) the amount of cash or credit tendered;~~
~~(F) the net amount returned to the customer in change;~~
~~(G) the date and time of the purchase;~~
~~(H) the name, address, and identification number of the vendor; and~~
~~(I) the receipt or invoice number of the transaction.~~
~~(5) "Transaction report" means:~~
~~(A) a report that includes:~~
~~(i) the sales;~~
~~(ii) taxes collected;~~
~~(iii) media totals; and~~
~~(iv) discount voids;~~
~~at an electronic cash register that is printed on cash register tape at the end of a day or shift; or~~
~~(B) a report documenting every action at an electronic cash register that is stored electronically.~~
~~(6) "Zapper" refers to an automated sales suppression device.~~

~~(b) A person who knowingly or intentionally sells, purchases, installs, transfers, or possesses:~~
~~(1) an automated sales suppression device or a zapper; or~~
~~(2) phantom-ware;~~
~~after June 30, 2013, commits unlawful sale or possession of a transaction manipulation device, a Level 5 felony.~~

SECTION 52. IC 35-43-5-4.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 4.7. (a) A person who, knowingly or intentionally:**
(1) solicits or accepts new or renewal insurance risks by or for an insolvent insurer or other entity regulated under IC 27;
(2) removes:
(A) the assets;
(B) the record of assets, transactions, and affairs; or
(C) a material part of the assets or the record of assets, transactions, and affairs;
of an insurer or another entity regulated under IC 27, from the home office, other place of business, or place of safekeeping of the insurer or other regulated entity, or conceals or attempts to conceal from the department of insurance assets or records referred to in clauses (A) through (B); or
(3) diverts funds of an insurer or another person in connection with:
(A) the transaction of insurance or reinsurance;
(B) the conduct of business activities by an insurer or another entity regulated under IC 27; or
(C) the formation, acquisition, or dissolution of an insurer or another entity regulated under IC 27;
commits insurance fraud, a Class A infraction.

(b) Notwithstanding IC 34-28-5-4, a judgment of up to one hundred thousand dollars ($100,000) may be entered for a violation of this section. In determining the amount of the judgment, the court shall consider:
(1) whether the person who commits the violation has a prior unrelated judgment under this section or conviction under this article;
(2) the:
(A) value of property, services, or other benefits obtained or attempted to be obtained by the person as a result of the violation;

(B) economic loss suffered by another person as a result of the violation; and

(C) risk and magnitude of economic loss to another person which could have resulted as a consequence of the violation; and

(3) whether the judgment imposed is proportional to the gravity of the offense.

SECTION 53. IC 35-43-5-5 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 5. (a) A person who knowingly or intentionally issues or delivers a check, a draft, or an order on a credit institution for the payment of or to acquire money or other property, knowing that it will not be paid or honored by the credit institution upon presentment in the usual course of business, commits check deception, a Class A misdemeanor. However, the offense is:~~

~~(1) a Level 6 felony if the amount of the check, draft, or order is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000); and~~

~~(2) a Level 5 felony if the amount of the check, draft, or order is at least fifty thousand dollars ($50,000).~~

~~(b) An unpaid and dishonored check, a draft, or an order that has the drawee's refusal to pay and reason printed, stamped, or written on or attached to it constitutes prima facie evidence:~~

~~(1) that due presentment of it was made to the drawee for payment and dishonor thereof; and~~

~~(2) that it properly was dishonored for the reason stated.~~

~~(c) The fact that a person issued or delivered a check, a draft, or an order, payment of which was refused by the drawee, constitutes prima facie evidence that the person knew that it would not be paid or honored. In addition, evidence that a person had insufficient funds in or no account with a drawee credit institution constitutes prima facie evidence that the person knew that the check, draft, or order would not be paid or honored.~~

~~(d) The following two (2) items constitute prima facie evidence of the identity of the maker of a check, draft, or order if at the time of its acceptance they are obtained and recorded, either on the check, draft, or order itself or on file, by the payee:~~

~~(1) Name and residence, business, or mailing address of the maker.~~

~~(2) Motor vehicle operator's license number, Social Security number, home telephone number, or place of employment of the maker.~~

~~(e) It is a defense under subsection (a) if a person who:~~

~~(1) has an account with a credit institution but does not have sufficient funds in that account; and~~

~~(2) issues or delivers a check, a draft, or an order for payment on that credit institution;~~

~~pays the payee or holder the amount due, together with protest fees and any service fee or charge, which may not exceed the greater of twenty-seven dollars and fifty cents ($27.50) or five percent (5%) (but not more than two hundred fifty dollars ($250)) of the amount due, that may be charged by the payee or holder, within ten (10) days after the date of mailing by the payee or holder of notice to the person that the check, draft, or order has not been paid by the credit institution. Notice sent in the manner set forth in IC 26-2-7-3 constitutes notice to the person that the check, draft, or order has not been paid by the credit institution. The payee or holder of a check, draft, or order that has been dishonored incurs no civil or criminal liability for sending notice under this subsection.~~

~~(f) A person does not commit a crime under subsection (a) when:~~

~~(1) the payee or holder knows that the person has insufficient funds to ensure payment or that the check, draft, or order is postdated; or~~

~~(2) insufficiency of funds or credit results from an adjustment to the person's account by the credit institution without notice to the person.~~

SECTION 54. IC 35-43-5-6 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 6. (a) A customer who utilizes any device or scheme to avoid being assessed for the full amount of services received from a utility or a cable TV service provider commits a Class B infraction.~~

~~(b) Evidence that a customer's metering device has been altered, removed, or bypassed without the knowledge of or notification to the utility is prima facie evidence that the customer has utilized a device or scheme to avoid being assessed for the full amount of services received from the utility.~~

~~(c) Evidence that access to services of a utility or a cable TV service provider has been obtained without authority from the utility or the cable TV service provider constitutes prima facie evidence that the person benefiting from the access has utilized a device or scheme to avoid being assessed for the full amount of services received from the utility or the cable TV service provider.~~

SECTION 55. IC 35-43-5-6.5 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 6.5. (a) A person who manufactures, distributes, sells, leases, or offers for sale or lease:~~

~~(1) a device; or~~

~~(2) a kit of parts to construct a device;~~

~~designed in whole or in part to intercept, unscramble, or decode a transmission by a cable television system with the intent that the device or kit be used to obtain cable television system services without full payment to the cable television system commits a Level 6 felony.~~

~~(b) The sale or distribution by a person of:~~

~~(1) any device; or~~

~~(2) a kit of parts to construct a device;~~

~~described in subsection (a) constitutes prima facie evidence of a violation of subsection (a) if, before or at the time of sale or distribution, the person advertised or indicated that the device or the assembled kit will enable a person to receive cable television system service without making full payment to the cable television system.~~

SECTION 56. IC 35-43-5-7 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 7. (a) A person who knowingly or intentionally:~~

~~(1) obtains public relief or assistance by means of impersonation, fictitious transfer, false or misleading oral or written statement, fraudulent conveyance, or other fraudulent means;~~

~~(2) acquires, possesses, uses, transfers, sells, trades, issues, or disposes of:~~

~~(A) an authorization document to obtain public relief or assistance; or~~

~~(B) public relief or assistance;~~

~~except as authorized by law;~~

~~(3) uses, transfers, acquires, issues, or possesses a blank or incomplete authorization document to participate in public relief or assistance programs, except as authorized by law;~~

~~(4) counterfeits or alters an authorization document to receive public relief or assistance, or knowingly uses, transfers, acquires, or possesses a counterfeit or altered authorization document to receive public relief or assistance; or~~

~~(5) conceals information for the purpose of receiving public relief or assistance to which he is not entitled;~~

~~commits welfare fraud, a Class A misdemeanor, except as provided in subsection (b).~~

~~(b) The offense is:~~

~~(1) a Level 6 felony if the amount of public relief or assistance involved is more than seven hundred fifty dollars ($750) but less than fifty thousand dollars ($50,000); and~~

~~(2) a Level 5 felony if the amount of public relief or assistance involved is at least fifty thousand dollars ($50,000).~~

~~(c) Whenever a person is convicted of welfare fraud under this section, the clerk of the sentencing court shall certify to the~~

appropriate state agency and the appropriate agency of the county of the defendant's residence:

(1) the defendant's conviction; and

(2) whether the defendant is placed on probation and restitution is ordered under IC 35-38-2.

SECTION 57. IC 35-43-5-7.1 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 7.1. (a) Except as provided in subsection (b), a person who knowingly or intentionally:

(1) makes, utters, presents, or causes to be presented to the Medicaid program under IC 12-15 a Medicaid claim that contains materially false or misleading information concerning the claim;

(2) obtains payment from the Medicaid program under IC 12-15 by means of a false or misleading oral or written statement or other fraudulent means;

(3) acquires a provider number under the Medicaid program except as authorized by law;

(4) alters with the intent to defraud or falsifies documents or records of a provider (as defined in 42 CFR 1000.30) that are required to be kept under the Medicaid program; or

(5) conceals information for the purpose of applying for or receiving unauthorized payments from the Medicaid program;

commits Medicaid fraud, a Class A misdemeanor.

(b) The offense described in subsection (a) is:

(1) a Level 6 felony if the fair market value of the offense is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000); and

(2) a Level 5 felony if the fair market value of the offense is at least fifty thousand dollars ($50,000).

SECTION 58. IC 35-43-5-7.2 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 7.2. (a) Except as provided in subsection (b), a person who knowingly or intentionally:

(1) files a children's health insurance program claim, including an electronic claim, in violation of IC 12-17.6;

(2) obtains payment from the children's health insurance program under IC 12-17.6 by means of a false or misleading oral or written statement or other fraudulent means;

(3) acquires a provider number under the children's health insurance program except as authorized by law;

(4) alters with intent to defraud or falsifies documents or records of a provider (as defined in 42 CFR 400.203) that are required to be kept under the children's health insurance program; or

(5) conceals information for the purpose of applying for or receiving unauthorized payments from the children's health insurance program;

commits insurance fraud, a Class A misdemeanor.

(b) The offense described in subsection (a) is:

(1) a Level 6 felony if the fair market value of the offense is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000); and

(2) a Level 5 felony if the fair market value of the offense is at least fifty thousand dollars ($50,000).

SECTION 59. IC 35-43-5-8 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 8. (a) A person who knowingly executes, or attempts to execute, a scheme or artifice:

(1) to defraud a state or federally chartered or federally insured financial institution; or

(2) to obtain any of the money, funds, credits, assets, securities, or other property owned by or under the custody or control of a state or federally chartered or federally insured financial institution by means of false or fraudulent pretenses, representations, or promises;

commits a Level 5 felony.

(b) As used in this section, the term "state or federally chartered or federally insured financial institution" means:

(1) an institution with accounts insured by the Federal Deposit Insurance Corporation;

(2) a credit union with accounts insured by the National Credit Union Administration Board;

(3) a federal home loan bank or a member, as defined in Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422), as in effect on December 31, 1990, of the Federal Home Loan Bank System; or

(4) a bank, banking association, land bank, intermediate credit bank, bank for cooperatives, production credit association, land bank association, mortgage association, trust company, savings bank, or other banking or financial institution organized or operating under the laws of the United States or of the state.

The term does not include a lender licensed under IC 24-4.5.

SECTION 60. IC 35-43-5-12 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 12. (a) As used in this section, "financial institution" refers to a state or federally chartered bank, savings bank, savings association, or credit union.

(b) A person who knowingly or intentionally obtains property, through a scheme or artifice, with intent to defraud:

(1) by issuing or delivering a check, a draft, an electronic debit, or an order on a financial institution:

(A) knowing that the check, draft, order, or electronic debit will not be paid or honored by the financial institution upon presentment in the usual course of business;

(B) using false or altered evidence of identity or residence;

(C) using a false or an altered account number; or

(D) using a false or an altered check, draft, order or electronic instrument;

(2) by:

(A) depositing the minimum initial deposit required to open an account; and

(B) either making no additional deposits or making insufficient additional deposits to insure debits to the account; or

(3) by opening accounts with more than one (1) financial institution in either a consecutive or concurrent time period;

commits check fraud, a Class A misdemeanor.

(c) However, an offense under subsection (b) is:

(1) a Level 6 felony if the aggregate amount of property obtained is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000); and

(2) a Level 5 felony if the aggregate amount of the property obtained is at least fifty thousand dollars ($50,000).

SECTION 61. IC 35-43-5-15 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 15. A person who, with intent to defraud, possesses a device to make retail sales receipts, universal product codes (UPC), or other product identification codes, commits possession of a fraudulent sales document manufacturing device, a Class A misdemeanor.

SECTION 62. IC 35-43-5-16 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 16. A person who, with intent to defraud:

(1) makes or puts a false universal product code (UPC) or another product identification code on property displayed or offered for sale; or

(2) makes a false sales receipt;

commits making a false sales document, a Level 6 felony.

SECTION 63. IC 35-43-5-20 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 20. (a) As used in this section, "inmate" means a person who is confined in:

(1) the custody of:

(A) the department of correction; or

(B) a sheriff;

(2) a county jail; or

(3) a secure juvenile facility.

(b) An inmate who:

(1) is a pretrial detainee; and
(2) with the intent of obtaining money or other property from a person who is not an inmate, knowingly or intentionally:
(A) makes a misrepresentation to a person who is not an inmate and obtains or attempts to obtain money or other property from the person who is not an inmate; or
(B) obtains or attempts to obtain money or other property from the person who is not an inmate through a misrepresentation made by another person;
commits inmate fraud, a Level 6 felony.
(c) An inmate:
(1) who is incarcerated because the inmate has been:
(A) convicted of an offense; or
(B) adjudicated a delinquent; and
(2) who, with the intent of obtaining money or other property from a person who is not an inmate, knowingly or intentionally:
(A) makes a misrepresentation to a person who is not an inmate and obtains or attempts to obtain money or other property from the person who is not an inmate; or
(B) obtains or attempts to obtain money or other property from the person who is not an inmate through a misrepresentation made by another person;
commits inmate fraud, a Level 5 felony.

SECTION 64. IC 35-43-5-21 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 21. (a) A person who, with intent to avoid the obligation to obtain worker's compensation coverage as required by IC 22-3-5-1 and IC 22-3-7-34, falsely classifies an employee as one (1) of the following commits worker's compensation fraud:
(1) An independent contractor.
(2) A sole proprietor.
(3) An owner.
(4) A partner.
(5) An officer.
(6) A member in a limited liability company.
(b) The offense described in subsection (a) is a Class A misdemeanor.

SECTION 65. IC 35-43-5-22 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 22. A person who, with the intent to obtain money, property, or another benefit, knowingly or intentionally:
(1) fraudulently represents himself or herself to be an active member or veteran of:
(A) the United States Air Force;
(B) the United States Army;
(C) the United States Coast Guard;
(D) the United States Marines;
(E) the United States National Guard;
(F) the United States Navy; or
(G) a reserve component of the armed forces of the United States;
(2) uses a falsified military identification; or
(3) fraudulently represents himself or herself to be a recipient of the:
(A) Congressional Medal of Honor;
(B) Distinguished Service Cross;
(C) Navy Cross;
(D) Air Force Cross;
(E) Silver Star;
(F) Purple Heart;
(G) Combat Infantryman Badge;
(H) Combat Action Badge;
(I) Combat Medical Badge;
(J) Combat Action Ribbon; or
(K) Air Force Combat Action Medal;
commits stolen valor, a Class A misdemeanor.

SECTION 66. IC 35-43-6-12 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 12. (a) A home improvement supplier who enters into a home improvement contract and knowingly:
(1) misrepresents a material fact relating to:
(A) the terms of the home improvement contract; or
(B) a preexisting or existing condition of any part of the property involved, including a misrepresentation concerning the threat of:
(i) fire; or
(ii) structural damage;
if the property is not repaired;
(2) creates or confirms a consumer's impression that is false and that the home improvement supplier does not believe to be true;
(3) promises performance that the home improvement supplier does not intend to perform or knows will not be performed;
(4) uses or employs any deception, false pretense, or false promise to cause a consumer to enter into a home improvement contract;
(5) enters into an unconscionable home improvement contract with a home improvement contract price of four thousand dollars ($4,000) or more, but less than seven thousand dollars ($7,000);
(6) misrepresents or conceals the home improvement supplier's:
(A) real name;
(B) business name;
(C) physical or mailing business address; or
(D) telephone number;
(7) upon request by the consumer, fails to provide the consumer with any copy of a written warranty or guarantee that states:
(A) the length of the warranty or guarantee;
(B) the home improvement that is covered by the warranty or guarantee; or
(C) how the consumer could make a claim for a repair under the warranty or guarantee;
(8) uses a product in a home improvement that has been diluted, modified, or altered in a manner that would void the manufacturer's warranty of the product without disclosing to the consumer the reasons for the dilution, modification, or alteration and that the manufacturer's warranty may be compromised; or
(9) falsely claims to a consumer that the home improvement supplier:
(A) was referred to the consumer by a contractor who previously worked for the consumer;
(B) is licensed, certified, or insured; or
(C) has obtained all necessary permits or licenses before starting a home improvement;
commits home improvement fraud, a Class B misdemeanor, except as provided in section 13 of this chapter.
(b) A home improvement supplier who, with the intent to enter into a home improvement contract, knowingly:
(1) damages the property of a consumer;
(2) does work on the property of a consumer without the consumer's prior authorization;
(3) misrepresents that the supplier or another person is an employee or agent of the federal government, the state, a political subdivision of the state, or any other governmental agency or entity; or
(4) misrepresents that the supplier or another person is an employee or agent of any public or private utility;
commits a Class A misdemeanor, except as provided in section 13(b) of this chapter.

SECTION 67. IC 35-43-6-13 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 13. (a) The offense in section 12(a) of this chapter is a Class A misdemeanor:
(1) in the case of an offense under section 12(a)(1) through 12(a)(4) of this chapter or section 12(a)(6) through 12(a)(9) of this chapter, if the home improvement contract price is one thousand dollars ($1,000) or more;

(2) for the second or subsequent offense under this chapter;

(3) if two (2) or more home improvement contracts exceed an aggregate amount of one thousand dollars ($1,000) and are entered into with the same consumer by one (1) or more suppliers as part of or in furtherance of a common fraudulent scheme, design, or intention; or

(4) if, in a violation of section 12(a)(5) of this chapter, the home improvement contract price is at least seven thousand dollars ($7,000), but less than ten thousand dollars ($10,000).

(b) The offense in section 12 of this chapter is a Level 6 felony:

(1) if, in a violation of section 12(a)(5) of this chapter, the home improvement contract price is at least ten thousand dollars ($10,000);

(2) if, in a violation of:

(A) section 12(a)(1) through 12(a)(5); or

(B) section 12(a)(7) through 12(a)(9);

of this chapter, the consumer is at least sixty (60) years of age and the home improvement contract price is less than ten thousand dollars ($10,000);

(3) if, in a violation of section 12(b) of this chapter, the consumer is at least sixty (60) years of age; or

(4) if the home improvement supplier violates more than one (1) subdivision of section 12(a) of this chapter.

(c) The offense in section 12(a) of this chapter is a Level 5 felony:

(1) if, in a violation of:

(A) section 12(a)(1) through 12(a)(5); or

(B) section 12(a)(7) through 12(a)(9);

of this chapter, the consumer is at least sixty (60) years of age and the home improvement contract price is at least ten thousand dollars ($10,000); or

(2) if, in a violation of:

(A) section 12(a)(1) through 12(a)(4); or

(B) section 12(a)(7) through 12(a)(9);

of this chapter, the consumer is at least sixty (60) years of age, and two (2) or more home improvement contracts exceed an aggregate amount of one thousand dollars ($1,000) and are entered into with the same consumer by one (1) or more suppliers as part of or in furtherance of a common fraudulent scheme, design, or intention.

SECTION 68. IC 35-43-6-14 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 14. For the purposes of section 13 of this chapter, it is not a defense to home improvement fraud committed against a consumer who is at least sixty (60) years of age that the supplier reasonably believed the consumer to be an individual less than sixty (60) years of age.

SECTION 69. IC 35-43-6.5-1 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 1. (a) A person that sells or offers for sale a vehicle, a vehicle part, or a watercraft knowing that an identification number or certificate of title of the vehicle, vehicle part, or watercraft has been:

(1) destroyed;

(2) removed;

(3) altered;

(4) covered; or

(5) defaced;

commits a Class A misdemeanor. However, the offense is a Level 6 felony if the aggregate fair market value of all vehicles, vehicle parts, and watercraft sold or offered for sale is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000), and a Level 5 felony if the aggregate fair market value of all vehicles, vehicle parts, and watercraft sold or offered for sale is at least fifty thousand dollars ($50,000).

(b) Subsection (c) does not apply to a person that manufactures or installs a plate or label containing an original identification number:

(1) in a program authorized by a manufacturer of motor vehicles or motor vehicle parts; or

(2) as authorized by the bureau under IC 9-17-4.

(c) A person that knowingly or intentionally possesses a plate or label that:

(1) contains an identification number; and

(2) is not attached to the motor vehicle or motor vehicle part to which the identification number was assigned by the manufacturer or governmental entity;

commits a Class A misdemeanor, except as provided in subsection (d).

(d) The offense described in subsection (c) is a:

(1) Level 6 felony if:

(A) the person possesses more than one (1) plate or label and the plates or labels are not attached to a motor vehicle or motor vehicle part; or

(B) the aggregate fair market value of all plates and labels, and of all motor vehicles and motor vehicle parts to which the plates or labels are wrongfully attached, is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000); and

(2) Level 5 felony if the aggregate fair market value of all plates or labels, and of all motor vehicles and motor vehicle parts to which the plate or label is wrongfully attached, is at least fifty thousand dollars ($50,000).

(e) A person that knowingly:

(1) damages;

(2) removes; or

(3) alters;

an original or special identification number commits a Level 6 felony.

(f) A person who counterfeits or falsely reproduces a certificate of title for a motor vehicle, semitrailer, or recreational vehicle with intent to:

(1) use the certificate of title; or

(2) permit another person to use the certificate of title;

commits a Class A misdemeanor. However, the offense is a Level 6 felony if the aggregate fair market value of all motor vehicles, semitrailers, and recreational vehicles for which the person counterfeits or falsely reproduces a certificate of title is at least seven hundred fifty dollars ($750) and less than fifty thousand dollars ($50,000), and a Level 5 felony if the aggregate fair market value of all motor vehicles, semitrailers, and recreational vehicles for which the person counterfeits or falsely reproduces a certificate of title is at least fifty thousand dollars ($50,000).

SECTION 70. IC 35-43-6.5-2 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 2. (a) A person who, with the intent to defraud:

(1) advertises for sale;

(2) sells;

(3) uses; or

(4) installs;

any device that causes an odometer to register mileage other than the mileage driven by the vehicle as registered by the odometer within the manufacturer's designed tolerance commits a Level 6 felony.

(b) A person who, with the intent to defraud:

(1) disconnects, resets, or alters the odometer of any motor vehicle with intent to change the number of miles or kilometers indicated on the odometer; or

(2) sells a motor vehicle that has a broken odometer or an odometer that is not displaying correct mileage of the vehicle;

commits a Level 6 felony.

SECTION 71. IC 35-43-9-7 IS REPEALED [EFFECTIVE JULY 1, 2021]. Sec. 7. (a) An officer, a director, or an employee of a title insurer, an individual associated with the title insurer as an independent contractor, or a title insurance agent who knowingly or intentionally:

(1) converts or misappropriates money received or held in

~~a title insurance escrow account; or~~

~~(2) receives or conspires to receive money described in subdivision (1);~~

~~commits a Level 6 felony, except as provided in subsection (b).~~

~~(b) The offense is:~~

~~(1) a Level 5 felony if the amount of money:~~

~~(A) converted, misappropriated, or received; or~~

~~(B) for which there is a conspiracy;~~

~~is more than ten thousand dollars ($10,000) but less than one hundred thousand dollars ($100,000); and~~

~~(2) a Level 4 felony if the amount of money:~~

~~(A) converted, misappropriated, or received; or~~

~~(B) for which there is a conspiracy;~~

~~is at least one hundred thousand dollars ($100,000).~~

SECTION 72. IC 35-43-9-8 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 8. The court shall direct the clerk of court to notify the Indiana department of insurance about a conviction of an offense under section 7 of this chapter.~~

SECTION 73. IC 35-43-9-9 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 9. In addition to any sentence or fine imposed for a conviction of an offense in section 7 of this chapter, the court shall order the person convicted to make restitution to the victim of the crime pursuant to IC 35-50-5-3.~~

SECTION 74. IC 35-44.1-2-2, AS AMENDED BY P.L.252-2017, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) A person who:

(1) knowingly or intentionally induces, by threat, coercion, false statement, or offer of goods, services, or anything of value, a witness or informant in ~~an official~~ **a legal** proceeding or **an administrative or criminal** investigation to:

(A) withhold or unreasonably delay in producing any testimony, information, document, or thing;

(B) avoid legal process summoning the person to testify or supply evidence; or

(C) absent the person from a proceeding or investigation to which the person has been legally summoned;

(2) knowingly or intentionally in ~~an official criminal~~ **a legal** proceeding or **an administrative or criminal** investigation:

(A) withholds or unreasonably delays in producing any testimony, information, document, or thing after a court orders the person to produce the testimony, information, document, or thing;

(B) avoids legal process summoning the person to testify or supply evidence; or

(C) absents the person from a proceeding or investigation to which the person has been legally summoned;

(3) alters, damages, or removes any record, document, or thing, with intent to prevent it from being produced or used as evidence in any ~~official proceeding or investigation;~~ **legal proceeding or administrative or criminal investigation;**

(4) makes, presents, or uses a false record, document, or thing with intent that the record, document, or thing, material to the point in question, appear in evidence in ~~an official proceeding or investigation~~ **a legal proceeding or an administrative or criminal investigation** to mislead a public servant; or

(5) communicates, directly or indirectly, with a juror otherwise than as authorized by law, with intent to influence the juror regarding any matter that is or may be brought before the juror;

commits obstruction of justice, a Level 6 felony, except as provided in subsection (b).

(b) Except as provided in subsection (e), the offense described in subsection (a) is a Level 5 felony if, during the investigation or pendency of a domestic violence or child abuse case under subsection (c), a person knowingly or intentionally:

(1) offers, gives, or promises any benefit to;

(2) communicates a threat as defined by IC 35-45-2-1(c) to; or

(3) intimidates, unlawfully influences, or unlawfully persuades;

any witness to abstain from attending or giving testimony at any hearing, trial, deposition, probation, or other criminal proceeding or from giving testimony or other statements to a court or law enforcement officer under IC 35-31.5-2-185.

(c) As used in this section, "domestic violence or child abuse case" means any case involving an allegation of:

(1) the commission of a crime involving domestic or family violence under IC 35-31.5-2-76 involving a family or household member under IC 35-31.5-2-128;

(2) the commission of a crime of domestic violence under IC 35-31.5-2-78 involving a family or household member under IC 35-31.5-2-128; or

(3) physical abuse, sexual abuse, or child neglect, including crimes listed under IC 35-31.5-2-76 involving a victim who was less than eighteen (18) years of age at the time of the offense, whether or not the person is a family or household member under IC 35-31.5-2-128.

(d) Subsection (a)(2)(A) does not apply to:

(1) a person who qualifies for a special privilege under IC 34-46-4 with respect to the testimony, information, document, or thing; or

(2) a person who, as:

(A) an attorney;

(B) a physician;

(C) a member of the clergy; or

(D) a husband or wife;

is not required to testify under IC 34-46-3-1.

(e) Subsection (b) does not apply to:

(1) an attorney;

(2) an investigator;

(3) a law enforcement officer; or

(4) a judge;

engaged in that person's professional or official duties.

SECTION 75. IC 35-44.1-2-3, AS AMENDED BY P.L.142-2020, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) As used in this section, "consumer product" has the meaning set forth in IC 35-45-8-1.

(b) As used in this section, "misconduct" means a violation of a departmental rule or procedure of a law enforcement agency.

(c) A person who reports ~~by telephone, telegraph, mail, or other written or oral communication,~~ that:

(1) the person or another person has placed or intends to place an explosive, a destructive device, or other destructive substance in a building or transportation facility;

(2) there has been or there will be tampering with a consumer product introduced into commerce; or

(3) there has been or will be placed or introduced a weapon of mass destruction in a building or a place of assembly;

knowing the report to be false, commits false reporting, a Level 6 felony.

(d) A person who:

(1) gives:

(A) a false report of the commission of a crime; or

(B) ~~gives~~ false information ~~in the official investigation of~~ **to a law enforcement officer that relates to** the commission of a crime;

knowing the report or information to be false;

(2) gives a false alarm of fire to the fire department of a governmental entity, knowing the alarm to be false;

(3) makes a false request for ambulance service to an ambulance service provider, knowing the request to be false;

(4) gives a false report concerning a missing child (as defined in IC 10-13-5-4) or missing endangered adult (as defined in IC 12-7-2-131.3) or gives false information ~~in the official investigation of~~ **to a law enforcement officer or a governmental entity that relates to** a missing child or missing endangered adult knowing the report or information to be false;

(5) makes a complaint against a law enforcement officer to the state or municipality (as defined in IC 8-1-13-3(b)) that employs the officer:

(A) alleging the officer engaged in misconduct while performing the officer's duties; and

(B) knowing the complaint to be false;

(6) makes a false report of a missing person, knowing the report or information is false;

(7) gives a false report of actions, behavior, or conditions concerning:

(A) a septic tank soil absorption system under IC 8-1-2-125 or IC 13-26-5-2.5; or

(B) a septic tank soil absorption system or constructed wetland septic system under IC 36-9-23-30.1;

knowing the report or information to be false; or

(8) makes a false report that a person is dangerous (as defined in IC 35-47-14-1) knowing the report or information to be false;

commits false informing, a Class B misdemeanor. However, the offense is a Class A misdemeanor if it substantially hinders any law enforcement process or if it results in harm to another person.

SECTION 76. IC 35-44.1-2-13, AS AMENDED BY P.L.188-2015, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 13. (a) Except as provided in subsection (b), a person who, with the intent to obstruct vehicular or pedestrian traffic, obstructs vehicular or pedestrian traffic commits obstruction of traffic, a Class B misdemeanor.

(b) The offense described in subsection (a) is:

(1) a Class A misdemeanor if the offense includes the use of a motor vehicle; ~~and~~

(2) a Level 6 felony if:

(A) the offense results in serious bodily injury;

(B) the person blocks an authorized emergency vehicle (as defined in IC 9-13-2-6) while the vehicle is:

(i) responding to an emergency call;

(ii) in the pursuit of an actual or suspected violator of the law; or

(iii) responding to, but not returning from, a fire alarm;

if the vehicle is using visible or audible signals as required by law; or

(C) the person obstructs the entryway to a facility that provides emergency medical services; and

(3) a Level 5 felony if the offense results in catastrophic bodily injury or death.

(c) A person who unreasonably obstructs vehicular or pedestrian traffic commits a Class C infraction.

(d) It is a defense to an action under subsection (c) that the obstruction was caused by a vehicle malfunction.

SECTION 77. IC 35-44.1-3-1, AS AMENDED BY HEA 1097-2021, SECTION 1, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) A person who knowingly or intentionally:

(1) forcibly resists, obstructs, or interferes with a law enforcement officer or a person assisting the officer while the officer is lawfully engaged in the execution of the officer's duties;

(2) forcibly resists, obstructs, or interferes with the authorized service or execution of a civil or criminal process or order of a court; or

(3) flees from a law enforcement officer after the officer has, by visible or audible means, including operation of the law enforcement officer's siren or emergency lights, identified himself or herself and ordered the person to stop;

commits resisting law enforcement, a Class A misdemeanor, except as provided in subsection (c).

(b) A person who, having been denied entry by **a firefighter,** an emergency medical services provider, or a law enforcement officer, knowingly or intentionally enters an area that is marked off with barrier tape or other physical barriers, commits interfering with public safety, a Class B misdemeanor, except as provided in subsection (c) or (k).

(c) The offense under subsection (a) or (b) is a:

(1) Level 6 felony if:

(A) the person uses a vehicle to commit the offense; or

(B) while committing the offense, the person:

(i) draws or uses a deadly weapon;

(ii) inflicts bodily injury on or otherwise causes bodily injury to another person; or

(iii) operates a vehicle in a manner that creates a substantial risk of bodily injury to another person;

(2) Level 5 felony if:

(A) while committing the offense, the person operates a vehicle in a manner that causes serious bodily injury to another person; or

(B) the person uses a vehicle to commit the offense and the person has a prior unrelated conviction under this section involving the use of a vehicle in the commission of the offense;

(3) Level 3 felony if, while committing the offense, the person operates a vehicle in a manner that causes the death or catastrophic injury of another person; and

(4) Level 2 felony if, while committing any offense described in subsection (a), the person operates a vehicle in a manner that causes the death or catastrophic injury of **a firefighter,** an emergency medical services provider, or a law enforcement officer while the **firefighter,** emergency medical services provider, or law enforcement officer is engaged in the **firefighter's,** emergency medical services provider's, or officer's official duties.

(d) The offense under subsection (a) is a Level 6 felony if, while committing an offense under:

(1) subsection (a)(1) or (a)(2), the person:

(A) creates a substantial risk of bodily injury to the person or another person; and

(B) has two (2) or more prior unrelated convictions under subsection (a); or

(2) subsection (a)(3), the person has two (2) or more prior unrelated convictions under subsection (a).

(e) If a person uses a vehicle to commit a felony offense under subsection (c)(1)(B), (c)(2), (c)(3), or (c)(4), as part of the criminal penalty imposed for the offense, the court shall impose a minimum executed sentence of at least:

(1) thirty (30) days, if the person does not have a prior unrelated conviction under this section;

(2) one hundred eighty (180) days, if the person has one (1) prior unrelated conviction under this section; or

(3) one (1) year, if the person has two (2) or more prior unrelated convictions under this section.

(f) Notwithstanding IC 35-50-2-2.2 and IC 35-50-3-1, the mandatory minimum sentence imposed under subsection (e) may not be suspended.

(g) If a person is convicted of an offense involving the use of a motor vehicle under:

(1) subsection (c)(1)(A), if the person exceeded the speed limit by at least twenty (20) miles per hour while committing the offense;
(2) subsection (c)(2); or
(3) subsection (c)(3);

the court may notify the bureau of motor vehicles to suspend or revoke the person's driver's license and all certificates of registration and license plates issued or registered in the person's name in accordance with IC 9-30-4-6.1(b) for the period described in IC 9-30-4-6.1(d)(1) or IC 9-30-4-6.1(d)(2). The court shall inform the bureau whether the person has been sentenced to a term of incarceration. At the time of conviction, the court may obtain the person's current driver's license and return the license to the bureau of motor vehicles.

(h) A person may not be charged or convicted of a crime under subsection (a)(3) if the law enforcement officer is a school resource officer acting in the officer's capacity as a school resource officer.

(i) A person who commits an offense described in subsection (c) commits a separate offense for each person whose bodily injury, serious bodily injury, catastrophic injury, or death is caused by a violation of subsection (c).

(j) A court may order terms of imprisonment imposed on a person convicted of more than one (1) offense described in subsection (c) to run consecutively. Consecutive terms of imprisonment imposed under this subsection are not subject to the sentencing restrictions set forth in IC 35-50-1-2(c) through IC 35-50-1-2(d).

(k) As used in this subsection, "family member" means a child, grandchild, parent, grandparent, or spouse of the person. It is a defense to a prosecution under subsection (b) that the person reasonably believed that the person's family member:

(1) was in the marked off area; and
(2) had suffered bodily injury or was at risk of suffering bodily injury;

if the person is not charged as a defendant in connection with the offense, if applicable, that caused the area to be secured by barrier tape or other physical barriers.

SECTION 78. IC 35-45-14-2 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 2. A person who is not an attorney and who:~~

~~(1) knowingly or intentionally solicits, advises, requests, or induces another person to bring an action in a court; and~~
~~(2) in making a solicitation under subdivision (1), directly or indirectly receives any compensation, fee, or commission from the attorney for the solicitation;~~

~~commits unlawful solicitation, a Class A misdemeanor.~~

SECTION 79. IC 35-45-21-2, AS ADDED BY P.L.158-2013, SECTION 547, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) The sale or distribution of:

(1) diagnostic testing equipment or apparatus; or
(2) a blood collection kit;

intended for home use to diagnose or confirm human immunodeficiency virus (HIV) infection or disease is prohibited unless the testing equipment, apparatus, or kit has been approved for such use by the federal Food and Drug Administration.

(b) A person who recklessly, knowingly, or intentionally violates this section commits a ~~Class A misdemeanor.~~ **Class C infraction.**

SECTION 80. IC 35-47-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. Every case of a bullet wound, gunshot wound, powder burn, or any other injury arising from or caused by the discharge of a firearm, and every case of a wound which is likely to or may result in death and is actually or apparently inflicted by a knife, ice pick, or other sharp or pointed instrument, shall be reported at once to the law enforcement authorities of the county, city, or town in which the person reporting is located by either the physician attending or treating the case, or by the manager, superintendent, or other person in charge if the case is treated in a hospital, clinic, sanitarium, or other facility or institution. A person who violates this section commits a ~~Class A misdemeanor.~~ **Class C infraction.**

SECTION 81. IC 35-50-2-11, AS AMENDED BY P.L.157-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) As used in this section, "firearm" has the meaning set forth in IC 35-47-1-5.

(b) As used in this section, "offense" means:

(1) a felony under IC 35-42 that resulted in death or serious bodily injury;
(2) kidnapping; ~~or~~
(3) criminal confinement as a Level 2 or Level 3 felony; **or**
(4) attempted murder.

(c) As used in this section, "police officer" means any of the following:

(1) A state police officer.
(2) A county sheriff.
(3) A county police officer.
(4) A city police officer.
(5) A state educational institution police officer appointed under IC 21-39-4.
(6) A school corporation police officer appointed under IC 20-26-16.
(7) A police officer of a public or private postsecondary educational institution whose board of trustees has established a police department under IC 21-17-5-2 or IC 21-39-4-2.
(8) An enforcement officer of the alcohol and tobacco commission.
(9) A conservation officer.
(10) A gaming agent employed under IC 4-33-4.5 or a gaming control officer employed by the gaming control division under IC 4-33-20.

(d) The state may seek, on a page separate from the rest of a charging instrument, to have a person who allegedly committed an offense sentenced to an additional fixed term of imprisonment if the state can show beyond a reasonable doubt that the person knowingly or intentionally used a firearm in the commission of the offense.

(e) The state may seek, on a page separate from the rest of a charging instrument, to have a person who allegedly committed a felony or misdemeanor other than an offense (as defined under subsection (b)) sentenced to an additional fixed term of imprisonment if the state can show beyond a reasonable doubt that the person, while committing the felony or misdemeanor, knowingly or intentionally:

(1) pointed a firearm; or
(2) discharged a firearm;

at an individual whom the person knew, or reasonably should have known, was a police officer.

(f) If the person was convicted of:

(1) the offense under subsection (d); or
(2) the felony or misdemeanor under subsection (e);

in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(g) If the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved beyond a reasonable doubt that the person knowingly or intentionally used a firearm in the commission of the offense under subsection (d), the court may sentence the person to an additional fixed term of imprisonment of between five (5) years and twenty (20) years.

(h) If the jury (if the hearing is by jury) or the court (if the hearing is to the court alone) finds that the state has proved

beyond a reasonable doubt that the person, while committing a felony or misdemeanor under subsection (e), knowingly or intentionally:

(1) pointed a firearm; or

(2) discharged a firearm;

at an individual whom the person knew, or reasonably should have known, was a police officer, the court may sentence the person to an additional fixed term of imprisonment of between five (5) and twenty (20) years.

(i) A person may not be sentenced under subsections (g) and (h) for offenses, felonies, and misdemeanors comprising a single episode of criminal conduct.

SECTION 82. IC 35-52-6-17 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 17. IC 6-2.5-9-7 defines a crime concerning retail sales.~~

SECTION 83. IC 35-52-16-2 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 2. IC 16-20-1-25 defines a crime concerning local health departments.~~

SECTION 84. IC 35-52-20-4, IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 4. IC 20-27-7-19 defines a crime concerning school transportation.~~

SECTION 85. IC 35-52-24-28 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 28. IC 24-5-14.5-11 defines a crime concerning false or misleading caller identification~~

(Reference is to EHB 1115 as printed April 9, 2021.)

STEUERWALD	ROGERS
PIERCE	TAYLOR
House Conferees	Senate Conferees

Roll Call 508: yeas 97, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1436–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1436 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-21.5-3-27.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 27.5. In a proceeding under this chapter concerning an agency action, the administrative law judge shall order the agency to pay the reasonable attorney's fees incurred in the proceeding by the party challenging the agency action if the party challenging the agency action proves, by a preponderance of the evidence, that:**

(1) the agency's action was frivolous or groundless; or

(2) the agency pursued the action in bad faith.

SECTION 2. IC 6-2.5-1-5, AS AMENDED BY SEA 383-2021, SECTION 3, AND AS AMENDED BY HEA 1001-2021, SECTION 69, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 5. (a) Except as provided in subsection (b), "gross retail income" means the total amount of consideration, including cash, credit, property, and services, for which tangible personal property is sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for:

(1) the seller's cost of the property sold;

(2) the cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

(3) charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

(4) delivery charges; or

(5) consideration received by the seller from a third party if:

(A) the seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;

(B) the seller has an obligation to pass the price reduction or discount through to the purchaser;

(C) the amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and

(D) the price reduction or discount is identified as a third party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate, or other documentation presented by the purchaser.

For purposes of subdivision (4), delivery charges are charges by the seller for preparation and delivery of the property to a location designated by the purchaser of property, including but not limited to transportation, shipping, postage charges that are not separately stated on the invoice, bill of sale, or similar document, handling, crating, and packing. Delivery charges do not include postage charges that are separately stated on the invoice, bill of sale, or similar document.

(b) "Gross retail income" does not include that part of the gross receipts attributable to:

(1) the value of any tangible personal property received in a like kind exchange in the retail transaction, if the value of the property given in exchange is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(2) the receipts received in a retail transaction which constitute interest, finance charges, or insurance premiums on either a promissory note or an installment sales contract;

(3) discounts, including cash, terms, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

(4) interest, financing, and carrying charges from credit extended on the sale of personal property if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(5) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser, including an excise tax imposed under IC 6-6-15;

(6) installation charges that are separately stated on the invoice, bill of sale, or similar document given to the purchaser;

(7) telecommunications nonrecurring charges;

(8) postage charges that are separately stated on the invoice, bill of sale, or similar document; or

(9) charges for serving or delivering food and food ingredients furnished, prepared, or served for consumption at a location, or on equipment, provided by the retail merchant, to the extent that the charges for the serving or delivery are stated separately from the price of the food and food ingredients when the purchaser pays the charges.

(c) Notwithstanding subsection (b)(5):

(1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income is the total sales price of the special fuel minus the part of that price attributable to tax imposed under IC 6-6-2.5 or Section 4041 or Section 4081 of the Internal Revenue Code; ~~*and*~~

(2) in the case of retail sales of cigarettes (as defined in IC 6-7-1-2), the gross retail income is the total sales price of the cigarettes including the tax imposed under IC 6-7-1;

and

(3) in the case of retail sales of consumable material (as defined in IC 6-7-4-2), vapor products (as defined in IC 6-7-4-8), and closed system cartridges (as defined in 6-7-2-0.5) under the closed system cartridge tax, the gross retail income received from selling at retail is the total sales price of the consumable material (as defined in IC 6-7-4-2), vapor products (as defined in IC 6-7-4-8), and closed system cartridges (as defined in IC 6-7-2-0.5) including the tax imposed under IC 6-7-4 and IC 6-7-2-7.5.

(d) Gross retail income is only taxable under this article to the extent that the income represents:

(1) the price of the property transferred, without the rendition of any services; and

(2) except as provided in subsection (b), any bona fide ~~*charges*~~ *charges* which are made for preparation, fabrication, alteration, modification, finishing, completion, delivery, or other service performed in respect to the property transferred before its transfer and which are separately stated on the transferor's records. For purposes of this subdivision, a transfer is considered to have occurred after the delivery of the property to the purchaser.

(e) A public utility's or a power subsidiary's gross retail income includes all gross retail income received by the public utility or power subsidiary, including any minimum charge, flat charge, membership fee, or any other form of charge or billing.

SECTION 3. IC 6-3-1-3.5, AS AMENDED BY HEA 1001-2021, SECTION 71, AND SEA 383-2021, SECTION 8, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (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) 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 federal 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). In the case of a married individual filing a separate return, the qualifying income amount in this clause is equal to twenty thousand dollars ($20,000).

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 if the taxpayer and the taxpayer's spouse file a joint income tax return or the taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

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

(A) two thousand five hundred dollars ($2,500), or one thousand two hundred fifty dollars ($1,250) in the case of a married individual filing a separate return; 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code.

(24) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(25) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(26) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount of the deduction claimed under Section 62(a)(22) of the Internal Revenue Code.

(27) For taxable years beginning after December 31, 2019, for payments made by an employer under an education assistance program after March 27, 2020:

(A) add the amount of payments by an employer that are excluded from the taxpayer's federal gross income under Section 127(c)(1)(B) of the Internal Revenue Code; and

(B) deduct the interest allowable under Section 221 of the Internal Revenue Code, if the disallowance under Section 221(e)(1) of the Internal Revenue Code did not apply to the payments described in clause (A). For purposes of applying Section 221(b) of the Internal Revenue Code to the amount allowable under this clause, the amount under clause (A) shall not be added to adjusted gross income.

(28) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(29) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (15) and (17) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (15), then to the modification under subdivision (17).

(30) Add an amount equal to the amount excluded from federal gross income under Section 108(f)(5) of the Internal Revenue Code. For purposes of this subdivision, if an amount excluded under Section 108(f)(5) of the Internal Revenue Code would be excludible under Section 108(a)(1)(B) of the Internal Revenue Code, the exclusion under Section 108(a)(1)(B) of the Internal Revenue Code shall take precedence.

(31) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(32) Subtract the amount of an annual grant amount distributed to a taxpayer's Indiana education scholarship account under IC 20-51.4-4-2 that is used for a qualified expense (as defined in IC 20-51.4-2-9), to the extent the distribution used for the qualified expense is included in the taxpayer's federal adjusted gross income under the Internal Revenue Code.

(33) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount equal to the amount of unemployment compensation excluded from federal gross income under Section 85(c) of the Internal Revenue Code.

~~(33)~~ **(34)** 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Add to the extent required by IC 6-3-2-20:

(A) the amount of intangible 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; and

(B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the corporation's adjusted gross income (determined without regard to this subdivision). For purposes of this clause, any directly related interest expense that constitutes business interest within the meaning of Section 163(j) of the Internal Revenue Code shall be considered to have reduced the taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(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).

(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.

(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.

(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) For taxable years beginning after December 25, 2016:

(A) for a corporation other than a real estate investment trust, add:

(i) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(ii) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(B) for a real estate investment trust, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code, but only to the extent that the taxpayer included income pursuant to Section 965 of the Internal Revenue Code in its taxable income for federal income tax purposes or is required to add back dividends paid under subdivision (9).

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

(15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(16) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(17) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(18) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(19) 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) 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 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

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

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(18) 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.

(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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

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

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(18) 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) 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add an amount equal to:

(A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(C) with regard to any amounts of income under Section 965 of the Internal Revenue Code distributed by the taxpayer, the deduction under Section 965(c) of the Internal Revenue Code attributable to such distributed amounts and not reported to the beneficiary.

For purposes of this article, the amount required to be added back under clause (B) is not considered to be distributed or distributable to a beneficiary of the estate or trust for purposes of Sections 651 and 661 of the Internal Revenue Code.

(10) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(11) 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.

(12) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(13) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(14) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (3) and (5) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (3) and (5) for property placed in service

during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (3), then to the modification under subdivision (5).

(15) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(16) 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)(33),~~ **(a)(34),** (b)(19), (d)(18), (e)(18), or (f)(16) 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 taxable years beginning after December 25, 2016, if:

(1) a taxpayer is a shareholder, either directly or indirectly, in a corporation that is an E&P deficit foreign corporation as defined in Section 965(b)(3)(B) of the Internal Revenue Code, and the earnings and profit deficit, or a portion of the earnings and profit deficit, of the E&P deficit foreign corporation is permitted to reduce the federal adjusted gross income or federal taxable income of the taxpayer, the deficit, or the portion of the deficit, shall also reduce the amount taxable under this section to the extent permitted under the Internal Revenue Code, however, in no case shall this permit a reduction in the amount taxable under Section 965 of the Internal Revenue Code for purposes of this section to be less than zero (0); and

(2) the Internal Revenue Service issues guidance that such an income or deduction is not reported directly on a federal tax return or is to be reported in a manner different than specified in this section, this section shall be construed as if federal adjusted gross income or federal taxable income included the income or deduction.

(i) If a partner is required to include an item of income, a deduction, or another tax attribute in the partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether such item is actually required to be reported by the partner for federal income tax purposes. For purposes of this subsection:

(1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included in the partner's adjusted gross income or taxable income; and

(2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall be included in the partner's adjusted gross income or taxable income.

SECTION 4. IC 6-3-2-2.5, AS AMENDED BY HEA 1001-2021, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (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 sum of:

(1) 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) and, in the case of an individual, reduced by any deductions allowable in determining the federal net operating loss for the taxable year, but not allowable in determining federal adjusted gross income;

(2) the excess business loss deduction disallowed under IC 6-3-1-3.5(a)(29) and IC 6-3-1-3.5(f)(14); and

(3) for taxable years beginning after December 31, 2020, a loss for a taxable year disallowed because of Section 461(l) of the Internal Revenue Code, without any modifications under subsection (d).

(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)(33);~~ **IC 6-3-1-3.5(a)(34);**

(E) IC 6-3-1-3.5(f)(11); and

(F) IC 6-3-1-3.5(f)(16).

(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 sum of the taxpayer's federal adjusted gross income (as defined in Section 62 of the Internal Revenue Code) if the taxpayer is an individual, or federal taxable income (as defined in Section 63 of the Internal Revenue Code) if the taxpayer is a trust or an estate for the taxable year in which the Indiana net operating loss is determined and the modifications otherwise required for federal net operating losses for the taxable year by Section 172(d) of the Internal Revenue Code. A modification that reduces a federal net operating loss shall be treated as a positive number for purposes of this subdivision, and a modification that increases a federal net operating loss shall be treated as a negative number for purposes of this subdivision.

(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), but not in excess of the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryover year determined without regard to this section.

(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) 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 5. IC 6-3-2-2.6, AS AMENDED BY HEA 1001-2021, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (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 sum of:

(1) 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) and, for a nonresident individual, reduced by any deductions from Indiana sources allowable in determining the federal net operating loss for the taxable year, but not allowable in determining federal adjusted gross income;

(2) the excess business loss deduction disallowed under IC 6-3-1-3.5(a)(29) and IC 6-3-1-3.5(f)(14) and incurred from Indiana sources; and

(3) for taxable years beginning after December 31, 2020, the portion of the loss for a taxable year disallowed because of Section 461(l) of the Internal Revenue Code and incurred from Indiana sources, without any modifications under subsection (d). Any net operating loss under this subdivision shall be computed in a manner consistent with the computation of adjusted gross income under IC 6-3.

(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)(33);~~ **IC 6-3-1-3.5(a)(34);**

(E) IC 6-3-1-3.5(b)(14);

(F) IC 6-3-1-3.5(b)(19);

(G) IC 6-3-1-3.5(d)(13);

(H) IC 6-3-1-3.5(d)(18);

(I) IC 6-3-1-3.5(e)(13);

(J) IC 6-3-1-3.5(e)(18);

(K) IC 6-3-1-3.5(f)(11); and

(L) IC 6-3-1-3.5(f)(16).

(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 sum of:

(A) either:

(i) the taxpayer's federal taxable income (as defined in Section 63 of the Internal Revenue Code), if the taxpayer is a corporation, nonresident estate, or nonresident trust; or

(ii) the taxpayer's federal adjusted gross income (as defined by Section 62 of the Internal Revenue Code), if the taxpayer is a nonresident individual;

for the taxable year in which the Indiana net operating loss is determined; and

(B) the modifications otherwise required for federal net operating losses for the taxable year of the Indiana net operating loss under Section 172(d) of the Internal Revenue Code or Section 512(b) of the Internal Revenue Code. A modification that reduces a federal net operating loss shall be treated as a positive number for purposes of this subdivision, and a modification that increases a federal net operating loss shall be treated as a negative number for purposes of this subdivision.

(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), but not in excess of the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryover year determined without regard to the deduction allowable under this section.

(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) 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, this section shall be applied by 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 6. IC 6-5.5-1-2, AS AMENDED BY SEA 383-2021, SECTION 26, AND AS AMENDED BY HEA 1001-2021, SECTION 98, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: 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 the sum of:

(i) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in item (ii); and

(ii) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017, the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code, and the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service. The amount of deductions allowable for an item of property under this item may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(K) Add an amount equal to the remainder of:

(i) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(ii) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(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 the sum of:

(i) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in item (ii); and

(ii) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017, the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code, and the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service. The amount of deductions allowable for an item of property under this item may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(H) The amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(I) For taxable years ending after March 12, 2020, an amount equal to the deduction disallowed pursuant to:

(i) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(ii) Section 3134(e) of the Internal Revenue Code.

(3) Make the following adjustments:

(A) Subtract the amount of any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code.

(B) Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year.

For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(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 adjusted as follows:

(1) 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.

(2) Make the following adjustments:

(A) Subtract the amount of any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code.

(B) Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year.

For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(3) Multiply the amount determined after the adjustments in subdivisions (1) and (2) by the quotient of:

(A) 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

(B) 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).

(e) If a partner is required to include an item of income, a deduction, or another tax attribute in the partner's adjusted gross income tax return pursuant to IC 6-3-4.5, such item shall be considered to be includible in the partner's federal adjusted gross income or federal taxable income, regardless of whether such item is actually required to be reported by the partner for federal income tax purposes. For purposes of this subsection:

(1) items for which a valid election is made under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9 shall not be required to be included in the partner's adjusted gross income or taxable income; and

(2) items for which the partnership did not make an election under IC 6-3-4.5-6, IC 6-3-4.5-8, or IC 6-3-4.5-9, but for which the partnership is required to remit tax pursuant to IC 6-3-4.5-18, shall be included in the partner's adjusted gross income or taxable income.

SECTION 7. IC 14-28-1-22.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 22.2. (a) This section applies to local floodplain administrators in a county having a population of more than one hundred forty thousand (140,000) but less than one hundred fifty thousand**

(150,000).

(b) A local floodplain administrator may issue a variance approving a structure located within a floodway without a permit issued by the director of the department under section 22 of this chapter if:

(1) the structure is not used as an abode or residence;

(2) the structure is constructed after January 1, 2018, but not later than July 1, 2020; and

(3) the lowest floor of the structure is not more than fifteen-hundredths (0.15) of a foot below two (2) feet above the one hundred (100) year flood elevation.

(c) This section expires July 1, 2022.

SECTION 8. IC 16-21-9-3.5, AS ADDED BY SEA 325-2021, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3.5. (a) This section does not apply to the following:

(1) A nonprofit critical access hospital that is not:

(A) part of a hospital system; or

(B) an affiliate of a hospital or hospital system.

(2) A ~~county~~ hospital that is established and operated under IC 16-22 **or IC 16-23.**

(b) Before December 31 of each year, a nonprofit hospital shall hold a public forum in which the nonprofit hospital, including the nonprofit hospital's board of directors, shall:

(1) obtain feedback from the community about the nonprofit hospital's performance in the previous year;

(2) discuss the pricing of health services provided at the nonprofit hospital; and

(3) discuss the contributions made by the nonprofit hospital to the community, including uncompensated care, charitable contributions, and any other charitable assistance programs.

(c) At least fourteen (14) days before the forum held under subsection (b), the nonprofit hospital shall post on the nonprofit hospital's Internet web site the following:

(1) A printed notice that:

(A) is designed, lettered, and featured on the Internet web site so as to be conspicuous to and readable by any individual with normal vision who visits the Internet web site;

(B) states the date, time, and location of the public forum to be held under subsection (b); and

(C) states that the purpose of the public forum is to provide members of the community with an opportunity to:

(i) comment on the nonprofit hospital's performance in the previous year;

(ii) discuss the pricing of health services provided at the nonprofit hospital; and

(iii) discuss the contributions made by the hospital to the community, including uncompensated care, charitable contributions, and any other charitable assistance programs.

(2) The following information relating to the subjects to be discussed at the public forum held under subsection (b):

(A) The nonprofit hospital's Indiana specific income statement for the previous calendar year that is prepared according to generally accepted accounting principles.

(B) Information concerning:

(i) the nonprofit hospital's pricing of health services in comparison to the amounts of reimbursement for the health services under the Medicare program;

(ii) the rationale for any pricing of health services by the nonprofit hospital that is higher than the corresponding reimbursement for the health services under the Medicare program; and

(iii) any increase in the nonprofit hospital's pricing of health services that occurred in the previous year.

(d) The public forum requirement under this section may be held, either all or in part, through an interactive real time audio and video meeting that is accessible to the community through the Internet.

SECTION 9. IC 16-36-7-28, AS ADDED BY SEA 204-2021, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 28. (a) An advance directive signed by or for a declarant under this section may accomplish or communicate one (1) or more of the following:

(1) Designate one (1) or more competent adult individuals or other persons as a health care representative to make health care decisions for the declarant or receive health information on behalf of the declarant, or both.

(2) State specific health care decisions by the declarant.

(3) State the declarant's preferences or desires regarding the provision, continuation, termination, or refusal of life prolonging procedures, palliative care, comfort care, or assistance with activities of daily living.

(4) Specifically disqualify one (1) or more named individuals from:

(A) being appointed as a health care representative for the declarant;

(B) acting as a proxy for the declarant under section 42 of this chapter; or

(C) receiving and exercising delegated authority from the declarant's health care representative.

(b) An advance directive under this section must be signed by or for the declarant using one (1) of the following methods:

(1) Signed by the declarant in the presence of two (2) adult witnesses or in the presence of a notarial officer.

(2) Signing of the declarant's name by another adult individual at the specific direction of the declarant, in the declarant's presence, and in the presence of the two (2) adult witnesses or a notarial officer. However, an individual who signs the declarant's name on the advance directive may not be a witness, the notarial officer, or a health care representative designated in the advance directive.

(c) An advance directive signed under this section must be witnessed or acknowledged in one (1) of the following ways:

(1) Signed in the declarant's ~~direct physical~~ presence by two (2) adult witnesses, at least one (1) of whom may not be the spouse or other relative of the declarant.

(2) Signed or acknowledged by the declarant in the presence of a notarial officer, who completes and signs a notarial certificate under IC 33-42-9-12 and makes it a part of the advance directive.

If the advance directive complies with either subdivision (1) or (2), but contains additional witness signatures or a notarial certificate that is not needed, the advance directive is still validly witnessed and acknowledged. A remote online notarization or electronic notarization of an advance directive that complies with IC 33-42-17 complies with subdivision (2).

(d) A competent declarant and the witnesses or a notarial officer may complete and sign an advance directive in two (2) or more counterparts in tangible paper form, with the declarant's signature placed on one (1) original counterpart and with the signatures of the witnesses, if any, or the notarial officer's signature and certificate on one (1) or more different counterparts in tangible paper form, so long as the declarant and the witnesses or notarial officer comply with the presence requirement as described in section 19 of this chapter, and so long as the text of the advance directive states that it is being signed in separate paper counterparts. If an advance directive is signed in counterparts under this subsection:

(1) the declarant;

(2) a health care representative who is designated in the advance directive;

(3) a person who supervised the signing of the advance directive in that person's presence; or

(4) any other person who was present during the signing of the advance directive;

must combine all of the separately signed paper counterparts of the advance directive into a single composite document that contains the text of the advance directive, the signature of the declarant, and the signatures of the witnesses, if any, or the notarial officer. The person who combines the separately signed counterparts into a single composite document must do so not later than ten (10) business days after the person receives all of the separately signed paper counterparts. Any scanned copy, photocopy, or other accurate copy of the composite document that contains the complete text of the advance directive and all signatures will be treated as validly signed under this section. The person who creates the signed composite document under this subsection may include information about compliance within this subsection in an optional affidavit that is signed under section 41 of this chapter.

(e) If facts and circumstances, including physical impairments or physical isolation of a competent declarant, make it impossible or impractical for the declarant to use audiovisual technology to interact with the two (2) witnesses and to satisfy the presence requirement under section 19 of this chapter, the declarant and the witnesses may use telephonic interaction throughout the signing process. A potential witness cannot be compelled to use telephonic interaction alone to accomplish the signing of an advance directive under this section. A declarant and a notarial officer may not use telephonic interaction to accomplish the signing of an advance directive or other document under this chapter.

(f) If an advance directive is signed under subsection (e), the witnesses must be able to positively identify the declarant by receiving accurate answers from the declarant that:

(1) authenticate the identity of the declarant; and

(2) establish the capacity and sound mind of the declarant to the satisfaction of the witness.

(g) The text of the advance directive signed under subsection (e) must state that the declarant and the witnesses used telephonic interaction throughout the signing process to satisfy the presence requirement.

(h) An advance directive signed under subsection (e) is presumed to be valid if it recites that the declarant and the witnesses signed the advance directive in compliance with Indiana law.

(i) A health care provider or other person who disputes the validity of an advance directive signed under subsection (e) has the burden of proving the invalidity of the advance directive or noncompliance with subsection (e) by a reasonable preponderance of the evidence.

(j) If a declarant resides in or is located in a jurisdiction other than Indiana at the time when the declarant signs a writing that communicates the information described in subsection (a), the writing must be treated as a validly signed advance directive under this chapter if the declarant was not incapacitated at the time of signing and if the writing was:

(1) signed and witnessed or acknowledged in a manner that complies with subsections (b) and (c); or

(2) signed in a manner that complies with the applicable law of the jurisdiction in which the declarant was residing or was physically located at the time of signing.

SECTION 10. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding the effective date, if a subdivision in IC 6-3-1-3.5 or clause in IC 6-5.5-1-2, as added by this act, specifies that it is effective for a particular taxable year or for actions or payments on or after a specified date, the effective date for that added provision is the date specified in the particular subdivision.**

(b) Notwithstanding the effective date of the amendment to IC 6-3-2-10, the provision relating to the deduction for amounts not taxable under this article pursuant to 45 U.S.C. 352 is intended as a clarification and is applicable to all prior years for which the deduction under IC 6-3-2-10 was allowed.

(c) The amendments to IC 6-3-2-2.5(c)(2) and IC 6-3-2-2.6(c)(2) apply to taxable years beginning after December 31, 2017.

(d) The amendments to IC 6-3-2-2.5 and IC 6-3-2-2.6 other than those described in subsection (c) apply to taxable years ending after June 30, 2021.

(e) If an Indiana net operating loss carryover remains for a taxable year ending after June 30, 2021, the Indiana net operating loss carryover for use in such taxable years shall be recomputed in a manner consistent with IC 6-3-2-2.5 and IC 6-3-2-2.6 as amended as if they applied to any previous taxable year.

(f) If an Indiana net operating loss arising from a taxable year has been claimed as a deduction in a taxable year ending before July 1, 2021, the Indiana net operating loss available for use in taxable years ending after June 30, 2021, shall be computed after application of the deductions taken for Indiana net operating losses in previous years to the extent necessary to prevent duplicate use of a net operating loss.

(g) The amendment to IC 6-5.5-1-11 is intended as a clarification and not as a substantive change.

(h) This SECTION expires July 1, 2024.

SECTION 11. **An emergency is declared for this act.**

(Reference is to EHB 1436 as printed March 26, 2021.)

THOMPSON	MESSMER
M. BAUER	L. BROWN
House Conferees	Senate Conferees

HOUSE MOTION

Mr. Speaker: Pursuant to House Rule 46, I request to be excused from voting on the question of House Bill 1436. Pursuant to House Rule 168, I cannot be fully objective when considering the proposition. I currently have a legal action related to the subject matter of the bill.

STEUERWALD

Motion prevailed.

Roll Call 509: yeas 96, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1549–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1549 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-3-26-10, AS ADDED BY P.L.269-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. The MPH shall do the following:

(1) Establish and maintain a program to collect, analyze, and exchange government information in carrying out the powers and duties of the OMB and the powers and duties of the executive state agency sharing the data. In carrying out this program, the MPH may, in accordance with IC 4-1-6, obtain government information from each executive state agency.

(2) In accordance with IC 4-1-6 and IC 5-14-3, establish and maintain a program to make government information available to executive state agencies, political

subdivisions, educational institutions, researchers, nongovernmental organizations, and the general public, subject to the following:

(A) A request for data subject to IC 4-1-6-8.6 shall be made in conformance with that section.

(B) A program established and maintained under this chapter must include policies governing access to government information held by the MPH under this chapter. Government information may be made available only in accordance with applicable confidentiality and disclosure laws.

(3) Establish privacy and quality policies for government information that comply with all applicable Indiana and federal laws, rules, and policies.

(4) In accordance with standards developed by the office of technology established by IC 4-13.1-2-1, establish and maintain a program to ensure the security of government information under this chapter.

(5) Conduct operational and procedural audits of executive state agencies.

(6) Perform financial planning and design and implement efficiency projects for executive state agencies.

(7) Advise and assist each executive state agency to identify and implement continuous process improvement in state government.

(8) Carry out such other responsibilities as may be designated by the director of the OMB or the chief data officer to carry out the responsibilities of the OMB or the chief data officer.

(9) Collect income data of or by a student upon the student's graduation from high school that can be linked to the student's kindergarten through grade 12 student identification number necessary for the department to carry out IC 20-19-3-22.3. The MPH may not disclose any personal, identifiable information to the department.

SECTION 2. IC 4-3-27-17 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 17. (a) The cabinet may establish a course catalog which must be maintained on the cabinet's Internet web site with links to the course catalog maintained on the department of workforce development's Internet web site and the commission for higher education's Internet web site. The course catalog shall be known as the course catalog for lifelong learning. The course catalog shall list all:**

(1) work based learning, preapprenticeship, and apprenticeship opportunities in Indiana; and

(2) providers that are eligible to receive high value workforce ready grants described under IC 21-12-8.

(b) The cabinet may list the cost of each course or experience in the catalog as well as a link on the cabinet's Internet web site to allow an individual to enroll in a particular course or experience.

SECTION 3. IC 12-17.2-2-8, AS AMENDED BY P.L.1-2005, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. The division shall exempt from licensure the following programs:

(1) A program for children enrolled in grades kindergarten through 12 that is operated by the department of education or a public or private school.

(2) A program for children who become at least three (3) years of age as of December 1 of a particular school year (as defined in IC 20-18-2-17) that is operated by the department of education or a public or private school.

(3) A nonresidential program for a child that provides child care for less than four (4) hours a day.

(4) A recreation program for children that operates for not more than ninety (90) days in a calendar year.

(5) A program whose primary purpose is to provide social, recreational, or religious activities for school age children, such as scouting, boys club, girls club, sports, or the arts.

(6) A program operated to serve migrant children that:

(A) provides services for children from migrant worker families; and

(B) is operated during a single period of less than one hundred twenty (120) consecutive days during a calendar year.

(7) A child care ministry registered under IC 12-17.2-6.

(8) A child care home if the provider:

(A) does not receive regular compensation;

(B) cares only for children who are related to the provider;

(C) cares for less than six (6) children, not including children for whom the provider is a parent, stepparent, guardian, custodian, or other relative; or

(D) operates to serve migrant children.

(9) A child care program operated by a public or private secondary school that:

(A) provides day care on the school premises for children of a student or an employee of the school;

(B) complies with health, safety, and sanitation standards as determined by the division under section 4 of this chapter for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division under section 10 of this chapter; and

(C) substantially complies with the fire and life safety rules as determined by the state fire marshal under rules adopted by the division under section 4 of this chapter for child care centers or in accordance with a variance or waiver of a rule governing child care centers approved by the division under section 10 of this chapter.

(10) A school age child care program (commonly referred to as a latch key program) established under IC 20-26-5-2 that is operated by:

(A) the department of education;

(B) a public or private school; or

(C) a public or private organization under a written contract with:

(i) the department of education; or

(ii) a public or private school.

(11) An educational program:

(A) consisting of a group of not more than ten (10) students who attend the educational program in lieu of attending pre-kindergarten or kindergarten through grade 12 at a public or private school;

(B) whose students meet in a single classroom in person or outside a classroom and which may include mixed age level groupings; and

(C) that is under the supervision of a teacher or tutor.

SECTION 4. IC 12-17.2-7.2-5.7, AS ADDED BY P.L.268-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2021 (RETROACTIVE)]: Sec. 5.7. As used in this chapter, "priority enrollment period" refers to the period set forth by the office beginning not later than April 1 of each calendar year, **except for calendar year 2021, during which the priority enrollment period may begin later than April 1, 2021.**

SECTION 5. IC 12-17.2-7.2-8.1, AS ADDED BY P.L.268-2019, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8.1. (a) ~~Up to twenty percent (20%) of the grants provided under this chapter may be used to provide grants to limited eligibility children.~~ **If funds are appropriated by the general assembly, grants to limited eligibility children may not exceed:**

(1) twenty percent (20%) of the amount appropriated for a particular state fiscal year if families with

children four (4) years of age are on the waiting list for funds available under the Child Care Development Fund; or

(2) forty percent (40%) of the amount appropriated for a particular state fiscal year if there is no waiting list for children four (4) years of age for funds available under the Child Care Development Fund.

(b) During the priority enrollment period, the office shall provide grants to eligible children in the prekindergarten pilot program on a first-come, first-served basis. The office shall date stamp and reserve applications for limited eligibility children received during the priority enrollment period for processing during the extended enrollment period.

(c) During the extended enrollment period, the office shall provide grants to eligible children and limited eligibility children in the prekindergarten pilot program on a first-come, first-served basis to the extent of available funding and in accordance with the limit established by subsection (a).

SECTION 6. IC 20-18-2-1.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 1.7. (a) "Appropriate vehicle" means a vehicle that:**

(1) is owned by a school corporation or contracted for by the school corporation; and

(2) has a seating capacity of not more than eight (8) passengers, including the driver.

(b) The term includes a car, truck, sport utility vehicle, or minivan.

SECTION 7. IC 20-18-2-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 15.5. "School based enterprise" means a program that:**

(1) includes interactions with customers or clients;

(2) is a career based course; and

(3) includes ongoing business training provided by a teacher.

SECTION 8. IC 20-19-3-22.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 22.3. (a) Beginning with students who graduated during the 2017-2018 school year and not later than January 1, 2022, the department, in collaboration with the management performance hub established by IC 4-3-26-8, shall report on the department's Internet web site the median earned income of graduates of a particular school year, for each school corporation, charter high school, or state accredited nonpublic school.**

(b) The median earned income for a particular graduating class shall be available on the department's Internet web site for a period of ten (10) years beginning with the school year in which the median earned income for a particular graduating class is initially reported in this section. The median earned income of a particular graduating class for a school corporation, charter school, or state accredited nonpublic school shall be updated annually.

(c) The department may not disclose any personal, identifiable information of any individual under this section.

SECTION 9. IC 20-19-3-24 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 24. (a) Not later than January 1, 2022, the department shall make informational material that is evidence based and trauma informed in accordance with IC 20-28-5-26 available on the department's Internet web site.**

(b) Not later than January 1, 2022, and each January 1 thereafter, the department shall provide a notice to each school corporation and charter school on how to access the information maintained on the department's Internet web site under subsection (a). The notice shall indicate that the school corporation or charter school may, and is encouraged to, distribute the informational material to the school corporation's or charter school's employees in a manner prescribed by the school corporation or charter school.

SECTION 10. IC 20-19-9-4, AS ADDED BY P.L.211-2019, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. **(a)** If the lesser of at least:

(1) one hundred (100) students of a school corporation; or

(2) thirty percent (30%) of the total number of students enrolled in the school corporation;

receive at least fifty percent (50%) of instruction through a school corporation's virtual education program, the school corporation shall establish a dedicated virtual education school.

(b) The department shall assign a separate school identification number for the dedicated virtual education school.

(c) Before July 1, 2022, the state board shall adopt rules under IC 4-22-2 to establish financial reporting and oversight required by a school corporation and a vendor who enter into or renew a contract relating to the operation of a dedicated virtual education school.

SECTION 11. IC 20-24-5-5, AS AMENDED BY P.L.270-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) Except as provided in subsections (b), (c), (d), (e), ~~and~~ (f), **and (g)** and section 4.5 of this chapter, a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission. The organizer must determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by random drawing in a public meeting, with each timely applicant limited to one (1) entry in the drawing. However, the organizer of a charter school located in a county with a consolidated city shall determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by using a publicly verifiable random selection process.

(c) A charter school may limit new admissions to the charter school to:

(1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years;

(2) ensure that a student who attends a charter school during a school year may continue to attend a different charter school held by the same organizer in subsequent years;

(3) allow the siblings of a student alumnus or a current student who attends a charter school or a charter school held by the same organizer to attend the same charter school the student is attending or the student alumnus attended;

(4) allow preschool students who attend a Level 3 or Level 4 Paths to QUALITY program preschool to attend kindergarten at a charter school if the charter school and the preschool provider have entered into an agreement to share services or facilities;

(5) allow each student who qualifies for free or reduced price lunch under the national school lunch program to receive preference for admission to a charter school if the preference is specifically provided for in the charter school's charter and is approved by the authorizer; and

(6) allow each student who attends a charter school that is co-located with the charter school to receive preference for admission to the charter school if the preference is specifically provided for in the charter school's charter and is approved by the charter school's authorizer.

(d) This subsection applies to an existing school that converts to a charter school under IC 20-24-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

(1) those students who were enrolled in the charter school on the date of the conversion; and

(2) siblings of students described in subdivision (1).

(e) A charter school may give enrollment preference to children of the charter school's founders, governing body members, and charter school employees, as long as the enrollment preference under this subsection is not given to more than ten percent (10%) of the charter school's total population.

(f) A charter school may give enrollment preference to children who attend another charter school that is closed or non-renewed under IC 20-24-4-3 or IC 20-24-9-4.

~~(f)~~ **(g)** A charter school may not suspend or expel a charter school student or otherwise request a charter school student to transfer to another school on the basis of the following:

(1) Disability.

(2) Race.

(3) Color.

(4) Gender.

(5) National origin.

(6) Religion.

(7) Ancestry.

A charter school student may be expelled or suspended only in a manner consistent with discipline rules established under IC 20-24-5.5.

SECTION 12. IC 20-24-9-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 8. (a) This section does not apply to the following:**

(1) To an organizer that operates two (2) or more charter schools unless all charter schools operated by the organizer are located within the same county.

(2) To the organizer of a virtual charter school.

(3) To an innovation network school under IC 20-25.7.

(b) This section does not apply to a public meeting in which the governing board participates in the public meeting by means of electronic communication.

(c) Beginning July 1, 2021, the organizer of one (1) or more charter schools that are located within the same county must hold at least fifty percent (50%) of the public meetings of the governing board of the charter schools within the county in which the charter schools are located.

SECTION 13. IC 20-25.7-5-5, AS AMENDED BY P.L.155-2020, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) IC 20-24-5-5 (with the exception of ~~IC 20-24-5-5(f))~~ **IC 20-24-5-5(g))** does not apply to a participating innovation network charter school that enters into an agreement with the board to reconstitute or establish an eligible school.

(b) Except as provided in subsections (c) and (d), a participating innovation network charter school must enroll any eligible student who submits a timely application for enrollment.

(c) A participating innovation network charter school that reconstitutes or establishes an eligible school may limit new admissions to the participating innovation network charter school to:

(1) ensure that any student with legal settlement in the attendance area, or in the school corporation if the school does not have a defined attendance area, may attend the charter school;

(2) ensure that a student who attends the participating innovation network charter school during a school year may continue to attend the charter school in subsequent years;

(3) allow the siblings of a student alumnus or a current student who attends the participating innovation network charter school to attend the charter school;

(4) allow preschool students who attend a Level 3 or Level 4 Paths to QUALITY program preschool to attend kindergarten at the participating innovation network charter school if the participating innovation network charter school and the school corporation or preschool provider have entered into an agreement to share services or facilities;

(5) allow each student who qualifies for free or reduced price lunch under the national school lunch program to receive preference for admission to the participating innovation network charter school if the preference is specifically provided for in the charter and is approved by the authorizer; and

(6) allow each student who attended a turnaround academy under IC 20-31-9.5 or attends a school that is located in the same school building as the participating innovation network charter school to receive preference for admission to the participating innovation network charter school if the preference is specifically provided for in the participating innovation network charter school's charter and is approved by the authorizer of the participating innovation network charter school.

(d) A participating innovation network charter school with a curriculum that includes study in a foreign country may deny admission to a student if:

(1) the student:

(A) has completed fewer than twenty-two (22) academic credits required for graduation; and

(B) will be in the grade 11 cohort during the school year in which the student seeks to enroll in the participating innovation network charter school; or

(2) the student has been suspended (as defined in IC 20-33-8-7) or expelled (as defined in IC 20-33-8-3) during the twelve (12) months immediately preceding the student's application for enrollment for:

(A) ten (10) or more school days;

(B) a violation under IC 20-33-8-16;

(C) causing physical injury to a student, a school employee, or a visitor to the school; or

(D) a violation of a school corporation's drug or alcohol rules.

For purposes of subdivision (2)(A), student discipline received under IC 20-33-8-25(b)(7) for a violation described in subdivision (2)(B) through (2)(D) must be included in the calculation of the number of school days that a student has been suspended.

(e) A participating innovation network charter school may give enrollment preferences to children of the participating innovation network charter school's founders, governing board members, and participating innovation network charter school employees, as long as the enrollment preference under this subsection is not given to more than ten percent (10%) of the participating innovation charter school's total population and there is sufficient capacity for a program, class, grade level, or building to ensure that any student with legal settlement in the attendance area may attend the school.

(f) This subsection applies to an existing charter school that enters into an innovation network agreement with the board. During the charter school's first year of operation as a participating innovation network charter school, the charter school may limit admission to:

(1) those students who were enrolled in the charter school on the date it entered into the innovation network agreement; and

(2) siblings of students described in subdivision (1).

(g) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a participating innovation network charter school receives a greater number of applications than there are spaces for students, each timely

applicant must be given an equal chance of admission. The participating innovation network charter school that is not in a county containing a consolidated city must determine which of the applicants will be admitted to the participating innovation network charter school or the program, class, grade level, or building by random drawing in a public meeting with each timely applicant limited to one (1) entry in the drawing. However, the participating innovation network charter school located in a county with a consolidated city shall determine which of the applicants will be admitted to the participating innovation network charter school or the program, class, grade level, or building by using a publicly verifiable random selection process.

SECTION 14. IC 20-26-5-40.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 40.2. (a) If a governing body passes a resolution to close a high school within the school corporation, the governing body shall develop a plan relating to the preservation or transfer of memorabilia, trophies, or other property that may have historical significance, as determined by the governing body.**

(b) The plan described in subsection (a) must be made available for public inspection and posted on the school corporation's Internet web site.

SECTION 15. IC 20-26-5-41 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO 35 READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 41. The governing body of a school corporation may enter into a public-private agreement for the construction of new school buildings.**

SECTION 16. IC 20-26-12-24, AS AMENDED BY P.L.233-2015, SECTION 173, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 24. (a) The superintendent, **after approval from the governing body,** shall establish procedures for adoption of curricular materials.

(b) The governing body, ~~upon receiving these~~ **after reviewing any** recommendations from the superintendent, shall adopt curricular materials for use in teaching each subject in the school corporation.

(c) A special committee of teachers and parents may also be appointed to review books, magazines, and audiovisual material used or proposed for use in the classroom to supplement state adopted curricular materials and may make recommendations to the superintendent and the governing body concerning the use of these materials.

(d) The governing body may, if the governing body considers it appropriate, retain curricular materials adopted under this section and authorize the purchase of supplemental materials to ensure continued alignment with academic standards adopted by the state board.

(e) The superintendent, advisory committee, and governing body may consider using the list of curricular materials provided by the department under IC 20-20-5.5.

(f) A governing body may not purchase curricular materials from a publisher unless the publisher agrees, in accordance with Sections 612(a)(23)(A) and 674(e)(4) of the Individuals with Disabilities Education Improvement Act 2004 (20 U.S.C. 1400 et seq.), to provide or grant a license to the school corporation to allow for the reproduction of adopted curricular materials in:

(1) large type;

(2) Braille; and

(3) audio format.

SECTION 17. IC 20-26.5-2-5 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 5. Not later than November 1, 2019, and not later than November 1 of each year thereafter, the department shall report to the legislative council annually in an electronic format under IC 5-14-6 regarding the following:~~

~~(1) The fiscal impact on each coalition member of the member's participation in a coalition.~~

~~(2) The qualifications of each teacher who teaches in a coalition, as follows:~~

~~(A) Whether the teacher holds a license under IC 20-28.~~

~~(B) Whether the teacher is paid by:~~

~~(i) a coalition member; or~~

~~(ii) another employer.~~

~~(3) The type of future employment for which a student in a coalition is trained if the student is trained in a type of employment.~~

~~(4) The amount and terms of compensation for each student who receives compensation from a member of business or industry through a coalition's partnership with an entity described in section 1(c)(2)(A) of this chapter.~~

~~(5) The impact of a coalition member's participation in a coalition on the coalition member's graduation rates.~~

~~(6) Information regarding where a student in a coalition obtains full-time employment when the student graduates or leaves school, if applicable.~~

SECTION 18. IC 20-27-5-5, AS AMENDED BY P.L.233-2015, SECTION 185, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) If a school bus driver is required to furnish the school bus body or the school bus chassis, or both, the governing body of the school corporation may enter into a transportation contract with the school bus driver under IC 5-22.

(b) The transportation contract may include a provision allowing the school bus driver to be eligible for the life and health insurance benefits and other fringe benefits available to other school personnel.

(c) The governing body of a school corporation may enter into a transportation agreement with a transportation network company (as defined by IC 8-2.1-17-18) to transport students of the school corporation if the school corporation conducts an expanded criminal history check and expanded child protection index check as provided under IC 20-26-5-10 of every TNC driver (as defined by IC 8-2.1-17-19) who will transport students of the school corporation.

SECTION 19. IC 20-27-5-6, AS AMENDED BY P.L.233-2015, SECTION 186, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) The governing body of the school corporation may enter into a fleet contract with the fleet contractor under IC 5-22.

(b) The fleet contract may include a provision allowing the school bus drivers to be eligible for the life and health insurance benefits and other fringe benefits available to other school personnel.

(c) The governing body of a school corporation may enter into a fleet agreement with a transportation network company (as defined by IC 8-2.1-17-18) to transport students of the school corporation if the school corporation conducts an expanded criminal history check and expanded child protection index check as provided under IC 20-26-5-10 of every TNC driver (as defined by IC 8-2.1-17-19) who will transport students of the school corporation.

SECTION 20. IC 20-27-12-0.1 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 0.1. (a) As used in this chapter, "appropriate vehicle" means a vehicle that:~~

~~(1) is owned by the school corporation or contracted for by the school corporation; and~~

~~(2) has a seating capacity of not more than eight (8) passengers, including the driver.~~

~~(b) The term includes a car, truck, sport utility vehicle, or minivan.~~

SECTION 21. IC 20-27-12.1-1 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 1. As used in this chapter, "appropriate vehicle" has the meaning set forth in IC 20-27-12-0.1~~

SECTION 22. IC 20-28-9-1.5, AS AMENDED BY

P.L.211-2019, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1.5. (a) This subsection governs salary increases for a teacher employed by a school corporation. Compensation attributable to additional degrees or graduate credits earned before the effective date of a local compensation plan created under this chapter before July 1, 2015, shall continue for school years beginning after June 30, 2015. Compensation attributable to additional degrees for which a teacher has started course work before July 1, 2011, and completed course work before September 2, 2014, shall also continue for school years beginning after June 30, 2015. For school years beginning after June 30, 2015, a school corporation may provide a supplemental payment to a teacher in excess of the salary specified in the school corporation's compensation plan under any of the following circumstances:

(1) The teacher:

(A) teaches an advanced placement course or a Cambridge International course; or

(B) has earned a master's degree from an accredited postsecondary educational institution in a content area directly related to the subject matter of:

(i) a dual credit course; or

(ii) another course;

taught by the teacher.

(2) Beginning after June 30, 2018, the teacher:

(A) is a special education professional; or

(B) teaches in the areas of science, technology, engineering, or mathematics.

(3) Beginning after June 30, 2019, the teacher teaches a career or technical education course.

In addition, a supplemental payment may be made to an elementary school teacher who earns a master's degree in math, reading, or literacy. A supplement provided under this subsection is not subject to collective bargaining, but a discussion of the supplement must be held. Such a supplement is in addition to any increase permitted under subsection (b).

(b) Increases or increments in a local salary range must be based upon a combination of the following factors:

(1) A combination of the following factors taken together may account for not more than fifty percent (50%) of the calculation used to determine a teacher's increase or increment:

(A) The number of years of a teacher's experience.

(B) The possession of either:

(i) additional content area degrees beyond the requirements for employment; or

(ii) additional content area degrees and credit hours beyond the requirements for employment, if required under an agreement bargained under IC 20-29.

(2) The results of an evaluation conducted under IC 20-28-11.5.

(3) The assignment of instructional leadership roles, including the responsibility for conducting evaluations under IC 20-28-11.5.

(4) The academic needs of students in the school corporation.

(c) To provide greater flexibility and options, a school corporation may differentiate the amount of salary increases or increments determined for teachers. ~~under subsection (b)(4).~~ A school corporation shall base a differentiated amount under this subsection on ~~any academic needs~~ **reasons** the school corporation determines are appropriate, which may include the:

(1) subject or subjects, including the subjects described in subsection (a)(2), taught by a given teacher;

(2) importance of retaining a given teacher at the school corporation; and

(3) need to attract an individual with specific qualifications to fill a teaching vacancy.

(d) A school corporation may provide differentiated increases or increments under subsection (b), and in excess of the percentage specified in subsection (b)(1), in order to:

(1) reduce the gap between the school corporation's minimum teacher salary and the average of the school corporation's minimum and maximum teacher salaries; or

(2) allow teachers currently employed by the school corporation to receive a salary adjusted in comparison to starting base salaries of new teachers.

(e) Except as provided in subsection (f), a teacher rated ineffective or improvement necessary under IC 20-28-11.5 may not receive any raise or increment for the following year if the teacher's employment contract is continued. The amount that would otherwise have been allocated for the salary increase of teachers rated ineffective or improvement necessary shall be allocated for compensation of all teachers rated effective and highly effective based on the criteria in subsection (b).

(f) Subsection (e) does not apply to a teacher in the first two (2) full school years that the teacher provides instruction to students in elementary school or high school. If a teacher provides instruction to students in elementary school or high school in another state, any full school year, or its equivalent in the other state, that the teacher provides instruction counts toward the two (2) full school years under this subsection.

(g) A teacher who does not receive a raise or increment under subsection (e) may file a request with the superintendent or superintendent's designee not later than five (5) days after receiving notice that the teacher received a rating of ineffective. The teacher is entitled to a private conference with the superintendent or superintendent's designee.

(h) The Indiana education employment relations board established in IC 20-29-3-1 shall publish a model compensation plan with a model salary range that a school corporation may adopt.

(i) Each school corporation shall submit its local compensation plan to the Indiana education employment relations board. For a school year beginning after June 30, 2015, a local compensation plan must specify the range for teacher salaries. The Indiana education employment relations board shall publish the local compensation plans on the Indiana education employment relations board's Internet web site.

(j) The Indiana education employment relations board shall review a compensation plan for compliance with this section as part of its review under IC 20-29-6-6.1. The Indiana education employment relations board has jurisdiction to determine compliance of a compensation plan submitted under this section.

(k) This chapter may not be construed to require or allow a school corporation to decrease the salary of any teacher below the salary the teacher was earning on or before July 1, 2015, if that decrease would be made solely to conform to the new compensation plan.

(l) After June 30, 2011, all rights, duties, or obligations established under IC 20-28-9-1 before its repeal are considered rights, duties, or obligations under this section.

SECTION 23. IC 20-29-6-1, AS AMENDED BY P.L.274-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) School employers and school employees shall:

(1) have the obligation and the right to bargain collectively the items set forth in section 4 of this chapter;

(2) have the right and obligation to discuss any item set forth in section 7 of this chapter; and

(3) enter into a contract embodying any of the matters listed in section 4 of this chapter on which they have bargained collectively.

(b) Notwithstanding any other law, before a school employer and school employees may privately negotiate the matters described in subsection (a)(1) during the time period for formal collective bargaining established in section 12 of this chapter, the parties must hold at least one (1) public hearing and take public testimony to discuss the items described in subsection (a). **A school employer may allow governing body members**

or the public to participate in a public hearing under this subsection by means of electronic communication.

SECTION 24. IC 20-29-6-6, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. **(a)** The obligation to bargain collectively does not include the final approval of a contract concerning any items. Agreements reached through collective bargaining are binding as a contract only if ratified by the governing body of the school corporation and the exclusive representative. The obligation to bargain collectively does not require the school employer or the exclusive representative to agree to a proposal of the other or to make a concession to the other.

(b) This subsection applies to a collective bargaining agreement ratified after June 30, 2021. A ratified collective bargaining agreement shall include a provision specifying the date on which the public hearing described in section 1(b) of this chapter and the public meeting described in section 19 of this chapter occurred as well as an attestation signed by both parties attesting that the public hearing described in section 1(b) of this chapter and the public meeting described in section 19 of this chapter occurred on the dates specified in the ratified collective bargaining agreement. The governing body shall indicate as part of the attestation whether governing body members or members of the public were allowed to participate in the public hearing or public meeting by means of electronic communication.

SECTION 25. IC 20-29-6-19, AS AMENDED BY P.L.274-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 19. (a) In addition to holding at least one (1) public hearing with public testimony as described in section 1(b) of this chapter, the school employer must conduct a public meeting to discuss a tentative collective bargaining agreement at least seventy-two (72) hours before it is ratified by the school employer. **A school employer may allow governing body members or the public to participate in a public meeting under this section by means of electronic communication.**

(b) Notice of the time and the location of the public meeting and a tentative collective bargaining agreement established under this chapter must be posted on the school employer's Internet web site at least seventy-two (72) hours prior to the public meeting described in subsection (a).

(c) A school employer must allow for public comment at the meeting at which a tentative collective bargaining agreement is ratified.

(d) Not later than fourteen (14) business days after the parties have reached an agreement under this chapter, the school employer shall post the contract upon which the parties have agreed on the school employer's Internet web site.

SECTION 26. IC 20-30-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 1.5. As used in this chapter, "virtual instruction" means instruction that is provided in an interactive learning environment created through technology in which the student is separated from a teacher by time or space, or both.**

SECTION 27. IC 20-30-2-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 2.5. (a) This section applies to the following:**

(1) A public school maintained by a school corporation.

(2) A charter school that is not a virtual charter school (as defined in IC 20-24-1-10).

(b) If a student is enrolled to attend in-person instruction at a school and the student participates in any virtual instruction or remote learning that is provided by the school, the school shall ensure that the virtual instruction or remote learning provided by the school meets the following requirements:

(1) The virtual instruction or remote learning is of the same quality and rigor as the instruction that the student would have received if the student was attending in-person instruction at the school.

(2) The curriculum and any other educational resources used in the virtual instruction or remote learning are aligned to Indiana's academic standards.

(c) The department may adopt rules under IC 4-22-2 to implement this section.

SECTION 28. IC 20-30-10-5, AS AMENDED BY P.L.143-2019, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) Notwithstanding any other law, a high school may:

(1) replace high school courses on the high school transcript with dual credit courses (as defined in IC 21-43-1-2.5), Cambridge International courses, international baccalaureate courses, or advanced placement courses on the same subject matter with equal or greater rigor to the required high school course; and

(2) count:

(A) a course described in subdivision (1);

(B) a work based learning course, program, or experience that is approved under subsection (c); ~~or~~

(C) a career and technical education course, program, or experience that is approved under subsection (c); **or**

(D) a course in any combination of:

(i) science;

(ii) technology;

(iii) engineering; or

(iv) mathematics ;

as satisfying an Indiana diploma with a Core 40 with academic honors designation or another designation requirement.

(b) A course, program, or experience described in subsection (a)(2)(B), ~~or~~ (a)(2)(C), **or (a)(2)(D):**

(1) with:

(A) subject matter that is similar to; and

(B) rigor that is equal to or greater than;

the subject matter and rigor of the required course; but

(2) that does not fully align with the required course standards;

must be augmented with instruction to include the remaining standards of the required course.

(c) If a course, program, or experience provider requests that the state board, a state educational institution (as defined in IC 21-7-13-32), or any other entity designated by the state board approve a course, program, or experience described in subsection (a)(2)(B), ~~or~~ (a)(2)(C), **or (a)(2)(D),** the state board, state educational institution, or other entity shall approve the course, program, or experience if the provider provides the following:

(1) A description of the extent to which the course, program, or experience aligns with the required course that the provider is replacing.

(2) An explanation regarding how the remaining standards of the required course, program, or experience will be augmented.

(d) If the state board, a state educational institution, or another entity designated by the state board approves a course, program, or experience under subsection (c), the state board, state educational institution, or other entity:

(1) ~~shall~~ **may** periodically review the approved course, program, or experience to ensure the course, program, or experience complies with the requirements under ~~subsection (b);~~ **this section;** and

(2) may revoke approval of the course, program, or experience if, at any time more than one (1) year after the course, program, or experience is offered, the state board, state educational institution, or other entity determines that the course, program, or experience does not comply with

the requirements under ~~subsection (b).~~ **this section.**

(e) A dual credit course described in subsection (a)(1) must be authorized by an eligible institution (as described in IC 21-43-4-3.5) that is a member of a national dual credit accreditation organization, or the eligible institution must make assurances that the final assessment for the course given for dual credit under this section is substantially equivalent to the final assessment given in the college course in that subject.

(f) A student who satisfies an Indiana diploma with a Core 40 with academic honors designation through a high school course replaced under subsection (a)(2)(D) shall not count toward a school's honor designation award under IC 20-43-10-2.

SECTION 29. IC 20-30-16-5, AS AMENDED BY HEA 1438-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) Except as provided in subsection (c), an eligible student may enroll in course access program courses offered by a course provider that is authorized by the department in accordance with policies adopted by the state board under this chapter.

(b) If an eligible student requests to enroll in a course access program course, the school corporation shall, not later than fifteen (15) days after the date the eligible student submits the request to the school corporation, notify the student's parent or emancipated eligible student of the following:

(1) Whether the school corporation approves or denies the request.

(2) If the school corporation denies the request, information explaining that the parent or student may appeal the school corporation's decision to the department.

If the school corporation fails to notify an eligible student's parent or emancipated eligible student within the time period established under this subsection, the eligible student is automatically approved for enrollment in the course access program course.

(c) A school corporation may deny an eligible student's enrollment in a course access program only for the following reasons:

(1) The eligible student's enrollment in the course access program course would exceed the requirements for a normal full course load at the school corporation.

(2) The cost of the course access program course is unreasonable.

However, a school corporation may not deny enrollment of an eligible student under subdivisions (1) and (2) if the eligible student agrees to pay the cost of tuition for the applicable course access program course.

(d) If a school corporation denies a student's enrollment in a course access program course under subsection (c), the school corporation shall notify the department, in a manner prescribed by the department, of the reason the student was denied enrollment under subsection (c).

~~(d)~~ **(e)** If a school corporation denies a student's enrollment in a course access program course under subsection (c), the parent of an eligible student or an emancipated eligible student may appeal the decision of the school corporation to the department in a manner prescribed by the state board.

~~(e)~~ **(f)** The department shall:

(1) review the school corporation's denial under subsection (c); and

(2) provide a final enrollment decision;

within seven (7) calendar days of receipt of the appeal.

SECTION 30. IC 20-32-4-1.5, AS AMENDED BY P.L.92-2020, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1.5. (a) This subsection expires July 1, 2022. Except as provided in subsection (f) and sections 4, 5, 6, 7, 8, 9, and 10 of this chapter, each student is required to meet:

(1) the academic standards tested in the graduation examination;

(2) the Core 40 course and credit requirements adopted by the state board under IC 20-30-10; and

(3) any additional requirements established by the governing body;

to be eligible to graduate.

(b) Except as provided in subsection (f) and sections 4, 4.1, 5, 6, 7, 8, 9, and 10 of this chapter, beginning with the class of students who expect to graduate during the 2022-2023 school year, each student shall:

(1) demonstrate college or career readiness through a pathway established by the state board, in consultation with the department of workforce development and the commission for higher education;

(2) meet the Core 40 course and credit requirements adopted by the state board under IC 20-30-10; and

(3) meet any additional requirements established by the governing body;

to be eligible to graduate.

(c) The state board shall establish graduation pathway requirements under subsection (b)(1) in consultation with the department of workforce development and the commission for higher education. A graduation pathway requirement may include the following postsecondary readiness competencies approved by the state board:

(1) International baccalaureate exams.

(2) Nationally recognized college entrance assessments.

(3) Advanced placement exams.

(4) Assessments necessary to receive college credit for dual credit courses.

(5) Industry recognized certificates.

(6) The Armed Services Vocational Aptitude Battery.

(7) Cambridge International exams.

(8) Any other competency approved by the state board.

(d) If the state board establishes a nationally recognized college entrance exam as a graduation pathway requirement, the nationally recognized college entrance exam must be offered to a student at the school in which the student is enrolled and during the normal school day.

(e) When an apprenticeship is established as a graduation pathway requirement, the state board shall establish as an apprenticeship only an apprenticeship program registered under the federal National Apprenticeship Act (29 U.S.C. 50 et seq.) or another federal apprenticeship program administered by the United States Department of Labor.

(f) Notwithstanding subsection (a), a school corporation, charter school, or state accredited nonpublic school may voluntarily elect to use graduation pathways described in subsection (b) in lieu of the graduation examination requirements specified in subsection (a) prior to July 1, 2022.

(g) The state board, in consultation with the department of workforce development and the commission for higher education, shall approve college and career pathways relating to career and technical education, including sequences of courses leading to student concentrators.

(h) After June 30, 2021, the department may provide funding for students of accredited schools to take not more than three (3) Cambridge International exams per student. The department is also authorized to use funds to provide professional development training for teachers who teach Cambridge International courses.

SECTION 31. IC 20-32-4-4, AS AMENDED BY P.L.192-2018, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) A student who does not achieve a passing score on the graduation examination and who does not meet the requirements of section 1.5(a) of this chapter may be eligible to graduate if the student does all the following:

(1) **Except as provided in subsection (b),** takes the graduation examination in each subject area in which the student did not achieve a passing score at least one (1)

time every school year after the school year in which the student first takes the graduation examination.

(2) Completes remediation opportunities provided to the student by the student's school.

(3) Maintains a school attendance rate of at least ninety-five percent (95%) with excused absences not counting against the student's attendance.

(4) Maintains at least a "C" average or the equivalent in the courses comprising the credits specifically required for graduation by rule of the state board.

(5) Otherwise satisfies all state and local graduation requirements.

(6) Either:

(A) completes:

(i) the course and credit requirements for a general diploma, including the career academic sequence;

(ii) a workforce readiness assessment; and

(iii) at least one (1) industry certification that appears on the state board's approved industry certification list, which must be updated annually with recommendations from the department of workforce development established by IC 22-4.1-2-1; or

(B) obtains a written recommendation from a teacher of the student in each subject area in which the student has not achieved a passing score on the graduation examination. The written recommendation must be aligned with the governing body's relevant policy and must be concurred in by the principal of the student's school and be supported by documentation that the student has attained the academic standard in the subject area based on:

(i) tests other than the graduation examination; or

(ii) classroom work.

(b) A student who does not achieve a passing score on the graduation examination and who does not meet the requirements of section 1.5(a) of this chapter is not required to take the graduation examination in each subject area in which the student did not achieve a passing score during the 2020-2021 school year if the student could not take the graduation examination due to the coronavirus disease (COVID-19).

~~(b)~~ **(c)** This section expires June 30, 2022.

SECTION 32. IC 20-32-8.7-8, AS ADDED BY HEA 1008-2021, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) To be eligible to receive a grant under this chapter, an eligible entity must develop and submit to the department a student learning recovery plan to provide recovery learning ~~and recovery learning~~ to students of the eligible entity described in section 5(a) of this chapter.

(b) A plan developed under subsection (a) must do the following:

(1) Address learning loss associated with the purpose of the program described in section 5(a) of this chapter.

(2) Identify metrics to measure learning recovery under the program as well as the proposed measurable and specific improvements to be made to demonstrate learning recovery.

(3) Provide for recovery learning to be offered in an in person setting, and may not offer recovery learning in a virtual setting.

(4) Include requirements that if the eligible entity receives any federal grants or money for a similar purpose in which the eligible entity is requesting a grant under this chapter, the eligible entity must use the federal grant or money before using any grant money awarded by the department under section 9 of this chapter.

SECTION 33. IC 20-35-8-2, AS AMENDED BY P.L.1-2007, SECTION 152, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) The state board shall adopt rules under IC 4-22-2 to establish limits on the amount of transportation that may be provided in the student's individualized education program. Unless otherwise specially shown to be essential by the child's individualized education program, in case of residency in a public or private facility, these rules must limit the transportation required by the student's individualized education program to the following:

(1) The student's first entrance and final departure each school year.

(2) Round trip transportation each school holiday period.

(3) Two (2) additional round trips each school year.

(b) If a student is a transfer student receiving special education in a public school, the state or school corporation responsible for the payment of transfer tuition under IC 20-26-11-1 through IC 20-26-11-4 shall pay the cost of transportation required by the student's individualized education program.

(c) If a student receives a special education:

(1) in a facility operated by:

(A) the state department of health;

(B) the division of disability and rehabilitative services; or

(C) the division of mental health and addiction;

(2) at the Indiana School for the Blind and Visually Impaired; or

(3) at the Indiana School for the Deaf;

the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

(d) If a student is placed in a private facility under IC 20-35-6-2 in order to receive a special education because the student's school corporation cannot provide an appropriate special education program, the school corporation in which the student has legal settlement shall pay the cost of transportation required by the student's individualized education program. However, if the student's legal settlement cannot be ascertained, the state board shall pay the cost of transportation required by the student's individualized education program.

(e) A student's individualized education program may allow for the student's transportation by appropriate vehicle. The state board shall adopt rules under IC 4-22-2 governing transportation of students by appropriate vehicle.

SECTION 34. IC 20-36-6-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. As used in this chapter, "program" refers to the Cambridge International program established by section 4 of this chapter.**

SECTION 35. IC 20-36-6-3 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 3. (a) Each student who enrolls in a Cambridge International course may take the accompanying Cambridge International examination to receive high school credit for the Cambridge International course.~~

~~(b) The department and the state board must provide that a successfully completed Cambridge International course is credited toward fulfilling the requirements of an Indiana diploma with a Core 40 with academic honors designation.~~

SECTION 36. IC 20-36-6-4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4. (a) The Cambridge International program is established to encourage students to pursue advanced courses.**

(b) The program shall be administered by the department provided Cambridge International demonstrates alignment to dual credit courses offered in Indiana in a manner determined by the commission for

higher education.

(c) After June 30, 2021, the department may provide schools the same per pupil exam fee amounts for international baccalaureate, Cambridge International exams, and college level examination program (CLEP) exams as the per pupil per exam funding amount for a student to take advanced placement exams.

SECTION 37. IC 20-36-6-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. Each school year each school corporation or school may provide Cambridge International courses.**

SECTION 38. IC 20-36-6-6 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) Successful completion of a Cambridge International course shall count as high school credit towards completing Indiana graduation requirements.**

(b) Any rule adopted by the state board or the department concerning an Indiana diploma with a Core 40 with academic honors designation must provide that a successfully completed Cambridge International Advanced A or AS Level course is credited toward fulfilling the requirements of an Indiana diploma with a Core 40 with academic honors designation.

(c) If a student who takes a Cambridge International Advanced A or AS Level examination receives a score of "E" or higher on the examination, the student is entitled to receive postsecondary level academic credit at a state educational institution that counts toward meeting the student's degree requirements if the elective credit is part of the student's degree requirements.

(d) The state educational institution may require a score higher than a score of "E" on a Cambridge International Advanced A or AS level exam if the credit is to be used for meeting a course requirement for a particular major at the state educational institution.

SECTION 39. IC 20-36-6-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7. Teachers who are assigned to teach a Cambridge International course:**

(1) may participate in training offered by Cambridge International; and

(2) may be eligible for a stipend as provided under section 8 of this chapter.

SECTION 40. IC 20-36-6-8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. (a) Money appropriated to the department to implement the program shall be distributed first to pay the fees for each Cambridge International examination that is taken by a student to satisfy Indiana graduation requirements, including Core 40 with academic honors, and who is:**

(1) enrolled in a public or state accredited nonpublic secondary school; and

(2) a resident of Indiana.

Priority under this subsection shall be given to paying fees for each Cambridge International examination that is taken by a student in grade 11 or 12.

(b) After money appropriated for the program is distributed for the purposes described in subsection (a), any remaining money appropriated for the program shall be distributed and prioritized for distribution in the following order:

(1) To pay stipends for teachers assigned to teach a math, science, or English Cambridge International course to attend the training described in section 7 of this chapter.

(2) To pay school corporations or schools for instructional materials needed for a math, science, or English Cambridge International course.

(3) To pay for or rent equipment that a school corporation or school may need to develop a math, science, or English Cambridge International course.

(4) To pay any other stipends, costs, or fees incurred in implementing the Cambridge International program for subjects other than math, science, or English as authorized under this chapter.

(c) The department shall establish guidelines concerning the distribution of funds under this chapter, including guidelines to ensure that money distributed under this chapter is distributed as evenly as possible throughout Indiana.

(d) The department may also seek funding to carry out the purposes of this chapter through federal programs.

(e) The department may give priority in the distribution of funds to a school that serves a high concentration of low income students.

SECTION 41. IC 20-36-6-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9. (a) The department shall develop and provide each public and state accredited nonpublic elementary school and high school with guidelines designed to satisfy the requirements of this chapter.**

(b) The guidelines developed under this section and the dissemination of the guidelines shall be developed and disseminated in the same manner as other college credit bearing programs.

SECTION 42. IC 20-36-6-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. (a) The commission for higher education shall work with state educational institutions that do not have policies pertaining to the implementation and communication of the state educational institution's policy for awarding Cambridge International Advanced A or AS Level credits under section 6(c) of this chapter to develop a plan to implement a policy.**

(b) On or before December 31, 2021, the plan described in subsection (a) to implement each policy must be developed and published by the state educational institution.

(c) This section expires July 1, 2022.

SECTION 43. IC 20-36-6-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. The state board shall adopt rules under IC 4-22-2 to implement this chapter.**

SECTION 44. IC 20-37-2-13 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 13. (a) As used in this section, "applicable high school" means a high school at which all the students participate in a work based learning course (as defined in IC 20-43-8-0.7) or school based enterprise.**

(b) As used in this section, "primary use of the building" means an occupancy classification that is:

(1) most closely related to the intended use of the building; and

(2) determined by the rules of the fire prevention and building safety commission established by IC 22-12-2-1 in effect at the time that the applicable high school is first opened.

(c) An applicable high school shall comply with all rules of the fire prevention and building safety commission applicable to the primary use of the building.

SECTION 45. IC 21-18-12.6 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 12.6. Postsecondary Prior Learning Assessment Clearinghouse

Sec. 1. As used in this chapter, "cabinet" means the governor's workforce cabinet established in IC 4-3-27-3.

Sec. 2. As used in this chapter, "clearinghouse" means

the Indiana postsecondary prior learning assessment clearinghouse established by section 4 of this chapter.

Sec. 3. As used in this chapter, "department" means the department of education established by IC 20-19-3-1.

Sec. 4. The Indiana postsecondary prior learning assessment clearinghouse is established as a consolidated inventory of learning assessments eligible for advanced standing or postsecondary credit awards at all state educational institutions at the undergraduate level.

Sec. 5. Beginning July 1, 2021, and each July 1 thereafter, the governor shall direct the commission, the department, and the cabinet, in collaboration with state educational institutions to:

(1) develop and regularly update the clearinghouse; and

(2) collect information concerning prior learning assessments used by state educational institutions to award advanced standing or postsecondary credit.

Sec. 6. (a) For each prior learning assessment provided, the following information fields shall be collected:

(1) The assessment name.

(2) The assessment provider.

(3) The assessment cost.

(4) Whether state educational institutions are actively using the prior learning assessment, whether the assessment is aligned with state educational institution programs, and the scope of the assessment's use.

(5) Whether the assessment is aligned with secondary career pathways, programs of study, career and technical education courses, and general education courses.

(6) Whether the assessment is aligned with industry certifications or credentials.

(7) Whether the assessment has distinguishable competencies or learning objectives it is meant to assess.

(b) Not later than March 1, 2022, each state educational institution shall report prior learning assessment information described in subsection (a)(1) through (a)(4) to an agency designated by the governor and annually update the information in subsection (a)(1) through (a)(4) at the direction of the governor.

(c) Not later than July 1, 2022, the commission, the department, and the cabinet shall publish prior clearinghouse information collected under this section on its respective Internet web site and annually update the information at the direction of the governor.

Sec. 7. This chapter expires July 1, 2024.

SECTION 46. IC 21-43-9 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 9. Postsecondary Enrollment Opportunities Through Work Based Learning Programs

Sec. 1. As used in this chapter, "cabinet" means the governor's workforce cabinet established in IC 4-3-27-3.

Sec. 2. As used in this chapter, "department" means the department of education established by IC 20-19-3-1.

Sec. 3. The governor shall direct the commission for higher education, the department, and the cabinet to, in consultation with state educational institutions, prepare model guidance and informational resources concerning postsecondary enrollment opportunities described in this article that incorporate work based learning experiences.

Sec. 4. (a) Model guidance and informational resources that incorporate secondary work based learning and postsecondary enrollment opportunities under this chapter must include the following:

(1) At least one (1) model of a codevelopment process that describes roles and responsibilities of secondary, postsecondary, and employer stakeholders.

(2) A model of a faculty led process to align postsecondary learning outcomes and secondary career and technical education standards.

(3) A model of a codevelopment process for the development of secondary student learning assessments that enables eligibility for postsecondary credit.

(4) Procedures to document and formalize the secondary, postsecondary, and employer partnership agreement.

(5) Recommended timelines for codevelopment, implementation, and course content update.

(6) Applicable legal or regulatory requirements.

(7) Applicable accreditation guidelines of state educational institutions.

(8) Other informational or best practice resources related to development and implementation of postsecondary enrollment opportunities through work based learning experiences.

(b) Not later than January 1, 2022, the governor shall direct the commission for higher education, the department, and the cabinet to publish model guidance and information resources prepared under subsection (a) on its respective Internet web site.

SECTION 47. IC 23-13-19-3, AS AMENDED BY P.L.31-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The alumni trustees shall be selected as provided in this section.

(b) At the annual meeting of the alumni association of Wabash College, a committee of canvassers consisting of three (3) alumni, at least one (1) of whom shall be a resident of Montgomery County, Indiana, shall be elected to serve for the ensuing year and until their successors are elected. The board of directors of the National Association of Wabash Men shall nominate at least four (4) persons in even-numbered years and at least three (3) persons in odd-numbered years, all of such persons to be alumni of the college, as its choice of candidates for the position or positions of alumni trustee to be voted for by the alumni in the election.

(c) On the fourth Tuesday of February in each year, the registrar shall ~~mail from Crawfordsville, Indiana,~~ **distribute** to each alumnus of the college a ballot which lists the names of the candidates selected by the board of directors of the National Association of Wabash Men, along with spaces for two (2) "write-in" candidates in even-numbered years and a space for a "write-in" candidate in odd-numbered years. **Such distribution of ballots by the registrar may be accomplished by regular mail, electronic mail, or any other method of transmission reasonably calculated to allow the alumni of the college to receive the ballots and vote within the time frame described in this section.** The ballot shall also contain information and instructions concerning the time and manner of voting. Each alumnus is entitled to vote for two (2) candidates in even-numbered years, and for one (1) candidate in odd-numbered years. Each alumnus ~~having designated~~ **shall designate** on his ballot his two (2) choices or his one (1) choice for the positions or position of alumni trustee, as the case may be, ~~shall sign this ballot and mail it to the committee of canvassers in care of the registrar's office, Wabash College, Crawfordsville, Indiana. Alternatively, each alumnus may~~ **and shall** vote for the alumnus' choice or choices of candidates by use of a secure electronic agent that creates an electronic record with the capability of including an electronic signature, consistent with the definitions provided in IC 26-2-8-102, as established by the registrar. ~~and identical in substance to the mailed ballot.~~ **Alternatively, an alumnus may print a paper copy of his ballot, designate his two (2) choices or his one (1) choice for the positions or position of alumni trustee, as the case may be, manually sign his ballot, and mail it to the committee canvassers in care of the registrar's office, Wabash College, Crawfordsville, Indiana.** On the fourth

Tuesday of April in each year, the ballots ~~(including ballots cast electronically)~~ shall be ~~opened and~~ canvassed by the committee of canvassers. Within three (3) days thereafter the committee shall certify to the secretary of the board of trustees the names of the two (2) candidates in even-numbered years and the name of the one (1) candidate in odd-numbered years, receiving the highest number of votes. At its next meeting following the fourth Tuesday in April of each year, the board of trustees shall elect to its membership the two (2) candidates or the one (1) candidate, as the case may be, whose names or name has been so certified to the board's secretary by the committee of canvassers.

(d) If, in any year, for any cause, the alumni fail to select the alumni trustee or trustees as provided in this section, the board of trustees shall elect, by a majority vote of the trustees in office present and voting at the election meeting, two (2) alumni in even-numbered years or one (1) alumnus in odd-numbered years, as the case may be, to serve as alumni trustees of Wabash College. Subject to the provisions of this chapter, the trustees shall, by a majority vote of their number present and voting at the time of such election, elect successor trustees in the event of the death or resignation of any of their number. Any vacancies so filled shall be for the unexpired term of the trustee whose death or resignation has caused such vacancy.

(e) The word "alumnus", as used throughout this section, means any person holding a degree in a course from the college and any person who has been in residence at the college one (1) year or more. The word "alumnus" does not include any person actively on the rolls of the college as an undergraduate at the time of any annual election of trustees, or any person without a degree who entered the college with a class which has not yet graduated at the time of any annual election.

SECTION 48. IC 25-23-1-7.3, AS ADDED BY P.L.174-2018, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.3. (a) The following definitions apply throughout this section:

(1) "Eligible associate degree registered nursing program" means an associate degree registered nursing program that:
(A) is accredited by the board; and
(B) has an annual rate of successful completion of the National Council Licensure Examination (NCLEX) score of at least eighty percent (80%).

(2) "Qualified nurse educator certificate program" means a nurse educator certificate program that:
(A) is provided by an accredited institution; and
(B) requires at least fifteen (15) credit hours for completion.

(b) Notwithstanding 848 IAC 1-2-13(b), and subject to the approval of the board, an individual who holds a bachelor of science in nursing without having attained a master's degree in nursing may teach clinical courses in an eligible associate degree registered nursing program if:

(1) subject to subsection (c), the individual:
(A) is enrolled in a qualified nurse educator certificate program; and
(B) completes the qualified nurse educator certificate program within two (2) years after the individual's hire date;

(2) the individual has completed a qualified nurse educator certificate program; or

(3) the individual is enrolled in a master's degree nursing program.

(c) An individual described in subsection (b)(1) must:

(1) show progress toward completion of the qualified nurse educator certificate program throughout the two (2) year period beginning on the individual's hire date; and

(2) upon completion of the qualified nurse educator certificate program, enroll in a master's degree nursing program.

(d) This section expires June 30, ~~2021.~~ **2023.**

SECTION 49. IC 25-35.6-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) Licensure shall be granted either in speech-language pathology or audiology independently. A person may be licensed in both areas if the person meets the respective qualifications.

(b) **Except as provided in sections 5.5 and 6.5 of this chapter,** no person shall practice or represent himself as a speech-language pathologist or audiologist in this state unless the person is licensed in accordance with the provisions of this article.

SECTION 50. IC 25-35.6-1-4, AS AMENDED BY P.L.2-2007, SECTION 348, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. Nothing in this article shall be construed as preventing or restricting the following:

(1) A physician or surgeon from engaging in the practice of medicine in this state, or a person under the supervision and control of a physician or surgeon from conducting hearing testing, provided such a person is not called an audiologist.

(2) Any hearing aid dealer from:
(A) engaging in the testing of hearing and other practices and procedures necessary for the business for which the dealer is registered in this state under IC 25-20-1; and
(B) using the title hearing aid specialist or any similar title or description of service.

(3) Any person licensed or registered in this state by any other law from engaging in the profession or occupation for which the person is licensed or registered.

(4) A person employed as a speech-language pathologist or audiologist by the government of the United States, if such person performs speech-language pathology or audiology services solely within the confines or under the jurisdiction of the governmental organization by which the person is employed. However, such person may, without obtaining a license under this article, consult with or disseminate the person's research findings and other scientific information to speech-language pathologists and audiologists outside the jurisdiction of the organization by which the person is employed. Such person may also offer instruction and lectures to the public without being licensed under this article. Such person may additionally elect to be subject to this article.

(5) The activities and services of persons pursuing a course of study leading to a degree in speech-language pathology or audiology at a postsecondary educational institution, if:
(A) such activities and services constitute a part of a supervised course of study;
(B) such person is designated speech-language pathology or audiology intern, speech-language pathology or audiology trainee, or by other such titles clearly indicating the training status appropriate to the person's level of training; and
(C) the person works only under the supervision of a speech-language pathologist or audiologist licensed under this article.

(6) The activities and services of persons fulfilling the clinical experience requirement of section 5(2)(B)(ii) or 6(3)(B) of this chapter, if such activities and services constitute a part of the experience required for that section's fulfillment.

(7) The performance of pure tone air conduction testing by an industrial audiometric technician, as defined by federal law, who is working in an industrial hearing conservation program directed by a physician or an audiologist.

(8) The performance of speech-language pathology or audiology services in this state by any person not a resident of this state who is not licensed under this article,

if such services are performed for no more than five (5) days in any calendar year and in cooperation with a speech-language pathologist or audiologist licensed under this article, and if such person meets the qualifications and requirements for application for licensure described in sections 5(1) and 5(2) or 6(1) and 6(2) of this chapter. However, a person not a resident of this state who is not licensed under this article, but who is licensed under the law of another state which has established licensure requirements at least equivalent to those established by section 5 or 6 of this chapter or who is the holder of a certificate of clinical competence in speech-language pathology or audiology or its equivalent issued by a nationally recognized association for speech-language or hearing, may offer speech-language pathology or audiology services in this state for no more than ~~thirty (30)~~ **one hundred eighty (180)** days in any calendar year, if such services are performed in cooperation with a speech-language pathologist or audiologist licensed under this article.

SECTION 51. IC 25-35.6-1-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 5.5. An individual may practice speech-language pathology in Indiana under a license to practice speech-language pathology issued by a state that has entered into a reciprocity agreement with the board under which an individual licensed to practice speech-language pathology in Indiana is authorized to practice speech-language pathology in the other state under the individual's Indiana speech-language pathology license.**

SECTION 52. IC 25-35.6-1-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 6.5. An individual may practice audiology in Indiana under a license to practice audiology issued by a state that has entered into a reciprocity agreement with the board under which an individual licensed to practice audiology in Indiana is authorized to practice audiology in the other state under the individual's Indiana audiology license.**

SECTION 53. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "commission" refers to the commission for higher education established by IC 21-18-2-1.**

(b) As used in this SECTION, "state educational institution" has the meaning set forth in IC 21-7-13-32.

(c) Not later than November 1, 2021, the commission shall prepare three (3) reports that shall be submitted to the general assembly in an electronic format under IC 5-14-6. The commission shall work with the state educational institutions to determine a report format, including any survey instruments. The reports required to be submitted are the following:

(1) A higher education business model transformation report. The report must include information about how each state educational institution has reduced total costs over the last ten (10) years and an analysis of reducing the total cost for students, which will not simultaneously reduce the quality of education when attending the state educational institution. The cost reduction analysis must include, but is not limited to, the following cost reduction considerations:

(A) Administration or administrators.

(B) Buildings.

(C) Degree program offerings and related program and course fees.

(D) Nonacademic initiatives and cost centers.

(E) Technology utilization and maintenance.

(F) Percentage of faculty that is tenured.

(G) Inflation.

The goal of the report is to find ways to reduce the average total cost for a student to attend the state educational institution by the 2024-2025 school year, without cost shifting initiatives to foreign or out-of-state students, and while maintaining access to Indiana students who meet existing entrance requirements.

(2) A free speech on college campus report. The report must include a detailed description of each state educational institution's efforts to recognize and protect the freedom of speech and association rights guaranteed to the members of its campus community under the First Amendment of the Constitution of the United States. The report must include a recommendation on a survey instrument that each state educational institution shall administer to students not later than May 1, 2022, to determine current perceptions of whether free speech and academic freedom are recognized and fostered by the state educational institution in a manner that welcomes expression of different opinions and ideologies with respect to, but not limited to, classes, professors and instructors, peer interactions, speakers, and campus groups. The survey must take into account perceptions by a representative sample of students at each campus location.

(3) A protection from foreign malfeasance report. The report shall include a summary description of policies, procedures, and other measures that each state educational institution maintains to protect personal data, research data, intellectual property, and controlled unclassified information or classified information from being appropriated or misused by a foreign government or other foreign entity. The report must include, subject to exceptions from disclosure for confidential information, trade secrets, research information, safety measures, and other applicable exceptions under IC 5-14-3-4:

(A) a description of the state educational institution's export controls and research assurance program;

(B) a summary of the state educational institution's measures to comply with insider threat program requirements prescribed by applicable federal agency guidance;

(C) a description of the state educational institution's compliance with foreign gift reporting requirements under federal law;

(D) a description of the state educational institution's compliance with federal law prohibitions on contracting with certain foreign entities using certain telecommunications and video surveillance services or equipment; and

(E) a summary of each state educational institution's business arrangements with foreign entities, excluding business arrangements pertaining to non-technology procurement.

(d) The commission may include in its reports described in subsection (c) recommendations to the general assembly necessary to implement the strategies and tactics described in subsection (c)(1) and improve protections described in reports under subsection (c)(2) and (c)(3).

(e) Each state educational institution shall provide the commission information necessary for the commission to prepare the reports described in subsection (c).

(f) This SECTION expires July 1, 2022.

SECTION 54. **An emergency is declared for this act**.

(Reference is to EHB 1549 as printed April 9, 2021.)

BEHNING	RAATZ
V. SMITH	KRUSE
House Conferees	Senate Conferees

Roll Call 510: yeas 97, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 80–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 80 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Page 5, delete lines 36 through 42.

Page 6, delete lines 1 through 9, begin a new paragraph and insert:

"SECTION 1. IC 2-2.1-1-12, AS AMENDED BY HEA 1123-2021, SECTION 3, AND AS AMENDED BY HEA 1372-2021, SECTION 4, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies only to those bills or joint resolutions which pass:

(1) after April 19, 2021, and before April 30, 2021; or

(2) during the two (2) days before the sine die adjournment of a ~~*regular or special*~~ session of the general assembly.

This section does not apply to bills passed during a regular technical session.

(b) The presiding officers of the house of representatives and the senate shall sign each bill or joint resolution passed under Article 4, Section 25 of the Constitution of the State of Indiana as soon as practicable, but not later than seven (7) calendar days after:

(1) the date of passage with respect to a bill or joint resolution passed during the period described in subsection (a)(1); or

(2) sine die adjournment of the session of the general assembly at which the bill *or joint resolution* was passed *with respect to a bill or joint resolution passed during the two (2) days before the sine die adjournment of a regular or special session of the general assembly.*

(c) A bill that has been signed under subsection (b) must be presented to the governor as soon as practicable, but not later than seven (7) calendar days after:

(1) the date of passage with respect to a bill described in subsection (b)(1); or

(2) sine die adjournment of the session of the general assembly at which the bill was passed *with respect to a bill described in subsection (b)(2).*

SECTION 2. IC 2-5-36-4, AS AMENDED BY HEA 1564-2021, SECTION 3, AND AS AMENDED BY HEA 1537-2021, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. The commission consists of ~~*eighteen (18)*~~ *twenty (20)* members as follows:

(1) One (1) legislative member appointed by the speaker of the house of representatives.

(2) One (1) legislative member appointed by the minority leader of the house of representatives.

(3) One (1) legislative member appointed by the president pro tempore of the senate.

(4) One (1) legislative member appointed by the minority leader of the senate.

(5) The secretary of education.

(6) The director of the department of child services.

(7) One (1) judge or justice with experience in juvenile law appointed by the chief justice of Indiana to serve on the commission for a period of four (4) years.

(8) The executive director of the prosecuting attorneys council of Indiana.

(9) The executive director of the public defender council of Indiana.

(10) The secretary of family and social services.

(11) The state health commissioner.

(12) The director of the department of correction division of youth services.

(13) One (1) representative of the juvenile probation system, appointed by the chief justice of Indiana for a period of four (4) years.

(14) The director of the office of management and budget, or the director of the state budget agency, as selected by the governor.

(15) A member of the governor's staff, to be appointed by the governor.

(16) The chief administrative officer of the office of judicial administration.

(17) The director of the division of mental health and addiction.

(18) The attorney general, who shall serve as a nonvoting member.

(19) Two (2) members, each of whom:

(A) is at least eighteen (18) but less than thirty (30) years of age; and

(B) has been a vulnerable youth for a period of at least one (1) year after the member became ten (10) years of age;

appointed by the chairperson of the commission for a term of two (2) years.

SECTION 3. IC 4-4-38.5-11, AS AMENDED BY HEA 1449-2021, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The rural broadband fund is established for the purpose of:

(1) awarding grants under:

(A) this chapter after July 31, 2019; and

(B) IC 4-4-38 before August 1, 2019;

(2) providing financial assistance under the program established by the office under section 10.5 of this chapter for expenses described in section 10.5(b) of this chapter incurred before July 1, 2025;

(3) providing funding for the creation and annual maintenance of the public broadband portal created and administered by the office under ~~IC 4-4-41-9;~~ **IC 4-4-41-8;** and

(4) awarding grants under the Indiana broadband connectivity program under IC 4-4-41.

(b) The office shall administer the fund.

(c) The fund consists of:

(1) money appropriated by the general assembly;

(2) money received by the office from federal grants or programs for broadband infrastructure; and

(3) donations, gifts, and money received from any other source, including transfers from other funds or accounts.

(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 but remains in the fund to be used exclusively for the purposes of this chapter and IC 4-4-38.

SECTION 4. IC 4-6-3-3, AS AMENDED BY SEA 188-2021, SECTION 1, AND AS AMENDED BY SEA 416-2021, SECTION 1, AND AS AMENDED BY HEA 1421-2021, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. If the attorney general has reasonable cause to believe that a person may be in possession, custody, or control of documentary material, or may have knowledge of a fact that is relevant to an investigation conducted to determine if a person is or has been engaged in a violation of IC 4-6-9, IC 4-6-10, IC 13-14-10, IC 13-14-12, IC 13-24-2, IC 13-30-4, IC 13-30-5, IC 13-30-8, *IC 16-21-15,* IC 23-7-8, IC 24-1-2, IC 24-5-0.5, IC 24-5-7, IC 24-5-8, IC 24-9, IC 25-1-7, *IC 27-1-37-8,* ~~*IC 32-34-1,*~~

IC 32-34-1.5, or any other statute enforced by the attorney general or is or has been engaged in a criminal violation of IC 13, only the attorney general may issue in writing, and cause to be served upon the person or the person's representative or agent, an investigative demand that requires that the person served do any combination of the following:

(1) Produce the documentary material for inspection and copying or reproduction.

(2) Answer under oath and in writing written interrogatories.

(3) Appear and testify under oath before the attorney general or the attorney general's duly authorized representative.

SECTION 5. IC 4-13.1-2-9, AS ADDED BY HEA 1169-2021, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. A state agency (as defined in ~~IC 4-1-10-2)~~ **IC 4-1-10-2),** other than state educational ~~institutions~~ **institutions,** and a political subdivision (as defined in IC 36-1-2-13) shall:

(1) report any cybersecurity incident using their best professional judgment to the office without unreasonable delay and not later than two (2) business days after discovery of the cybersecurity incident in a format prescribed by the chief information officer; and

(2) provide the office with the name and contact information of any individual who will act as the primary reporter of a cybersecurity incident described in subdivision (1) before September 1, 2021, and before September 1 of every year thereafter.

Nothing in this section shall be construed to require reporting that conflicts with federal privacy laws or is prohibited due to an ongoing law enforcement investigation.

SECTION 6. IC 4-23-32-4, AS AMENDED BY HEA 1564-2021, SECTION 24, AND AS AMENDED BY SEA 183-2021, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) The commission consists of fifteen (15) voting members and ~~two (2)~~ *four (4)* nonvoting members. The voting members of the commission consist of the following:

(1) ~~Six (6)~~ *Eight (8)* Native American Indians, each from a different geographic region of Indiana.

~~*(2) Two (2) Native American Indians who have knowledge in Native American traditions and spiritual issues.*~~

~~(3)~~ *(2)* The commissioner of the department of correction or the commissioner's designee.

~~(4)~~ *(3)* The ~~*commissioner of the commission for higher education or the commissioner's*~~ *director of the department of child services or the director's* designee.

~~(5)~~ *(4)* The commissioner of the state department of health or the commissioner's designee.

~~(6)~~ *(5)* The secretary of family and social services or the secretary's designee.

~~(7)~~ *(6)* The director of the department of natural resources or the director's designee.

~~(8)~~ *(7)* The ~~*state superintendent of public instruction*~~ *secretary of education* or the ~~*superintendent's*~~ *secretary's* designee.

~~(9)~~ *(8)* The commissioner of the department of workforce development or the commissioner's designee.

(b) The nonvoting members of the commission consist of the following:

(1) One (1) member of the house of representatives appointed by the speaker of the house of representatives.

(2) One (1) member of the senate appointed by the president pro tempore of the senate.

(3) One (1) member of the house of representatives appointed by the minority leader of the house of representatives.

(4) One (1) member of the senate appointed by the minority leader of the senate.

(c) The governor shall appoint each Native American Indian member of the commission to a term of four (4) years, and any vacancy occurring shall be filled by the governor for the unexpired term. Before appointing a Native American Indian member to the commission, the governor shall solicit nominees from Indiana associations that represent Native American Indians in the geographic region from which the member will be selected. Not more than ~~*one (1) member*~~ *two (2) members* may represent the same tribe or Native American Indian organization or association.

(d) A member of the commission may be removed by the member's appointing authority.

SECTION 7. IC 4-36-5-1, AS AMENDED BY HEA 1396-2021, SECTION 8, AND AS AMENDED BY SEA 245-2021, SECTION 17, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) A retailer may offer the sale of type II gambling games in accordance with this article.

(b) A retailer's endorsement also authorizes a retailer to conduct qualified drawings:

(1) on the premises of the retailer's tavern; *or*

(2) on the retailer's jumbo boat.

(c) A qualified drawing is subject to the following rules and limitations:

(1) The purchase price for a chance to win a prize in a qualified drawing may not exceed five dollars ($5).

(2) This subdivision does not apply to a qualified drawing conducted under subdivision ~~*(12).*~~ *(11).* The total value of all prizes that may be won in a particular qualified drawing may not exceed three hundred dollars ($300) for any of the following:

(A) A daily drawing.

(B) A weekly drawing.

(C) A monthly drawing.

(3) A qualified drawing must be conducted in accordance with the following limitations:

(A) Not more than one (1) daily drawing may be conducted each day.

(B) Not more than one (1) weekly drawing may be conducted each week.

(C) Not more than one (1) monthly drawing may be conducted each month.

(D) Weekly drawings must be held on regular seven (7) day intervals posted in the information required by subdivision ~~*(10).*~~ *(9).*

(E) Monthly drawings must be held on regular monthly intervals posted in the information required by subdivision ~~*(10).*~~ *(9).*

A weekly or monthly drawing may be conducted on the same day that a daily drawing is conducted.

(4) Except as otherwise provided in this section, a patron must be present to claim a prize awarded in a qualified drawing.

(5) A retailer may profit from conducting a qualified drawing.

~~*(6) A retailer may not conduct a qualified drawing or any other event in which the winner of the prize is determined, in whole or in part, by a sporting event.*~~

~~(7)~~ *(6)* If no winning ticket is drawn in a qualified drawing, a retailer may:

(A) carry the prize over to a later drawing in accordance with this section; or

(B) continue drawing tickets until a winner is drawn.

~~(8)~~ *(7)* If a patron who purchased a winning ticket is not present to claim a prize at the time of the qualified drawing, a retailer shall hold the prize for the winning patron in accordance with the rules of the retailer.

~~(9)~~ *(8)* In order to comply with subdivision ~~(8),~~ *(7),* a retailer shall obtain the name, address, and telephone number of each patron who purchases a ticket for a

qualified drawing.

~~(10)~~ *(9)* A retailer must conspicuously display the following information concerning each qualified drawing conducted by the retailer:

(A) The price of a ticket.

(B) The time of the drawing.

(C) The description and value of the prizes awarded in the drawing.

(D) The manner in which a prize may be claimed.

(E) The rules of the retailer concerning the following:

(i) Qualified drawings in which no winning ticket is drawn.

(ii) The period that the retailer will hold a prize for a winning patron who was not present to claim the prize at the time of the qualified drawing.

(F) Whether:

(i) the retailer will retain the profits realized from conducting the qualified drawing; or

(ii) the amount wagered on the qualified drawing will be returned to the retailer's patrons in the form of prizes.

~~(11)~~ *(10)* Notwithstanding any other provision of this chapter, a retailer must continue drawing tickets in a monthly drawing until the retailer draws a ticket purchased by a patron who is present to claim the prize.

~~(12)~~ *(11)* The following rules apply only to a qualified drawing from which the retailer retains the profits:

(A) Cash may not be awarded to the winner of the qualified drawing.

(B) All prizes must be in the form of merchandise other than alcohol or tobacco.

(C) The maximum amount of wagers that a retailer may accept in the course of conducting the qualified drawing is five hundred dollars ($500).

(d) When the winning patron is not present at the time of the qualified drawing to claim a prize, the retailer shall award the prize in the following manner:

(1) The retailer shall immediately notify the winning patron by telephone that the patron's name was drawn in a qualified drawing and that the patron has the time permitted by the rules of the retailer, which must be at least seventy-two (72) hours, to claim the prize.

(2) The winning patron must appear at the retailer's premises within the time permitted by the rules of the retailer to claim the prize in person.

(3) The retailer shall verify the identity of the winning patron and award the prize.

(e) This subsection applies when the rules of a retailer require the retailer to carry over a prize when no winning ticket is drawn and when a winning patron fails to claim a prize in the manner required by subsection (d). The retailer shall carry the prize over to a later qualified drawing as follows:

(1) An unclaimed prize from a daily drawing must be carried over to the next daily drawing.

(2) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (1) not more than fourteen (14) times. On the fourteenth calendar day to which a prize has been carried over, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(3) An unclaimed prize from a weekly drawing must be carried over to the next weekly drawing.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (3) not more than one (1) time. On the day that the retailer conducts a weekly drawing for the carried over prize, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(f) The following apply to a retailer that carries over a prize under subsection (e):

(1) A retailer may conduct the daily drawing regularly scheduled for a calendar day occurring during the time that the retailer holds a prize for a winning patron who was not present at the time of a qualified drawing.

(2) If an unclaimed prize from a daily drawing is carried over to a particular date, the retailer may not conduct the regular daily drawing that would otherwise be permitted under this section on that date.

(3) If an unclaimed prize from a weekly drawing is carried over to a particular date, the retailer may not conduct the regular weekly drawing that would otherwise be permitted under this section on that date.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may accept additional entries to a drawing for a carried over prize.

(g) The following apply to a raffle drawing:

(1) A retailer may not retain more than twenty percent (20%) of the proceeds.

(2) A retailer must establish and publish house rules.

(3) The maximum amount of prizes in a raffle game is limited to thirty thousand dollars ($30,000).

SECTION 8. IC 5-3-1-2, AS AMENDED BY SEA 332-2021, SECTION 1, AND AS AMENDED BY SEA 398-2021, SECTION 73, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) This section applies only when notice of an event is required to be given by publication in accordance with this chapter.

(b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), (h), or (i), notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.

(c) If the event is an election, notice shall be published one (1) time, ~~at least ten (10)~~ *not later than twenty-one (21)* days before ~~the date of the~~ election *day.*

(d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:

(1) the first publication made at least fifteen (15) days before the date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If any officer charged with the duty of publishing any notice required by law is unable to procure publication of notice:

(1) at the price fixed by law;

(2) because all newspapers or locality newspapers that are qualified to publish the notice refuse to publish the notice; or

(3) because the newspapers or locality newspapers referred to in subdivision (2) refuse to post the notice on the newspapers' or locality newspapers' Internet web sites (if required under section 1.5 of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers or locality newspapers and on an Internet web site (if required under section 1.5 of this chapter).

(k) This subsection applies if an officer described in subsection (j) or the officer's designee submits a notice to a newspaper or locality newspaper in a timely manner and the newspaper or locality newspaper does not refuse to publish the notice but subsequently fails to publish the notice. If, within the same period required for publishing notice under this section, the officer or officer's designee posts:

(1) printed notices in three (3) prominent places in the political subdivision; or

(2) notice on the political subdivision's Internet web site in a location where the notice is easily accessible and identifiable;

the notice is sufficient, and publication of the notice in newspapers or locality newspapers and on the newspapers' Internet web sites (if required under section 1.5 of this chapter) is not required.

(l) A political subdivision that is required under this chapter to publish notice in a newspaper two (2) or more times may make:

(1) the first publication of notice in a newspaper as required under section 4 of this chapter or the applicable statute; and

(2) all subsequent publications of notice:

(A) in accordance with IC 5-3-5; and

(B) on the official web site of the political subdivision.

If a political subdivision is required to publish a notice two (2) or more times in at least two (2) newspapers contemporaneously, the first publication of the notice includes the first publication of the notice in both newspapers.

SECTION 9. IC 5-14-1.5-3.5, AS AMENDED BY HEA 1437-2021, SECTION 5, AND AS AMENDED BY SEA 68-2021, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3.5. (a) This section applies only to a governing body of a public agency of a political subdivision, other than a governing body of an airport authority, ~~or~~ a department of aviation, *or a conservancy district* as set forth in section 3.6 of this chapter.

(b) *Subject to subsection (i),* a member of the governing body of a public agency who is not physically present at a meeting of the governing body ~~*but who communicates with members of the governing body during the meeting by telephone, computer, video conferencing, or any other electronic means of communication:*~~

~~*(1) may not participate in final action taken at the meeting unless the member's participation is expressly authorized by statute; and*~~

~~*(2) may not be considered to be present at the meeting unless considering the member to be present at the meeting is expressly authorized by statute.*~~

~~*(c) The memoranda prepared under section 4 of this chapter for a meeting in which a member participates by using a means of communication described in subsection (b) must state the name of:*~~

~~*(1) each member who was physically present at the place where the meeting was conducted;*~~

~~*(2) each member who participated in the meeting by using a means of communication described in subsection (b); and*~~

~~*(3) each member who was absent.*~~

may participate in a meeting by any electronic means of communication that does the following:

(1) Allows all participating members of the governing body to simultaneously communicate with each other.

(2) Allows the public to simultaneously attend and observe the meeting. However, this subdivision does not apply to a meeting held in executive session.

Subject to subsection (i), a governing body member who participates in the meeting by an electronic means of communication shall be considered present for purposes of establishing a quorum but may participate in any final action taken at the meeting only if the member can be seen and heard.

(c) A technological failure in an electronic means of communication that disrupts or prevents:

(1) the simultaneous communication between a member who is not physically present at the meeting and the governing body; or

(2) a member of the public who is not present at the meeting from attending and observing the meeting;

does not prevent the governing body from conducting the meeting or affect the validity of an action taken by the governing body at the meeting if the sum of the governing body members physically present at the meeting and the governing body members participating by electronic communication without technological failure satisfy the quorum and (if a final action is taken) the voting requirements of the governing body.

(d) The governing body shall adopt a written policy establishing the procedures that apply to a member's participation in a meeting by an electronic means of communication. The governing body may establish procedures that are more restrictive than the procedures established by this section. The policy adopted under this section may include:

(1) limiting the number of members who may participate by electronic communication in any one (1) meeting;

(2) limiting the total number of meetings that the governing body may conduct in a calendar year by electronic communication; and

(3) requiring a member, except in the case of a meeting called to deal with an emergency under section 5(d) of this chapter, who plans to attend a meeting by any electronic means of communication to notify the presiding officer within a certain period of time before the meeting, as specified by the governing body, so that arrangements may be made for the member's participation by electronic communication.

(e) The memoranda prepared under section 4 of this chapter for a meeting in which a member participates by an electronic means of communication must:

(1) state the name of each member of the governing body who:

(A) was physically present at the place where the meeting was conducted;

(B) participated in the meeting by using any electronic means of communication; and

(C) was absent; and

(2) identify the electronic means of communication by which:

(A) members of the governing body participated in the meeting; and

(B) the public attended and observed the meeting, if the meeting was not held in executive session.

(f) All votes taken during a meeting under this section must be taken by roll call vote.

(g) At least fifty percent (50%) of the members of the governing body must be physically present at a meeting.

(h) A member of the governing body may not attend more than fifty percent (50%) of the governing body's meetings in a calendar year by means of electronic communication, unless the member's electronic participation is due to:

(1) military service;
(2) illness or other medical condition;
(3) death of a relative; or
(4) an emergency involving actual or threatened injury to persons or property.

(i) A member of a governing body may not participate in a meeting of the governing body by electronic communication if the governing body is attempting to take final action to:
(1) adopt a budget;
(2) make a reduction in personnel;
(3) initiate a referendum;
(4) establish or increase a fee;
(5) establish or increase a penalty;
(6) use the governing body's eminent domain authority; or
(7) establish, raise, or renew a tax.

(j) A governing body may not prohibit a member of the governing body from attending consecutive meetings by electronic communication. A member may attend two (2) consecutive meetings (a set of meetings) by electronic communication. A member shall physically attend at least one (1) meeting between sets of meetings that the member attends by electronic communication, unless the member's absence is due to:
(1) military service;
(2) illness or other medical condition;
(3) death of a relative; or
(4) an emergency involving actual or threatened injury to persons or property.

SECTION 10. IC 5-14-1.5-3.6, AS AMENDED BY HEA 1437-2021, SECTION 6, AND AS AMENDED BY SEA 68-2021, SECTION 2, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3.6. (a) This section applies only to a governing body of the following:
(1) A charter school (as defined in IC 20-24-1-4).
(2) A public agency of the state, including a body corporate and politic established as an instrumentality of the state.
(3) An airport authority or a department of aviation under IC 8-22.
(4) A conservancy district under IC 14-33.

(b) A member of a governing body who is not physically present at a meeting of the governing body may participate in a meeting of the governing body by electronic communication only if the member uses a means of communication that permits:
(1) the member;
(2) all other members participating in the meeting;
(3) all members of the public physically present at the place where the meeting is conducted; and
(4) if the meeting is conducted under a policy adopted under subsection (g)(7), all members of the public physically present at a public location at which a member participates by means of electronic communication;
to simultaneously communicate with each other during the meeting.

(c) The governing body must fulfill both of the following requirements for a member of the governing body to participate in a meeting by electronic communication:
(1) This subdivision does not apply to committees appointed by a board of trustees of a state educational institution, by the commission for higher education, by the board of the Indiana economic development corporation, or by the board of directors of the Indiana secondary market for education loans, as established, incorporated, and designated under IC 21-16-5-1. *This subdivision does not apply to a governing body if at least fifty-one percent (51%) of the governing body membership consists of individuals with a disability (as described in IC 12-12-8-3.4) or individuals with a significant disability (as described in IC 12-12-8-3.6), or both.* The minimum number of members who must be physically present at the place where the meeting is conducted must be the greater of:
(A) two (2) of the members; or
(B) one-third (1/3) of the members.
(2) All votes of the governing body during the electronic meeting must be taken by roll call vote.
Nothing in this section affects the public's right under this chapter to attend a meeting of the governing body at the place where the meeting is conducted and the minimum number of members is physically present as provided for in subdivision (1).

(d) Each member of the governing body is required to physically attend at least one (1) meeting of the governing body annually. *This subsection does not apply to a governing body if at least fifty-one percent (51%) of the governing body membership consists of individuals with a disability (as described in IC 12-12-8-3.4) or individuals with a significant disability (as described in IC 12-12-8-3.6), or both.*

(e) Unless a policy adopted by a governing body under subsection (g) provides otherwise, a member who participates in a meeting by electronic communication:
(1) is considered to be present at the meeting;
(2) shall be counted for purposes of establishing a quorum; and
(3) may vote at the meeting.

(f) A governing body may not conduct meetings using a means of electronic communication until the governing body:
(1) meets all requirements of this chapter; and
(2) by a favorable vote of a majority of the members of the governing body, adopts a policy under subsection (g) governing participation in meetings of the governing body by electronic communication.

(g) A policy adopted by a governing body to govern participation in the governing body's meetings by electronic communication may do any of the following:
(1) Require a member to request authorization to participate in a meeting of the governing body by electronic communication within a certain number of days before the meeting to allow for arrangements to be made for the member's participation by electronic communication.
(2) Subject to subsection (e), limit the number of members who may participate in any one (1) meeting by electronic communication.
(3) Limit the total number of meetings that the governing body may conduct in a calendar year by electronic communication.
(4) Limit the number of meetings in a calendar year in which any one (1) member of the governing body may participate by electronic communication.
(5) Provide that a member who participates in a meeting by electronic communication may not cast the deciding vote on any official action. For purposes of this subdivision, a member casts the deciding vote on an official action if, regardless of the order in which the votes are cast:
(A) the member votes with the majority; and
(B) the official action is adopted or defeated by one (1) vote.
(6) Require a member participating in a meeting by electronic communication to confirm in writing the votes cast by the member during the meeting within a certain number of days after the date of the meeting.
(7) Provide that in addition to the location where a meeting is conducted, the public may also attend some or all meetings of the governing body, excluding executive sessions, at a public place or public places at which a member is physically present and participates by electronic communication. If the governing body's policy

includes this provision, a meeting notice must provide the following information:

(A) The identity of each member who will be physically present at a public place and participate in the meeting by electronic communication.

(B) The address and telephone number of each public place where a member will be physically present and participate by electronic communication.

(C) Unless the meeting is an executive session, a statement that a location described in clause (B) will be open and accessible to the public.

(8) Require at least a quorum of members to be physically present at the location where the meeting is conducted.

(9) Provide that a member participating by electronic communication may vote on official action only if, subject to subsection (e), a specified number of members:

(A) are physically present at the location where the meeting is conducted; and

(B) concur in the official action.

(10) Establish any other procedures, limitations, or conditions that govern participation in meetings of the governing body by electronic communication and are not in conflict with this chapter.

(h) The policy adopted by the governing body must be posted on the Internet web site of the governing body, the charter school, the airport, *the conservancy district,* or the public agency.

(i) Nothing in this section affects a public agency's or charter school's right to exclude the public from an executive session in which a member participates by electronic communication.

SECTION 11. IC 5-14-3-4, AS AMENDED BY SEA 188-2021, SECTION 4, AND AS AMENDED BY HEA 1418-2021, SECTION 2, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) The following public records are excepted from section 3 of this chapter and may not be disclosed by a public agency, unless access to the records is specifically required by a state or federal statute or is ordered by a court under the rules of discovery:

(1) Those declared confidential by state statute.

(2) Those declared confidential by rule adopted by a public agency under specific authority to classify public records as confidential granted to the public agency by statute.

(3) Those required to be kept confidential by federal law.

(4) Records containing trade secrets.

(5) Confidential financial information obtained, upon request, from a person. However, this does not include information that is filed with or received by a public agency pursuant to state statute.

(6) Information concerning research, including actual research documents, conducted under the auspices of a state educational institution, including information:

(A) concerning any negotiations made with respect to the research; and

(B) received from another party involved in the research.

(7) Grade transcripts and license examination scores obtained as part of a licensure process.

(8) Those declared confidential by or under rules adopted by the supreme court of Indiana.

(9) Patient medical records and charts created by a provider, unless the patient gives written consent under IC 16-39 or as provided under IC 16-41-8.

(10) Application information declared confidential by the Indiana economic development corporation under ~~*IC 5-28-16.*~~ *IC 5-28.*

(11) A photograph, a video recording, or an audio recording of an autopsy, except as provided in IC 36-2-14-10.

(12) A Social Security number contained in the records of a public agency.

(13) The following information that is part of a foreclosure action subject to IC 32-30-10.5:

(A) Contact information for a debtor, as described in IC 32-30-10.5-8(d)(1)(B).

(B) Any document submitted to the court as part of the debtor's loss mitigation package under IC 32-30-10.5-10(a)(3).

(14) The following information obtained from a call made to a fraud hotline established under IC 36-1-8-8.5:

(A) The identity of any individual who makes a call to the fraud hotline.

(B) A report, transcript, audio recording, or other information concerning a call to the fraud hotline.

However, records described in this subdivision may be disclosed to a law enforcement agency, a private university police department, the attorney general, the inspector general, the state examiner, or a prosecuting attorney.

(b) Except as otherwise provided by subsection (a), the following public records shall be excepted from section 3 of this chapter at the discretion of a public agency:

(1) Investigatory records of law enforcement agencies or private university police departments. For purposes of this chapter, a law enforcement recording is not an investigatory record. Law enforcement agencies or private university police departments may share investigatory records with a:

(A) person who advocates on behalf of a crime victim, including a victim advocate (as defined in IC 35-37-6-3.5) or a victim service provider (as defined in IC 35-37-6-5), for the purposes of providing services to a victim or describing services that may be available to a victim; and

(B) school corporation (as defined by IC 20-18-2-16(a)), charter school (as defined by IC 20-24-1-4), or nonpublic school (as defined by IC 20-18-2-12) for the purpose of enhancing the safety or security of a student or a school facility;

without the law enforcement agency or private university police department losing its discretion to keep those records confidential from other records requesters. However, certain law enforcement records must be made available for inspection and copying as provided in section 5 of this chapter.

(2) The work product of an attorney representing, pursuant to state employment or an appointment by a public agency:

(A) a public agency;

(B) the state; or

(C) an individual.

(3) Test questions, scoring keys, and other examination data used in administering a licensing examination, examination for employment, or academic examination before the examination is given or if it is to be given again.

(4) Scores of tests if the person is identified by name and has not consented to the release of the person's scores.

(5) The following:

(A) Records relating to negotiations between:

(i) the Indiana economic development corporation;

(ii) the ports of Indiana;

(iii) the Indiana state department of agriculture;

(iv) the Indiana finance authority;

(v) an economic development commission;

(vi) the Indiana White river state park development commission;

~~*(vi)*~~ *(vii)* a local economic development organization that is a nonprofit corporation established under

state law whose primary purpose is the promotion of industrial or business development in Indiana, the retention or expansion of Indiana businesses, or the development of entrepreneurial activities in Indiana; or

~~(vii)~~ *(viii)* a governing body of a political subdivision;

with industrial, research, or commercial prospects, if the records are created while negotiations are in progress. However, this clause does not apply to records regarding research that is prohibited under IC 16-34.5-1-2 or any other law.

(B) Notwithstanding clause (A), the terms of the final offer of public financial resources communicated by the Indiana economic development corporation, the ports of Indiana, the Indiana finance authority, an economic development commission, *the Indiana White river state park development commission,* or a governing body of a political subdivision to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated.

(C) When disclosing a final offer under clause (B), the Indiana economic development corporation shall certify that the information being disclosed accurately and completely represents the terms of the final offer.

(D) Notwithstanding clause (A), an incentive agreement with an incentive recipient shall be available for inspection and copying under section 3 of this chapter after the date the incentive recipient and the Indiana economic development corporation execute the incentive agreement regardless of whether negotiations are in progress with the recipient after that date regarding a modification or extension of the incentive agreement.

(6) Records that are intra-agency or interagency advisory or deliberative material, including material developed by a private contractor under a contract with a public agency, that are expressions of opinion or are of a speculative nature, and that are communicated for the purpose of decision making.

(7) Diaries, journals, or other personal notes serving as the functional equivalent of a diary or journal.

(8) Personnel files of public employees and files of applicants for public employment, except for:

(A) the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first and last employment of present or former officers or employees of the agency;

(B) information relating to the status of any formal charges against the employee; and

(C) the factual basis for a disciplinary action in which final action has been taken and that resulted in the employee being suspended, demoted, or discharged.

However, all personnel file information shall be made available to the affected employee or the employee's representative. This subdivision does not apply to disclosure of personnel information generally on all employees or for groups of employees without the request being particularized by employee name.

(9) Minutes or records of hospital medical staff meetings.

(10) Administrative or technical information that would jeopardize a record keeping system, voting system, voter registration system, or security system.

(11) Computer programs, computer codes, computer filing systems, and other software that are owned by the public agency or entrusted to it and portions of electronic maps entrusted to a public agency by a utility.

(12) Records specifically prepared for discussion or developed during discussion in an executive session under IC 5-14-1.5-6.1. However, this subdivision does not apply to that information required to be available for inspection and copying under subdivision (8).

(13) The work product of the legislative services agency under personnel rules approved by the legislative council.

(14) The work product of individual members and the partisan staffs of the general assembly.

(15) The identity of a donor of a gift made to a public agency if:

(A) the donor requires nondisclosure of the donor's identity as a condition of making the gift; or

(B) after the gift is made, the donor or a member of the donor's family requests nondisclosure.

(16) Library or archival records:

(A) which can be used to identify any library patron; or

(B) deposited with or acquired by a library upon a condition that the records be disclosed only:

(i) to qualified researchers;

(ii) after the passing of a period of years that is specified in the documents under which the deposit or acquisition is made; or

(iii) after the death of persons specified at the time of the acquisition or deposit.

However, nothing in this subdivision shall limit or affect contracts entered into by the Indiana state library pursuant to IC 4-1-6-8.

(17) The identity of any person who contacts the bureau of motor vehicles concerning the ability of a driver to operate a motor vehicle safely and the medical records and evaluations made by the bureau of motor vehicles staff or members of the driver licensing medical advisory board regarding the ability of a driver to operate a motor vehicle safely. However, upon written request to the commissioner of the bureau of motor vehicles, the driver must be given copies of the driver's medical records and evaluations.

(18) School safety and security measures, plans, and systems, including emergency preparedness plans developed under 511 IAC 6.1-2-2.5.

(19) A record or a part of a record, the public disclosure of which would have a reasonable likelihood of threatening public safety by exposing a vulnerability to terrorist attack. A record described under this subdivision includes the following:

(A) A record assembled, prepared, or maintained to prevent, mitigate, or respond to an act of terrorism under IC 35-47-12-1 (before its repeal), an act of agricultural terrorism under IC 35-47-12-2 (before its repeal), or a felony terrorist offense (as defined in IC 35-50-2-18).

(B) Vulnerability assessments.

(C) Risk planning documents.

(D) Needs assessments.

(E) Threat assessments.

(F) Intelligence assessments.

(G) Domestic preparedness strategies.

(H) The location of community drinking water wells and surface water intakes.

(I) The emergency contact information of emergency responders and volunteers.

(J) Infrastructure records that disclose the configuration of critical systems such as voting system and voter registration system critical infrastructure, and communication, electrical, ventilation, water, and wastewater systems.

(K) Detailed drawings or specifications of structural elements, floor plans, and operating, utility, or security systems, whether in paper or electronic form, of any building or facility located on an airport (as defined in

IC 8-21-1-1) that is owned, occupied, leased, or maintained by a public agency, or any part of a law enforcement recording that captures information about airport security procedures, areas, or systems. A record described in this clause may not be released for public inspection by any public agency without the prior approval of the public agency that owns, occupies, leases, or maintains the airport. Both of the following apply to the public agency that owns, occupies, leases, or maintains the airport:

(i) The public agency is responsible for determining whether the public disclosure of a record or a part of a record, including a law enforcement recording, has a reasonable likelihood of threatening public safety by exposing a security procedure, area, system, or vulnerability to terrorist attack.

(ii) The public agency must identify a record described under item (i) and clearly mark the record as "confidential and not subject to public disclosure under IC 5-14-3-4(b)(19)(J) without approval of (insert name of submitting public agency)". However, in the case of a law enforcement recording, the public agency must clearly mark the record as "confidential and not subject to public disclosure under IC 5-14-3-4(b)(19)(K) without approval of (insert name of the public agency that owns, occupies, leases, or maintains the airport)".

(L) The home address, home telephone number, and emergency contact information for any:

(i) emergency management worker (as defined in IC 10-14-3-3);

(ii) public safety officer (as defined in IC 35-47-4.5-3);

(iii) emergency medical responder (as defined in IC 16-18-2-109.8); or

(iv) advanced emergency medical technician (as defined in IC 16-18-2-6.5).

This subdivision does not apply to a record or portion of a record pertaining to a location or structure owned or protected by a public agency in the event that an act of terrorism under IC 35-47-12-1 (before its repeal), an act of agricultural terrorism under IC 35-47-12-2 (before its repeal), or a felony terrorist offense (as defined in IC 35-50-2-18) has occurred at that location or structure, unless release of the record or portion of the record would have a reasonable likelihood of threatening public safety by exposing a vulnerability of other locations or structures to terrorist attack.

(20) The following personal information concerning a customer of a municipally owned utility (as defined in IC 8-1-2-1):

(A) Telephone number.

(B) Address.

(C) Social Security number.

(21) The following personal information about a complainant contained in records of a law enforcement agency:

(A) Telephone number.

(B) The complainant's address. However, if the complainant's address is the location of the suspected crime, infraction, accident, or complaint reported, the address shall be made available for public inspection and copying.

(22) Notwithstanding subdivision (8)(A), the name, compensation, job title, business address, business telephone number, job description, education and training background, previous work experience, or dates of first employment of a law enforcement officer who is operating in an undercover capacity.

(23) Records requested by an offender, an agent, or a relative of an offender that:

(A) contain personal information relating to:

(i) a correctional officer (as defined in IC 5-10-10-1.5);

(ii) a probation officer;

(iii) a community corrections officer;

(iv) a law enforcement officer (as defined in IC 35-31.5-2-185);

(v) a judge (as defined in IC 33-38-12-3);

(vi) the victim of a crime; or

(vii) a family member of a correctional officer, probation officer, community corrections officer, law enforcement officer (as defined in IC 35-31.5-2-185), judge (as defined in IC 33-38-12-3), or victim of a crime; or

(B) concern or could affect the security of a jail or correctional facility.

For purposes of this subdivision, "agent" means a person who is authorized by an offender to act on behalf of, or at the direction of, the offender, and "relative" has the meaning set forth in IC 35-42-2-1(b). However, the term "agent" does not include an attorney in good standing admitted to the practice of law in Indiana.

(24) Information concerning an individual less than eighteen (18) years of age who participates in a conference, meeting, program, or activity conducted or supervised by a state educational institution, including the following information regarding the individual or the individual's parent or guardian:

(A) Name.

(B) Address.

(C) Telephone number.

(D) Electronic mail account address.

(25) Criminal intelligence information.

(26) The following information contained in a report of unclaimed property under ~~*IC 32-34-1-26*~~ *IC 32-34-1.5-18* or in a claim for unclaimed property under ~~*IC 32-34-1-36.*~~ *IC 32-34-1.5-48:*

(A) Date of birth.

(B) Driver's license number.

(C) Taxpayer identification number.

(D) Employer identification number.

(E) Account number.

(27) Except as provided in subdivision (19) and sections 5.1 and 5.2 of this chapter, a law enforcement recording. However, before disclosing the recording, the public agency must comply with the obscuring requirements of sections 5.1 and 5.2 of this chapter, if applicable.

(28) Records relating to negotiations between a state educational institution and another entity concerning the establishment of a collaborative relationship or venture to advance the research, engagement, or educational mission of the state educational institution, if the records are created while negotiations are in progress. The terms of the final offer of public financial resources communicated by the state educational institution to an industrial, a research, or a commercial prospect shall be available for inspection and copying under section 3 of this chapter after negotiations with that prospect have terminated. However, this subdivision does not apply to records regarding research prohibited under IC 16-34.5-1-2 or any other law.

(c) Nothing contained in subsection (b) shall limit or affect the right of a person to inspect and copy a public record required or directed to be made by any statute or by any rule of a public agency.

(d) Notwithstanding any other law, a public record that is classified as confidential, other than a record concerning an adoption or patient medical records, shall be made available for inspection and copying seventy-five (75) years after the creation

of that record.

(e) Only the content of a public record may form the basis for the adoption by any public agency of a rule or procedure creating an exception from disclosure under this section.

(f) Except as provided by law, a public agency may not adopt a rule or procedure that creates an exception from disclosure under this section based upon whether a public record is stored or accessed using paper, electronic media, magnetic media, optical media, or other information storage technology.

(g) Except as provided by law, a public agency may not adopt a rule or procedure nor impose any costs or liabilities that impede or restrict the reproduction or dissemination of any public record.

(h) Notwithstanding subsection (d) and section 7 of this chapter:

(1) public records subject to IC 5-15 may be destroyed only in accordance with record retention schedules under IC 5-15; or

(2) public records not subject to IC 5-15 may be destroyed in the ordinary course of business.

SECTION 12. IC 9-25-4-3, AS AMENDED BY HEA 1199-2021, SECTION 4, AND AS AMENDED BY HEA 1285-2021, SECTION 80, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 3. (a) Financial responsibility in one (1) of the forms required under this chapter must be continuously maintained as long as a motor vehicle is operated on a public highway in Indiana.

(b) *Except as provided in IC 9-25-9-1,* the bureau may, at any time, verify that a person has financial responsibility in effect as required under this article.

(c) The bureau shall suspend the driving privileges, ~~or~~ motor vehicle registration, or both, of a person who fails to maintain financial responsibility as required under this article.

(d) In order to comply with this section, the bureau may contract with a third party to request proof of financial responsibility from a person as required under this article. The third party must comply with the requirements of this article and any rules adopted by the bureau.

(e) As to any suspension described in this section:

(1) the bureau shall stay the suspension for one hundred and eighty (180) days upon a showing of proof of future financial responsibility by the person who has had the person's driving privileges, motor vehicle registration, or both, suspended; and

(2) if the bureau does not receive proof that financial responsibility has lapsed after the period of one hundred and eighty (180) days, the bureau shall terminate the suspension.

(f) If the bureau receives notice that financial responsibility has lapsed during the period of one hundred and eighty (180) days under subsection (e), the bureau shall lift the stay of suspension and again suspend the person's driving privileges, motor vehicle registration, or both.

SECTION 13. IC 16-18-2-317.7, AS AMENDED BY SEA 202-2021, SECTION 2, AND AS AMENDED BY SEA 292-2021, SECTION 2 IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 317.7. "Residential care facility", for purposes of:

(1) IC 16-28-2;

(2) IC 16-28-6.5;

(3) *IC 16-28-11-8;* and

~~*(3)*~~ **(4)** IC 16-32-5;

means an entity licensed under IC 16-28 and registered as a housing with services establishment under IC 12-10-15.

SECTION 14. IC 16-39-2-6, AS AMENDED BY SEA 10-2021, SECTION 1, AND AS AMENDED BY HEA 1118-2021, SECTION 3, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. (a) Without the consent of the patient, the patient's mental health record may only be disclosed as follows:

(1) To individuals who meet the following conditions:

(A) Are employed by:

(i) the provider at the same facility or agency;

(ii) a managed care provider (as defined in IC 12-7-2-127); or

(iii) a health care provider or mental health care provider, if the mental health records are needed to provide health care or mental health services to the patient.

(B) Are involved in the planning, provision, and monitoring of services.

(2) To the extent necessary to obtain payment for services rendered or other benefits to which the patient may be entitled, as provided in IC 16-39-5-3.

(3) To the patient's court appointed counsel and to the Indiana protection and advocacy services commission.

(4) For research conducted in accordance with IC 16-39-5-3 and the rules of the division of mental health and addiction, the rules of the division of disability and rehabilitative services, the rules of the provider, or the rules of the Indiana archives and records administration and the oversight committee on public records.

(5) To the division of mental health and addiction for the purpose of data collection, research, and monitoring managed care providers (as defined in IC 12-7-2-127) who are operating under a contract with the division of mental health and addiction.

(6) To the extent necessary to make reports or give testimony required by the statutes pertaining to admissions, transfers, discharges, and guardianship proceedings.

(7) To a law enforcement agency if any of the following conditions are met:

(A) A patient escapes from a facility to which the patient is committed under IC 12-26.

(B) The superintendent of the facility determines that failure to provide the information may result in bodily harm to the patient or another individual.

(C) A patient commits or threatens to commit a crime on facility premises or against facility personnel.

(D) A patient is in the custody of a law enforcement officer or agency for any reason and:

(i) the information to be released is limited to medications currently prescribed for the patient or to the patient's history of adverse medication reactions; and

(ii) the provider determines that the release of the medication information will assist in protecting the health, safety, or welfare of the patient.

Mental health records released under this clause must be maintained in confidence by the law enforcement agency receiving them.

(8) To a coroner or medical examiner, in the performance of the individual's duties.

(9) To a school in which the patient is enrolled if the superintendent of the facility determines that the information will assist the school in meeting educational needs of the patient.

(10) To the extent necessary to satisfy reporting requirements under the following statutes:

(A) IC 12-10-3-10.

(B) IC 12-24-17-5.

(C) IC 16-41-2-3.

(D) IC 16-50-1-8.

~~*(D)*~~ *(E)* IC 31-25-3-2.

~~*(E)*~~ *(F)* IC 31-33-5-4.

~~*(F)*~~ *(G)* IC 34-30-16-2.

~~*(G)*~~ *(H)* IC 35-46-1-13.

(11) To the extent necessary to satisfy release of

information requirements under the following statutes:

(A) IC 12-24-11-2.

(B) IC 12-24-12-3, IC 12-24-12-4, and IC 12-24-12-6.

(C) IC 12-26-11.

(12) To another health care provider in a health care emergency.

(13) For legitimate business purposes as described in IC 16-39-5-3.

(14) Under a court order under IC 16-39-3.

(15) With respect to records from a mental health or developmental disability facility, to the United States Secret Service if the following conditions are met:

(A) The request does not apply to alcohol or drug abuse records described in 42 U.S.C. 290dd-2 unless authorized by a court order under 42 U.S.C. 290dd-2(b)(2)(c).

(B) The request relates to the United States Secret Service's protective responsibility and investigative authority under 18 U.S.C. 3056, 18 U.S.C. 871, or 18 U.S.C. 879.

(C) The request specifies an individual patient.

(D) The director or superintendent of the facility determines that disclosure of the mental health record may be necessary to protect a person under the protection of the United States Secret Service from serious bodily injury or death.

(E) The United States Secret Service agrees to only use the mental health record information for investigative purposes and not disclose the information publicly.

(F) The mental health record information disclosed to the United States Secret Service includes only:

(i) the patient's name, age, and address;

(ii) the date of the patient's admission to or discharge from the facility; and

(iii) any information that indicates whether or not the patient has a history of violence or presents a danger to the person under protection.

(16) To the statewide waiver ombudsman established under IC 12-11-13, in the performance of the ombudsman's duties.

(b) If a licensed mental health professional, ~~or~~ *a* licensed paramedic, *a representative of a mobile integrated healthcare program (as described in IC 16-31-12), or a representative of a mental health community paramedicine program* in the course of rendering a treatment intervention, determines that a patient may be a harm to himself or herself or others, the licensed mental health professional, ~~or~~ *the* licensed paramedic, *the representative of the mobile integrated healthcare program (as described in IC 16-31-12), or the representative of the mental health community paramedicine program* may request a patient's individualized mental health safety plan from a psychiatric crisis center, psychiatric inpatient unit, or psychiatric residential treatment provider. Each psychiatric crisis center, psychiatric inpatient unit, and psychiatric residential treatment provider shall, upon request and without the consent of the patient, share a patient's individualized mental health safety plan that is in the standard format established by the division of mental health and addiction under IC 12-21-5-6 with the following individuals who demonstrate proof of licensure and commit to protecting the information in compliance with state and federal privacy laws:

(1) A licensed mental health professional.

(2) A licensed paramedic.

(3) A representative of a mobile integrated healthcare program (as described in IC 16-31-12).

(4) A representative of a mental health community paramedicine program.

An individualized mental health safety plan disclosed under this subsection may be used only to support a patient's welfare and safety and is considered otherwise confidential information under applicable state and federal laws.

(c) After information is disclosed under subsection (a)(15) and if the patient is evaluated to be dangerous, the records shall be interpreted in consultation with a licensed mental health professional on the staff of the United States Secret Service.

(d) A person who discloses information under subsection (a)(7), (a)(15), or (b) in good faith is immune from civil and criminal liability.

SECTION 15. IC 23-14-31-26, AS AMENDED BY SEA 276-2021, SECTION 1, AND AS AMENDED BY SEA 204-2021, SECTION 65, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 26. (a) Except as provided in subsection (c), the following persons, in the priority listed, have the right to serve as an authorizing agent:

(1) A person:

(A) granted the authority to serve in a funeral planning declaration executed by the decedent under IC 29-2-19; or

(B) named in a United States Department of Defense form "Record of Emergency Data" (DD Form 93) or a successor form adopted by the United States Department of Defense, if the decedent died while serving in any branch of the United States Armed Forces (as defined in 10 U.S.C. 1481) and completed the form.

(2) An individual specifically granted the authority to serve in a power of attorney or a health care power of attorney executed by the decedent under IC 30-5-5-16 *or a health care representative under IC 16-36-7.*

(3) The individual who was the spouse of the decedent at the time of the decedent's death, except when:

(A) a petition to dissolve the marriage or for legal separation of the decedent and spouse is pending with a court at the time of the decedent's death, unless a court finds that the decedent and spouse were reconciled before the decedent's death; or

(B) a court determines the decedent and spouse were physically and emotionally separated at the time of death and the separation was for an extended time that clearly demonstrates an absence of due affection, trust, and regard for the decedent.

(4) The decedent's surviving adult child or, if more than one (1) adult child is surviving, the majority of the adult children. However, less than half of the surviving adult children have the rights under this subdivision if the adult children have used reasonable efforts to notify the other surviving adult children of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving adult children.

(5) The decedent's surviving parent or parents. If one (1) of the parents is absent, the parent who is present has authority under this subdivision if the parent who is present has used reasonable efforts to notify the absent parent.

(6) The decedent's surviving sibling or, if more than one (1) sibling is surviving, the majority of the surviving siblings. However, less than half of the surviving siblings have the rights under this subdivision if the siblings have used reasonable efforts to notify the other surviving siblings of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving siblings.

(7) A guardian appointed by a court under IC 29-3-5-3.

~~(7)~~ *(8)* The individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent or, if more than one (1) individual of the same degree is surviving, the majority of those who are of the same degree. However, less than half of the individuals who are of the same

degree of kinship have the rights under this subdivision if they have used reasonable efforts to notify the other individuals who are of the same degree of kinship of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the individuals who are of the same degree of kinship.

~~(8)~~ *(9)* If none of the persons described in subdivisions (1) through ~~(7)~~ *(8)* are available, or willing, to act and arrange for the final disposition of the decedent's remains, a stepchild (as defined in IC 6-4.1-1-3(f)) of the decedent. If more than one (1) stepchild survives the decedent, then a majority of the surviving stepchildren. However, less than half of the surviving stepchildren have the rights under this subdivision if they have used reasonable efforts to notify the other stepchildren of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the stepchildren.

~~(9)~~ *(10)* The person appointed to administer the decedent's estate under IC 29-1.

~~(10)~~ *(11)* If none of the persons described in subdivisions (1) through ~~(9)~~ *(10)* are available, any other person willing to act and arrange for the final disposition of the decedent's remains, including a funeral home that:

(A) has a valid prepaid funeral plan executed under IC 30-2-13 that makes arrangements for the disposition of the decedent's remains; and

(B) attests in writing that a good faith effort has been made to contact any living individuals described in subdivisions (1) through ~~(9).~~ *(10)*.

~~(11)~~ *(12)* In the case of an indigent or other individual whose final disposition is the responsibility of the state or township, the following may serve as the authorizing agent:

(A) If none of the persons identified in subdivisions (1) through ~~(10)~~ *(11)* are available:

(i) a public administrator, including a responsible township trustee or the trustee's designee; or

(ii) the coroner.

(B) A state appointed guardian.

However, an indigent decedent may not be cremated if a surviving family member objects to the cremation or if cremation would be contrary to the religious practices of the deceased individual as expressed by the individual or the individual's family.

~~(12)~~ *(13)* In the absence of any person under subdivisions (1) through ~~(11),~~ *(12),* any person willing to assume the responsibility as the authorizing agent, as specified in this article.

(b) When a body part of a nondeceased individual is to be cremated, a representative of the institution that has arranged with the crematory authority to cremate the body part may serve as the authorizing agent.

(c) If:

(1) the death of the decedent appears to have been the result of:

(A) murder (IC 35-42-1-1);

(B) voluntary manslaughter (IC 35-42-1-3); or

(C) another criminal act, if the death does not result from the operation of a vehicle; and

(2) the coroner, in consultation with the law enforcement agency investigating the death of the decedent, determines that there is a reasonable suspicion that a person described in subsection (a) committed the offense;

the person referred to in subdivision (2) may not serve as the authorizing agent.

(d) The coroner, in consultation with the law enforcement agency investigating the death of the decedent, shall inform the crematory authority of the determination referred to in subsection (c)(2).

(e) If a person vested with a right under subsection (a) does not exercise that right not later than seventy-two (72) hours after the person receives notification of the death of the decedent, the person forfeits the person's right to determine the final disposition of the decedent's remains, and the right to determine final disposition passes to the next person described in subsection (a).

(f) A crematory authority owner has the right to rely, in good faith, on the representations of a person listed in subsection (a) that any other individuals of the same degree of kinship have been notified of the final disposition instructions.

(g) If there is a dispute concerning the disposition of a decedent's remains, a crematory authority is not liable for refusing to accept the remains of the decedent until the crematory authority receives:

(1) a court order; or

(2) a written agreement signed by the disputing parties;

that determines the final disposition of the decedent's remains. If a crematory authority agrees to shelter the remains of the decedent while the parties are in dispute, the crematory authority may collect any applicable fees for storing the remains, including legal fees that are incurred.

(h) Any cause of action filed under this section must be filed in the probate court in the county where the decedent resided, unless the decedent was not a resident of Indiana.

(i) A spouse seeking a judicial determination under subsection (a)(3)(A) that the decedent and spouse were reconciled before the decedent's death may petition the court having jurisdiction over the dissolution or separation proceeding to make this determination by filing the petition under the same cause number as the dissolution or separation proceeding. A spouse who files a petition under this subsection is not required to pay a filing fee.

SECTION 16. IC 23-14-55-2, AS AMENDED BY SEA 276-2021, SECTION 2, AND AS AMENDED BY SEA 204-2021, SECTION 66, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) Except as provided in subsection (c), the owner of a cemetery is authorized to inter, entomb, or inurn the body or cremated remains of a deceased human upon the receipt of a written authorization of an individual who professes either of the following:

(1) To be (in the priority listed) one (1) of the following:

(A) An individual granted the authority to serve in a funeral planning declaration executed by the decedent under IC 29-2-19, or the person named in a United States Department of Defense form "Record of Emergency Data" (DD Form 93) or a successor form adopted by the United States Department of Defense, if the decedent died while serving in any branch of the United States Armed Forces (as defined in 10 U.S.C. 1481) and completed the form.

(B) An individual specifically granted the authority in a power of attorney or a health care power of attorney executed by the decedent under IC 30-5-5-16 *or a health care representative under IC 16-36-7.*

(C) The individual who was the spouse of the decedent at the time of the decedent's death, except when:

(i) a petition to dissolve the marriage or for legal separation of the decedent and spouse is pending with a court at the time of the decedent's death, unless a court finds that the decedent and spouse were reconciled before the decedent's death; or

(ii) a court determines the decedent and spouse were physically and emotionally separated at the time of death and the separation was for an extended time that clearly demonstrates an absence of due affection, trust, and regard for the decedent.

(D) The decedent's surviving adult child or, if more than one (1) adult child is surviving, the majority of the adult children. However, less than half of the surviving

adult children have the rights under this clause if the adult children have used reasonable efforts to notify the other surviving adult children of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving adult children.

(E) The decedent's surviving parent or parents. If one (1) of the parents is absent, the parent who is present has authority under this clause if the parent who is present has used reasonable efforts to notify the absent parent.

(F) The decedent's surviving sibling or, if more than one (1) sibling is surviving, the majority of the surviving siblings. However, less than half of the surviving siblings have the rights under this clause if the siblings have used reasonable efforts to notify the other surviving siblings of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving siblings.

(G) A guardian appointed by a court under IC 29-3-5-3.

~~(G)~~ *(H)* The individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent or, if more than one (1) individual of the same degree of kinship is surviving, the majority of those who are of the same degree. However, less than half of the individuals who are of the same degree of kinship have the rights under this clause if they have used reasonable efforts to notify the other individuals who are of the same degree of kinship of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the individuals who are of the same degree of kinship.

~~(H)~~ *(I)* If none of the persons described in clauses (A) through ~~(G)~~ *(H)* are available, or willing, to act and arrange for the final disposition of the decedent's remains, a stepchild (as defined in IC 6-4.1-1-3(f)) of the decedent. If more than one (1) stepchild survives the decedent, then a majority of the surviving stepchildren. However, less than half of the surviving stepchildren have the rights under this subdivision if they have used reasonable efforts to notify the other stepchildren of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the stepchildren.

~~(I)~~ *(J)* The person appointed to administer the decedent's estate under IC 29-1.

~~(J)~~ *(K)* If none of the persons described in clauses (A) through ~~(I)~~ *(J)* are available, any other person willing to act and arrange for the final disposition of the decedent's remains, including a funeral home that:

(i) has a valid prepaid funeral plan executed under IC 30-2-13 that makes arrangements for the disposition of the decedent's remains; and

(ii) attests in writing that a good faith effort has been made to contact any living individuals described in clauses (A) through ~~(I)~~ *(J)*.

(2) To have acquired by court order the right to control the disposition of the deceased human body or cremated remains.

The owner of a cemetery may accept the authorization of an individual only if all other individuals of the same priority or a higher priority (according to the priority listing in this subsection) are deceased, are barred from authorizing the disposition of the deceased human body or cremated remains under subsection (c), or are physically or mentally incapacitated from exercising the authorization, and the incapacity is certified to by a qualified medical doctor.

(b) An action may not be brought against the owner of a cemetery relating to the remains of a human that have been left in the possession of the cemetery owner without permanent interment, entombment, or inurnment for a period of three (3) years, unless the cemetery owner has entered into a written contract for the care of the remains.

(c) If:

(1) the death of the decedent appears to have been the result of:

(A) murder (IC 35-42-1-1);

(B) voluntary manslaughter (IC 35-42-1-3); or

(C) another criminal act, if the death does not result from the operation of a vehicle; and

(2) the coroner, in consultation with the law enforcement agency investigating the death of the decedent, determines that there is a reasonable suspicion that a person described in subsection (a) committed the offense;

the person referred to in subdivision (2) may not authorize the disposition of the decedent's body or cremated remains.

(d) The coroner, in consultation with the law enforcement agency investigating the death of the decedent, shall inform the cemetery owner of the determination referred to in subsection (c)(2).

(e) If a person vested with a right under subsection (a) does not exercise that right not less than seventy-two (72) hours after the person receives notification of the death of the decedent, the person forfeits the person's right to determine the final disposition of the decedent's remains and the right to determine final disposition passes to the next person described in subsection (a).

(f) A cemetery owner has the right to rely, in good faith, on the representations of a person listed in subsection (a) that any other individuals of the same degree of kinship have been notified of the final disposition instructions.

(g) If there is a dispute concerning the disposition of a decedent's remains, a cemetery owner is not liable for refusing to accept the remains of the decedent until the cemetery owner receives:

(1) a court order; or

(2) a written agreement signed by the disputing parties;

that determines the final disposition of the decedent's remains. If a cemetery agrees to shelter the remains of the decedent while the parties are in dispute, the cemetery may collect any applicable fees for storing the remains, including legal fees that are incurred.

(h) Any cause of action filed under this section must be filed in the probate court in the county where the decedent resided, unless the decedent was not a resident of Indiana.

(i) A spouse seeking a judicial determination under subsection (a)(1)(C)(i) that the decedent and spouse were reconciled before the decedent's death may petition the court having jurisdiction over the dissolution or separation proceeding to make this determination by filing the petition under the same cause number as the dissolution or separation proceeding. A spouse who files a petition under this subsection is not required to pay a filing fee.

SECTION 17. IC 25-15-9-18, AS AMENDED BY SEA 276-2021, SECTION 4, AND AS AMENDED BY SEA 204-2021, SECTION 67, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 18. (a) Except as provided in subsection (b), the following persons, in the order of priority indicated, have the authority to designate the manner, type, and selection of the final disposition of human remains, to make arrangements for funeral services, and to make other ceremonial arrangements after an individual's death:

(1) A person:

(A) granted the authority to serve in a funeral planning declaration executed by the decedent under IC 29-2-19; or

(B) named in a United States Department of Defense form "Record of Emergency Data" (DD Form 93) or a

successor form adopted by the United States Department of Defense, if the decedent died while serving in any branch of the United States Armed Forces (as defined in 10 U.S.C. 1481) and completed the form.

(2) An individual specifically granted the authority in a power of attorney or a health care power of attorney executed by the decedent under IC 30-5-5-16 *or a health care representative under IC 16-36-7.*

(3) The individual who was the spouse of the decedent at the time of the decedent's death, except when:

(A) a petition to dissolve the marriage or for legal separation of the decedent and spouse is pending with a court at the time of the decedent's death, unless a court finds that the decedent and spouse were reconciled before the decedent's death; or

(B) a court determines the decedent and spouse were physically and emotionally separated at the time of death and the separation was for an extended time that clearly demonstrates an absence of due affection, trust, and regard for the decedent.

(4) The decedent's surviving adult child or, if more than one (1) adult child is surviving, the majority of the adult children. However, less than half of the surviving adult children have the rights under this subdivision if the adult children have used reasonable efforts to notify the other surviving adult children of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving adult children.

(5) The decedent's surviving parent or parents. If one (1) of the parents is absent, the parent who is present has the rights under this subdivision if the parent who is present has used reasonable efforts to notify the absent parent.

(6) The decedent's surviving sibling or, if more than one (1) sibling is surviving, the majority of the surviving siblings. However, less than half of the surviving siblings have the rights under this subdivision if the siblings have used reasonable efforts to notify the other surviving siblings of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving siblings.

(7) A guardian appointed by a court under IC 29-3-5-3.

~~(7)~~ *(8)* The individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent or, if more than one (1) individual of the same degree survives, the majority of those who are of the same degree of kinship. However, less than half of the individuals who are of the same degree of kinship have the rights under this subdivision if they have used reasonable efforts to notify the other individuals who are of the same degree of kinship of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the individuals who are of the same degree of kinship.

~~(8)~~ *(9)* If none of the persons described in subdivisions (1) through ~~(7)~~ *(8)* are available, or willing, to act and arrange for the final disposition of the decedent's remains, a stepchild (as defined in IC 6-4.1-1-3(f)) of the decedent. If more than one (1) stepchild survives the decedent, then a majority of the surviving stepchildren. However, less than half of the surviving stepchildren have the rights under this subdivision if they have used reasonable efforts to notify the other stepchildren of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the stepchildren.

~~(9)~~ *(10)* The person appointed to administer the decedent's estate under IC 29-1.

~~(10)~~ *(11)* If none of the persons identified in subdivisions (1) through ~~(9)~~ *(10)* are available, any other person willing to act and arrange for the final disposition of the decedent's remains, including a funeral home that:

(A) has a valid prepaid funeral plan executed under IC 30-2-13 that makes arrangements for the disposition of the decedent's remains; and

(B) attests in writing that a good faith effort has been made to contact any living individuals described in subdivisions (1) through ~~(9).~~ *(10).*

~~(11)~~ *(12)* In the case of an indigent or other individual whose final disposition is the responsibility of the state or township, the following:

(A) If none of the persons identified in subdivisions (1) through ~~(10)~~ *(11)* is available:

(i) a public administrator, including a responsible township trustee or the trustee's designee; or

(ii) the coroner.

(B) A state appointed guardian.

(b) If:

(1) the death of the decedent appears to have been the result of:

(A) murder (IC 35-42-1-1);

(B) voluntary manslaughter (IC 35-42-1-3); or

(C) another criminal act, if the death does not result from the operation of a vehicle; and

(2) the coroner, in consultation with the law enforcement agency investigating the death of the decedent, determines that there is a reasonable suspicion that a person described in subsection (a) committed the offense;

the person referred to in subdivision (2) may not authorize or designate the manner, type, or selection of the final disposition of human remains.

(c) The coroner, in consultation with the law enforcement agency investigating the death of the decedent, shall inform the cemetery owner or crematory authority of the determination under subsection (b)(2).

(d) If the decedent had filed a protection order against a person described in subsection (a) and the protection order is currently in effect, the person described in subsection (a) may not authorize or designate the manner, type, or selection of the final disposition of human remains.

(e) A law enforcement agency shall determine if the protection order is in effect. If the law enforcement agency cannot determine the existence of a protection order that is in effect, the law enforcement agency shall consult the protective order registry established under IC 5-2-9-5.5.

(f) If a person vested with a right under subsection (a) does not exercise that right not later than seventy-two (72) hours after the person receives notification of the death of the decedent, the person forfeits the person's right to determine the final disposition of the decedent's remains and the right to determine final disposition passes to the next person described in subsection (a).

(g) A funeral home has the right to rely, in good faith, on the representations of a person listed in subsection (a) that any other individuals of the same degree of kinship have been notified of the final disposition instructions.

(h) If there is a dispute concerning the disposition of a decedent's remains, a funeral home is not liable for refusing to accept the remains of the decedent until the funeral home receives:

(1) a court order; or

(2) a written agreement signed by the disputing parties;

that determines the final disposition of the decedent's remains. If a funeral home agrees to shelter the remains of the decedent while the parties are in dispute, the funeral home may collect any applicable fees for storing the remains, including legal fees that are incurred.

(i) Any cause of action filed under this section must be filed in the probate court in the county where the decedent resided, unless the decedent was not a resident of Indiana.

(j) A spouse seeking a judicial determination under subsection (a)(3)(A) that the decedent and spouse were reconciled before the decedent's death may petition the court having jurisdiction over the dissolution or separation proceeding to make this determination by filing the petition under the same cause number as the dissolution or separation proceeding. A spouse who files a petition under this subsection is not required to pay a filing fee.

SECTION 18. IC 25-22.5-2-7, AS AMENDED BY SEA 3-2021, SECTION 26, AND AS AMENDED BY HEA 1516-2021, SECTION 12, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. (a) The board shall do the following:

(1) Adopt rules and forms necessary to implement this article that concern, but are not limited to, the following areas:

(A) Qualification by education, residence, citizenship, training, and character for admission to an examination for licensure or by endorsement for licensure.

(B) The examination for licensure.

(C) The license or permit.

(D) Fees for examination, permit, licensure, and registration.

(E) Reinstatement of licenses and permits.

(F) Payment of costs in disciplinary proceedings conducted by the board.

(2) Administer oaths in matters relating to the discharge of the board's official duties.

(3) Enforce this article and assign to the personnel of the agency duties as may be necessary in the discharge of the board's duty.

(4) Maintain, through the agency, full and complete records of all applicants for licensure or permit and of all licenses and permits issued.

(5) Make available, upon request, the complete schedule of minimum requirements for licensure or permit.

(6) Issue, at the board's discretion, a temporary permit to an applicant for the interim from the date of application until the next regular meeting of the board.

(7) Issue an unlimited license, a limited license, or a temporary medical permit, depending upon the qualifications of the applicant, to any applicant who successfully fulfills all of the requirements of this article.

(8) Adopt rules establishing standards for the competent practice of medicine, osteopathic medicine, or any other form of practice regulated by a limited license or permit issued under this article.

(9) Adopt rules regarding the appropriate prescribing of Schedule III or Schedule IV controlled substances for the purpose of weight reduction or to control obesity.

(10) Adopt rules establishing standards for office based procedures that require moderate sedation, deep sedation, or general anesthesia.

(11) Adopt rules or protocol establishing the following:

(A) An education program to be used to educate women with high breast density.

(B) Standards for providing an annual screening or diagnostic test for a woman who is at least forty (40) years of age and who has been determined to have high breast density.

As used in this subdivision, "high breast density" means a condition in which there is a greater amount of breast and connective tissue in comparison to fat in the breast.

(12) Adopt rules establishing standards and protocols for the prescribing of controlled substances.

(13) Adopt rules as set forth in IC 25-23.4 concerning the certification of certified direct entry midwives.

(14) In consultation with the state department of health and the office of the secretary of family and social services, adopt rules under IC 4-22-2 or protocols concerning the following for providers that are providing office based opioid treatment:

(A) Requirements of a treatment agreement (as described in IC 12-23-20-2) concerning the proper referral and treatment of mental health and substance use.

(B) Parameters around the frequency and types of visits required for the periodic scheduled visits required by IC 12-23-20-2.

(C) Conditions on when the following should be ordered or performed:

(i) A urine toxicology screening.

(ii) HIV, hepatitis B, and hepatitis C testing.

(D) Required documentation in a patient's medical record when buprenorphine is prescribed over a specified dosage.

(15) Adopt rules as set forth in IC 25-14.5 concerning the certification of certified dietitians.

(16) Adopt rules and establish fees as set forth in IC 25-8.5-2-6 concerning the licensure of behavior analysts.

(b) The board may adopt rules that establish:

(1) certification requirements for child death pathologists;

(2) an annual training program for child death pathologists under IC 16-35-7-3(b)(2); and

(3) a process to certify a qualified child death pathologist.

(c) The board may adopt rules under IC 4-22-2 establishing guidelines for the practice of ~~*telemedicine*~~ *telehealth* in Indiana. Adoption of rules under this subsection may not delay the implementation and provision of ~~*telemedicine*~~ *telehealth* services by a provider under IC 25-1-9.5.

SECTION 19. IC 27-1-44.6-7, AS ADDED BY HEA 1402-2021, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The initial appointment of members beginning July 1, 2021, must be made not later than August 1, 2021.

(b) For the initial appointment of the ~~twelve (12)~~ **eight (8)** members appointed to the advisory board by the governor under section ~~6(a)~~ **6(a)(1) through 6(a)(8)** of this chapter, ~~six (6)~~ **four (4)** members will serve for a term of two (2) years and ~~six (6)~~ **four (4)** members will serve for a term of four (4) years. For all subsequent appointments by the governor under section ~~6(a)~~ **6(a)(1) through 6(a)(8)** of this chapter and all appointments made under section 6(b) of this chapter, members will serve for a term of four (4) years. Members may be reappointed.

(c) Subject to subsection (e), the executive director is a permanent member of the advisory board.

(d) Each appointed member serves until the member's successor is appointed and qualified. A vacancy must be filled by appointment of the governor for the unexpired term.

(e) A member may be removed from the advisory board for good cause.

SECTION 20. IC 29-2-19-17, AS AMENDED BY SEA 276-2021, SECTION 7, AND AS AMENDED BY SEA 204-2021, SECTION 71, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 17. The right to control the disposition of a decedent's body, to make arrangements for funeral services, and to make other ceremonial arrangements after an individual's death devolves on the following, in the priority listed:

(1) A person:

(A) granted the authority to serve in a funeral planning declaration executed by the decedent under this chapter; or

(B) named in a United States Department of Defense form "Record of Emergency Data" (DD Form 93) or a successor form adopted by the United States Department of Defense, if the decedent died while serving in any branch of the United States Armed Forces (as defined in 10 U.S.C. 1481) and completed

the form.

(2) An individual specifically granted the authority in a power of attorney or a health care power of attorney executed by the decedent under IC 30-5-5-16 *or a health care representative under IC 16-36-7.*

(3) The decedent's surviving spouse.

(4) A surviving adult child of the decedent or, if more than one (1) adult child is surviving, the majority of the other adult children. However, less than half of the surviving adult children have the rights under this subdivision if the adult children have used reasonable efforts to notify the other surviving adult children of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving adult children.

(5) The surviving parent or parents of the decedent. If one (1) of the parents is absent, the parent who is present has the rights under this subdivision if the parent who is present has used reasonable efforts to notify the absent parent.

(6) The decedent's surviving sibling or, if more than one (1) sibling is surviving, the majority of the surviving siblings. However, less than half of the surviving siblings have the rights under this subdivision if the siblings have used reasonable efforts to notify the other surviving siblings of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the surviving siblings.

(7) A guardian appointed by a court under IC 29-3-5-3.

~~(7)~~ *(8)* An individual in the next degree of kinship under IC 29-1-2-1 to inherit the estate of the decedent or, if more than one (1) individual of the same degree survives, the majority of those who are of the same degree of kinship. However, less than half of the individuals who are of the same degree of kinship have the rights under this subdivision if they have used reasonable efforts to notify the other individuals who are of the same degree of kinship of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the individuals who are of the same degree of kinship.

~~(8)~~ *(9)* If none of the persons described in subdivisions (1) through ~~(7)~~ *(8)* are available, or willing, to act and arrange for the final disposition of the decedent's remains, a stepchild (as defined in IC 6-4.1-1-3(f)) of the decedent. If more than one (1) stepchild survives the decedent, then a majority of the surviving stepchildren. However, less than half of the surviving stepchildren have the rights under this subdivision if they have used reasonable efforts to notify the other stepchildren of their intentions and are not aware of any opposition to the final disposition instructions by more than half of the stepchildren.

~~(9)~~ *(10)* The person appointed to administer the decedent's estate under IC 29-1.

~~(10)~~ *(11)* If none of the persons described in subdivisions (1) through ~~(9)~~ *(10)* are available, any other person willing to act and arrange for the final disposition of the decedent's remains, including a funeral home that:

(A) has a valid prepaid funeral plan executed under IC 30-2-13 that makes arrangements for the disposition of the decedent's remains; and

(B) attests in writing that a good faith effort has been made to contact any living individuals described in subdivisions (1) through ~~(9).~~ *(10).*

SECTION 21. IC 31-33-18-2, AS AMENDED BY HEA 1060-2021, SECTION 11, AND AS AMENDED BY HEA 1564-2021, SECTION 143, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. The reports and other material described in section 1(a) of this chapter and the unredacted reports and other material described in section 1(b) of this chapter shall be made available only to the following:

(1) Persons authorized by this article.

(2) A legally mandated public or private child protective agency investigating a report of child abuse or neglect or treating a child or family that is the subject of a report or record.

(3) Any of the following who are investigating a report of a child who may be a victim of child abuse or neglect:

(A) A police officer or other law enforcement agency.

(B) A prosecuting attorney.

(C) A coroner, in the case of the death of a child.

(4) A physician who has before the physician a child whom the physician reasonably suspects may be a victim of child abuse or neglect.

(5) An individual legally authorized to place a child in protective custody if:

(A) the individual has before the individual a child whom the individual reasonably suspects may be a victim of abuse or neglect; and

(B) the individual requires the information in the report or record to determine whether to place the child in protective custody.

(6) An agency having the legal responsibility or authorization to care for, treat, or supervise a child who is the subject of a report or record or a parent, guardian, custodian, or other person who is responsible for the child's welfare.

(7) An individual named in the report or record who is alleged to be abused or neglected or, if the individual named in the report is a child or is otherwise incompetent, the individual's guardian ad litem or the individual's court appointed special advocate, or both.

(8) Each parent, guardian, custodian, or other person responsible for the welfare of a child named in a report or record and an attorney of the person described under this subdivision, with protection for the identity of reporters and other appropriate individuals.

(9) A court, for redaction of the record in accordance with section 1.5 of this chapter, or upon the court's finding that access to the records may be necessary for determination of an issue before the court. However, except for disclosure of a redacted record in accordance with section 1.5 of this chapter, access is limited to in camera inspection unless the court determines that public disclosure of the information contained in the records is necessary for the resolution of an issue then pending before the court.

(10) A grand jury upon the grand jury's determination that access to the records is necessary in the conduct of the grand jury's official business.

(11) An appropriate state or local official responsible for child protection services or legislation carrying out the official's official functions.

(12) The community child protection team appointed under IC 31-33-3 (or IC 31-6-11-14 before its repeal), upon request, to enable the team to carry out the team's purpose under IC 31-33-3.

(13) A person about whom a report has been made, with protection for the identity of:

(A) any person reporting known or suspected child abuse or neglect; and

(B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.

(14) An employee of the department, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 31-26-5, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home

placement for a:
(A) child at imminent risk of placement;
(B) child in need of services; or
(C) delinquent child.
The results of a criminal history check conducted under this subdivision must be disclosed to a court determining the placement of a child described in clauses (A) through (C).
(15) A local child fatality review team established under IC 16-49-2.
(16) The statewide child fatality review committee established by IC 16-49-4.
(17) The department.
(18) The division of family resources, if the investigation report:
(A) is classified as substantiated; and
(B) concerns:
(i) an applicant for a license to operate;
(ii) a person licensed to operate;
(iii) an employee of; or
(iv) a volunteer providing services at;
a child care center licensed under IC 12-17.2-4 or a child care home licensed under IC 12-17.2-5.
(19) A citizen review panel established under IC 31-25-2-20.4.
(20) The department of child services ombudsman established by IC 4-13-19-3.
(21) The ~~*state superintendent of public instruction*~~ *secretary of education* with protection for the identity of:
(A) any person reporting known or suspected child abuse or neglect; and
(B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.
(22) The state child fatality review coordinator employed by the state department of health under IC 16-49-5-1.
(23) A person who operates a child caring institution, group home, or secure private facility if all the following apply:
(A) The child caring institution, group home, or secure private facility is licensed under IC 31-27.
(B) The report or other materials concern:
(i) an employee of;
(ii) a volunteer providing services at; or
(iii) a child placed at;
the child caring institution, group home, or secure private facility.
(C) The allegation in the report occurred at the child caring institution, group home, or secure private facility.
(24) A person who operates a child placing agency if all the following apply:
(A) The child placing agency is licensed under IC 31-27.
(B) The report or other materials concern:
(i) a child placed in a foster home licensed by the child placing agency;
(ii) a person licensed by the child placing agency to operate a foster family home;
(iii) an employee of the child placing agency or a foster family home licensed by the child placing agency; or
(iv) a volunteer providing services at the child placing agency or a foster family home licensed by the child placing agency.
(C) The allegations in the report occurred in the foster family home or in the course of employment or volunteering at the child placing agency or foster family home.
(25) The National Center for Missing and Exploited Children.
(26) A local domestic violence fatality review team established under IC 12-18-8, as determined by the department to be relevant to the death or near fatality that the local domestic violence fatality review team is reviewing.
(27) The statewide domestic violence fatality review committee established under IC 12-18-9-3, as determined by the department to be relevant to the death or near fatality that the statewide domestic violence fatality review committee is reviewing.
(28) The statewide maternal mortality review committee established under IC 16-50-1-3, as determined by the department to be relevant to the case of maternal morbidity or maternal mortality that the statewide maternal mortality review committee is reviewing.
(29) A local fetal-infant mortality review team established under IC 16-49-6, as determined by the department to be relevant to the case of fetal or infant fatality that the local fetal-infant mortality review team is reviewing.
(30) A suicide and overdose fatality review team established under IC 16-49.5-2, as determined by the department to be relevant to the case of a suicide or overdose fatality that the suicide and overdose fatality review team is reviewing.
(31) The office of administrative law proceedings for a matter that is the subject of an administrative proceeding before the office of administrative law proceedings.

SECTION 22. IC 31-34-2.5-1, AS AMENDED BY HEA 1032-2021, SECTION 2, AND AS AMENDED BY HEA 1230-2021, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) An emergency medical services provider (as defined in IC 16-41-10-1) shall, without a court order, take custody of a child who is, or who appears to be, not more than thirty (30) days of age if
~~*(1)*~~ *except as provided in subsection (g),* the child is voluntarily left:
~~*(A)*~~ *(1)* with the provider by the child's parent;
~~*(B)*~~ *(2)* in a newborn safety device that:
~~*(i)*~~ *(A)* has been approved by a hospital licensed under IC 16-21;
~~*(ii)*~~ *(B)* is physically located inside a hospital that is staffed continuously on a twenty-four (24) hour basis every day to provide care to patients in an emergency; and
~~*(iii)*~~ *(C)* is located in an area that is conspicuous and visible to hospital staff;
~~*(C)*~~ *(3)* in a newborn safety device that was installed on or before January 1, 2017, and is located at a site that is staffed by an emergency medical services provider (as defined in IC 16-41-10-1);
~~*(D)*~~ *(4)* in a newborn safety device that:
~~*(i)*~~ *(A)* is located at a ~~*fire department, including a volunteer fire department,*~~ *facility or* ~~*at an*~~ *emergency medical services station* that is staffed by an emergency medical services provider (as defined in IC 16-41-10-1) on a twenty-four (24) hour seven (7) day a week basis;
~~*(ii)*~~ *(B)* is located in an area that is conspicuous and visible to staff; and
~~*(iii)*~~ *(C)* includes an adequate dual alarm system connected to the site that is tested at least one (1) time per month to ensure the alarm system is in working order; ~~or~~
(5) in a newborn safety device that:
(A) is located at a fire department, including a volunteer fire department, that:
(i) meets the minimum response time established by

the county, not to exceed four (4) minutes; and

(ii) is located within one (1) mile of a hospital, police station, or emergency medical services station that is staffed on a twenty-four (24) hour per day, seven (7) day a week basis with full-time personnel who hold a valid cardiopulmonary resuscitation certification and that meets the minimum response time established by the county, not to exceed four (4) minutes;

(B) is equipped with an alert system:

(i) that, when the newborn safety device is opened, automatically connects to the 911 system and transmits a request for immediate dispatch of an emergency medical services provider (as defined in IC 16-41-10-1) to the location of the newborn safety device; and

(ii) that is tested at least one (1) time per month to ensure the alert system is in working order; and

(C) is equipped with a video surveillance system that allows members of a fire department to monitor the inside of the newborn safety device twenty-four (24) hours a day and that:

(i) has at least two (2) firefighters who are responsible for monitoring the inside of the newborn safety device twenty-four (24) hours a day; and

(ii) is an independent surveillance system from the alert system described in clause (B); **or**

~~*(E)*~~ **(6)** *with medical staff after delivery in a hospital or other medical facility when the child's parent notifies the medical staff that the parent is voluntarily relinquishing the child;* ~~*and*~~

~~*(2)*~~ *and* the parent does not express an intent to return for the child.

(b) An emergency medical services provider who takes custody of a child under this section shall perform any act necessary to protect the child's physical health or safety.

(c) Any person who in good faith voluntarily leaves a child:

(1) with an emergency medical services provider; ~~*or*~~

(2) in a newborn safety device described in ~~*subsection*~~ *this section;* ~~*(a)(1);*~~ *or*

(3) with medical staff as described in subsection ~~*(a)(1)(E);*~~ **(a)(6);**

is not obligated to disclose the parent's name or the person's name.

(d) A hospital that approves the operation of a newborn safety device that meets the requirements set forth in subsection ~~*(a)(1)(B)*~~ *(a)(2)* is immune from civil liability for an act or omission relating to the operation of the newborn safety device unless the act or omission constitutes gross negligence or willful or wanton misconduct.

(e) A newborn safety device described in subsection ~~*(a)(1)(C)*~~ *(a)(3)* may continue to operate without meeting the conditions set forth in subsection ~~*(a)(1)(B).*~~ *(a)(2).*

(f) A:

(1) facility that meets the requirements set forth in subsection (a)(4); or

(2) fire department, including a volunteer fire department, *and an emergency medical services station* that meets the requirements set forth in subsection ~~*(a)(1)(D)*~~ *(a)(5);*

is immune from civil liability for an act or omission relating to the operation of the newborn safety device unless the act or omission constitutes gross negligence or willful or wanton misconduct.

(g) Due to extenuating circumstances, if a child's parent or a person is unable to give up custody of the child as described in subsection ~~*(a)(1),*~~ **(a),** *the child's parent or the person may request that an emergency medical services provider (as defined in IC 16-41-10-1) take custody of the child by:*

(1) dialing the 911 emergency call number; and

(2) staying with the child until an emergency medical services provider (as defined in IC 16-41-10-1) arrives to take custody of the child.

The emergency medical dispatch agency (as defined in IC 16-31-3.5-1) or the emergency medical services provider (as defined in IC 16-41-10-1) shall inform the child's parent or the person described in this subsection of the ability to remain anonymous as described in subsection (c).

SECTION 23. IC 34-30-2-134.5, AS AMENDED BY HEA 1032-2021, SECTION 3, AND AS AMENDED BY HEA 1230-2021, SECTION 2, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 134.5. IC 31-34-2.5-1 (Concerning a hospital, fire department, ~~*or*~~ *other facility, or emergency medical services station* operating a newborn safety device).

SECTION 24. **An emergency is declared for this act.**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 80 as printed March 4, 2021.)

BASSLER	TORR
TAYLOR	HATFIELD
Senate Conferees	House Conferees

Roll Call 511: yeas 97, nays 0. Report adopted.

HOUSE MOTION

Mr. Speaker: I move that House Rule 163.2 be suspended so that the conference committee report on House Bill 1001, the budget bill, having been made available electronically to the members and to the public at 10:00 a.m. on April 21, 2021 be eligible for adoption without being held for twenty-four (24) after filing.

LEONARD

Motion prevailed.

CONFERENCE COMMITTEE REPORT
EHB 1001–1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1001 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2021]

(a) The following definitions apply throughout this act:

(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.

(2) "Biennium" means the period beginning July 1, 2021, and ending June 30, 2023. Appropriations appearing in the biennial column for construction or other permanent improvements do not revert under IC 4-13-2-19 and may be allotted.

(3) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.

(4) "Fee replacement" includes payments to universities to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.

(5) "Federally qualified health center" means a community health center that is designated by the Health Resources Services Administration, Bureau of Primary Health Care, as a Federally Qualified Health Center Look Alike under the FED 330 Consolidated Health Center Program authorization, including Community Health Center (330e), Migrant Health Center (330g), Health Care for the Homeless (330h), Public Housing Primary

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

Care (330i), and School Based Health Centers (330).
(6) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".
(7) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.
(8) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, dental insurance, vision insurance, deferred compensation - state match, leave conversion, disability, and retirement fund contributions.
(9) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".
(10) "State agency" means:
(A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;
(B) each hospital, penal institution, and other institutional enterprise of the state;
(C) the judicial department of the state; and
(D) the legislative department of the state.
However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.
(11) "State funded community health center" means a public or private not for profit (501(c)(3)) organization that provides comprehensive primary health care services to all age groups.
(12) "Total operating expense" includes payments for both "personal services" and "other operating expense".
(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.
(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.
(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.
(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources or combination of sources. The money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation

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to the fund, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part of the fund shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount may be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

SECTION 2. [EFFECTIVE JULY 1, 2021]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2021]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY			
LEGISLATORS' SALARIES - HOUSE			
Total Operating Expense	**8,373,634**	**8,373,634**	
HOUSE EXPENSES			
Total Operating Expense	**12,099,960**	**12,099,960**	
LEGISLATORS' SALARIES - SENATE			
Total Operating Expense	**2,449,000**	**2,545,000**	
SENATE EXPENSES			
Total Operating Expense	**10,259,000**	**11,463,000**	

Included in the above appropriations for house and senate expense are funds for a legislative business per diem allowance, meals, and other usual and customary expenses associated with legislative affairs. Each member of the house is entitled, when authorized by the speaker of the house, to the legislative business per diem allowance for every day the member is engaged in official business. The speaker shall authorize the legislative business per diem allowance to be consistent with law and house rules.

Each member of the senate is entitled, when authorized by the president pro tempore of the senate, to the legislative business per diem allowance for every day the member is engaged in official business. The president pro tempore of the senate shall authorize the legislative business per diem allowance to be consistent with law and senate rules.

Each member of the general assembly is entitled, when authorized by the speaker of the

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house or the president pro tempore of the senate, to the legislative business per diem allowance for every day the member is engaged in official business.

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general assembly shall receive the mileage allowance in an amount equal to the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service for each mile necessarily traveled from the member's usual place of residence to the state capitol. However, if the member traveled by a means other than by motor vehicle, and the member's usual place of residence is more than one hundred (100) miles from the state capitol, the member is entitled to reimbursement in an amount equal to the lowest air travel cost incurred in traveling from the usual place of residence to the state capitol. During the period the general assembly is convened in regular or special session, the mileage allowance shall be limited to one (1) round trip each week per member.

Any member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or Indiana legislative council to serve on any research, study, or survey committee or commission, or who attends any meetings authorized or convened under the auspices of the Indiana legislative council, including pre-session conferences and federal-state relations conferences, is entitled, when authorized by the legislative council, to receive the legislative business per diem allowance for each day the member is in actual attendance and is also entitled to a mileage allowance, at the rate specified above, for each mile necessarily traveled from the member's usual place of residence to the state capitol, or other in-state site of the committee, commission, or conference. The per diem allowance and the mileage allowance permitted under this paragraph shall be paid from the legislative council appropriation for legislator and lay member travel unless the member is attending an out-of-state meeting, as authorized by the speaker of the house of representatives or the president pro tempore of the senate, in which case the member is entitled to receive:
(1) the legislative business per diem allowance for each day the member is engaged in approved out-of-state travel; and
(2) reimbursement for traveling expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the legislative council.

Notwithstanding the provisions of this or any other statute, the legislative council may adopt, by resolution, travel policies and procedures that apply only to members of the general assembly or to the staffs of the house of representatives, senate, and legislative services agency, or both members and staffs. The legislative council may apply these travel policies and procedures to lay members serving on research, study, or survey committees or commissions that are under the jurisdiction of the legislative council. Notwithstanding any other law, rule, or policy, the state travel policies and

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procedures established by the Indiana department of administration and approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION), except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives, senate, and legislative services agency, and to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' SUBSISTENCE		
LEGISLATORS' EXPENSES - HOUSE		
Total Operating Expense	**3,071,402**	**3,071,402**
LEGISLATORS' EXPENSES - SENATE		
Total Operating Expense	**1,482,000**	**1,470,000**

Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area for:
(1) each day that the general assembly is not convened in regular or special session;
(2) each day after the first session day held in November and before the first session day held in January; and
(3) in calendar 2021, each day after the final recess day in April 2021 and before the earlier of the day the general assembly adjourns sine die or November 15, 2021.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem, and the subsistence allowance under subdivision (3) may not be paid to a member after the final recess day in April with respect to any day in which the chamber in which the individual is a member meets as a body or in any period in which the chamber is in recess for less than six (6) consecutive days.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

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The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, $7,000; assistant president pro tempore, $3,000; majority floor leader, $5,500; assistant majority floor leader(s), $3,500; majority floor leader emeritus, $2,500; majority caucus chair, $5,500; assistant majority caucus chair(s), $1,500; appropriations committee chair, $5,500; tax and fiscal policy committee chair, $5,500; appropriations committee ranking majority member, $2,000; tax and fiscal policy committee ranking majority member, $2,000; majority whip, $4,000; assistant majority whip, $2,000; minority floor leader, $6,000; minority leader emeritus, $1,500; minority caucus chair, $5,000; assistant minority floor leader, $5,000; appropriations committee ranking minority member, $2,000; tax and fiscal policy committee ranking minority member, $2,000; minority whip(s), $2,000; assistant minority whip, $1,000; assistant minority caucus chair(s), $1,000; agriculture committee chair, $1,000; natural resources committee chair, $1,000; public policy committee chair, $1,000; corrections and criminal law committee chair, $1,000; civil law committee chair, $1,000; education and career development chair, $1,000; elections committee chair, $1,000; environmental affairs committee chair, $1,000; family and children services committee chair, $1,000; pensions and labor committee chair, $1,000; health and provider services committee chair, $1,000; homeland security and transportation committee chair, $1,000; veterans affairs and the military committee chair, $1,000; insurance and financial institutions committee chair, $1,000; judiciary committee chair, $1,000; local government committee chair, $1,000; utilities committee chair, $1,000; commerce and technology committee chair, $1,000; appointments and claims committee chair, $1,000; rules and legislative procedure committee chair, $1,000; and ethics committee chair, $1,000. If an officer fills more than one (1) leadership position, the officer shall be paid for the higher paid position.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, $7,000; speaker pro tempore, $5,000; deputy speaker pro tempore, $2,000; majority floor leader, $5,500; majority caucus chair, $5,500; majority whip, $4,000; assistant majority floor leader(s), $3,500; assistant majority caucus chair(s), $2,000; assistant majority whip(s), $2,000; ways and means committee chair, $5,500; ways and means committee vice chair, $4,000; ways and means k-12 subcommittee chair, $1,500; ways and means higher education subcommittee chair, $1,500; ways and means budget subcommittee chair, $3,000; ways and means health and human services subcommittee chair, $1,500; ways and means local government subcommittee chair, $1,500; minority leader, $5,500; minority floor leader, $4,500; minority caucus chair, $4,500; minority whip, $3,000; assistant minority leader, $1,500; assistant minority floor leader, $1,500; assistant minority caucus chair, $1,500; assistant minority whip, $1,500; ways and means committee ranking minority member, $3,500; agriculture and rural development committee chair, $1,000; commerce, small business, and economic development committee chair, $1,000; courts and criminal code committee chair, $1,000; education committee chair, $1,000; elections and apportionment committee chair, $1,000; employment, labor, and pensions committee chair, $1,000; environmental affairs committee chair, $1,000; statutory committee on legislative ethics committee chair, $1,000; family, children, and human affairs committee chair, $1,000; financial institutions and insurance committee chair, $1,000; government and regulatory reform committee chair, $1,000; judiciary

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committee chair, $1,000; local government committee chair, $1,000; natural resources committee chair, $1,000; public health committee chair, $1,000; public policy committee chair, $1,000; roads and transportation committee chair, $1,000; rules and legislative procedures committee chair, $1,000; utilities, energy and telecommunications committee chair, $1,000; and veterans affairs and public safety committee chair, $1,000. If an officer fills more than one (1) leadership position, the officer may be paid for each of the paid positions.

If the senate or house of representatives eliminates a committee or officer referenced in this SECTION and replaces the committee or officer with a new committee or position, the above appropriations for subsistence shall be used to pay for the new committee or officer. However, this does not permit any additional amounts to be paid under this SECTION for a replacement committee or officer than would have been spent for the eliminated committee or officer. If the senate or house of representatives creates a new, additional committee or officer, or assigns additional duties to an existing officer, the above appropriations for subsistence shall be used to pay for the new committee or officer, or to adjust the annual payments made to the existing officer, in amounts determined by the legislative council.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY		
Total Operating Expense	**17,391,754**	**17,539,785**
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	**600,000**	**700,000**

Included in the above appropriations for the legislative council and legislative services agency expenses are funds for usual and customary expenses associated with legislative services.

If the funds above appropriated for the legislative council and the legislative services agency and for legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of $75 per day during the biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative

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council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

Included in the above appropriations for the legislative council and legislative services agency are funds for the printing and distribution of documents published by the legislative council, including journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 122nd general assembly, the supplements to the Indiana Code for the biennium and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

TECHNOLOGY INFRASTRUCTURE, SOFTWARE AND SERVICES			
Other Operating Expense	**4,836,800**	**3,883,458**	

If the above appropriations for technology infrastructure, software, and services are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses, including state video streaming services and legislative closed captioning services. The above appropriations or any part thereof remaining unexpended and unencumbered at the close of any fiscal year remain available for expenditure until the earlier of June 30, 2025, or the purposes for which the appropriations were made are accomplished or abandoned. If any part of the appropriations have not been allotted or encumbered before the expiration of the biennium, the personnel subcommittee of the legislative council may determine that any part of the balance of the appropriations may be reverted to the state general fund.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: $900

Annual subscription to the session document service for sessions ending in even-numbered years: $500

Per page charge for copies of legislative documents: $0.15

NATIONAL ASSOCIATION DUES			
Other Operating Expense	**589,537**	**609,975**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
COUNCIL OF STATE GOVERNMENTS - JUVENILE JUSTICE DATA RESEARCH PROJECT			
Total Operating Expense	**250,000**	**0**	
FOR THE COMMISSION ON UNIFORM STATE LAWS			
Total Operating Expense	**97,811**	**87,428**	
FOR THE INDIANA LOBBY REGISTRATION COMMISSION			
Total Operating Expense	**362,273**	**399,238**	
FOR THE INDIANA PUBLIC RETIREMENT SYSTEM			
LEGISLATORS' RETIREMENT FUND			
Total Operating Expense	**182,512**	**182,512**	

B. JUDICIAL

FOR THE SUPREME COURT			
Personal Services	**14,443,945**	**14,443,945**	
Other Operating Expense	**4,956,660**	**4,956,660**	

The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-38-5-8.

LOCAL JUDGES' SALARIES			
Total Operating Expense	**76,075,172**	**76,078,664**	
COUNTY PROSECUTORS' SALARIES			
Total Operating Expense	**30,017,552**	**30,017,552**	

The above appropriations for county prosecutors' salaries represent the amounts authorized by IC 33-39-6-5.

SUPREME COURT TITLE IV-D			
Total Operating Expense	**1,950,000**	**1,950,000**	
TRIAL COURT OPERATIONS			
Total Operating Expense	**1,246,075**	**1,246,075**	

Of the above appropriations, $500,000 each fiscal year is for court interpreters.

INDIANA COURT TECHNOLOGY			
Total Operating Expense	**3,000,000**	**3,000,000**	
Court Technology Fund (IC 33-24-6-12)			
Total Operating Expense	**14,588,380**	**14,588,380**	
Augmentation allowed.			
INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY			
Total Operating Expense	**778,750**	**778,750**	

The above funds are appropriated to the Office of Judicial Administration in lieu of the appropriation made by IC 33-24-13-7.

GUARDIAN AD LITEM

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**6,337,810**	**6,337,810**	

The Office of Judicial Administration shall use the above appropriations to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds.

ADULT GUARDIANSHIP			
Total Operating Expense	**1,500,000**	**1,500,000**	

The above appropriations are for the administration of the office of adult guardianship and to provide matching funds to county courts with probate jurisdiction that implement and administer programs for volunteer advocates for seniors and incapacitated adults who are appointed a guardian under IC 29. Volunteer advocates for seniors and incapacitated adults programs shall provide a match of 50% of the funds appropriated by the division of state court administration of which up to half may be an in-kind match and the remainder must be county funds or other local county resources. Only programs certified by the supreme court are eligible for matching funds. The above appropriations include funds to maintain an adult guardianship registry to serve as a data repository for adult guardianship cases and guardians appointed by the courts.

CIVIL LEGAL AID			
Total Operating Expense	**1,500,000**	**1,500,000**	

The above appropriations include the appropriation provided in IC 33-24-12-7.

SPECIAL JUDGES - COUNTY COURTS			
Total Operating Expense	**149,000**	**149,000**	

If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS			
Total Operating Expense	**380,996**	**380,996**	
INTERSTATE COMPACT FOR ADULT OFFENDERS			
Total Operating Expense	**236,180**	**236,180**	
PROBATION OFFICERS TRAINING			
Total Operating Expense	**750,000**	**750,000**	
VETERANS PROBLEM-SOLVING COURT			
Total Operating Expense	**1,000,000**	**1,000,000**	
DRUG AND ALCOHOL PROGRAMS FUND			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**100,000**	**100,000**	
FOR THE PUBLIC DEFENDER COMMISSION			
Total Operating Expense	**25,720,000**	**25,720,000**	
Public Defense Fund (IC 33-40-6)			
Total Operating Expense	**7,400,000**	**7,400,000**	

The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. Administrative costs may be paid from the public defense fund. Any balance in the public defense fund is appropriated to the public defender commission. Of the above appropriations, $1,000,000 each year is for the public defense of the parents of children in need of services.

FOR THE COURT OF APPEALS			
Personal Services	**11,140,624**	**11,140,624**	
Other Operating Expense	**1,593,452**	**1,593,452**	

The above appropriations for the court of appeals personal services include the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT			
Personal Services	**760,834**	**760,834**	
Other Operating Expense	**154,249**	**154,249**	
FOR THE PUBLIC DEFENDER			
Personal Services	**6,736,625**	**6,736,625**	
Other Operating Expense	**762,318**	**762,318**	
FOR THE PUBLIC DEFENDER COUNCIL			
Personal Services	**1,405,856**	**1,405,856**	
Other Operating Expense	**300,589**	**300,589**	
AT-RISK YOUTH AND FAMILIES			
Total Operating Expense	**2,500,000**	**2,500,000**	
FOR THE PROSECUTING ATTORNEYS' COUNCIL			
Personal Services	**1,117,170**	**1,117,170**	
Other Operating Expense	**136,660**	**136,660**	
DRUG PROSECUTION			
Drug Prosecution Fund (IC 33-39-8-6)			
Total Operating Expense	**221,709**	**221,709**	
Augmentation allowed.			
HIGH TECH CRIMES UNIT PROGRAM			
Total Operating Expense	**4,000,000**	**4,000,000**	

$1,000,000 each state fiscal year shall be used for internet crimes against children.

TITLE IV-D REIMBURSEMENT FUND			
Total Operating Expense	**1,950,000**	**1,950,000**	

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FOR THE INDIANA PUBLIC RETIREMENT SYSTEM			
JUDGES' RETIREMENT FUND			
Total Operating Expense	**10,410,696**	**10,893,703**	
PROSECUTORS' RETIREMENT FUND			
Total Operating Expense	**4,044,194**	**4,155,409**	
C. EXECUTIVE			
FOR THE GOVERNOR'S OFFICE			
Personal Services	**1,883,359**	**1,883,359**	
Other Operating Expense	**81,000**	**81,000**	
GOVERNOR'S RESIDENCE			
Total Operating Expense	**100,413**	**100,413**	
GOVERNOR'S CONTINGENCY FUND			
Total Operating Expense	**5,104**	**5,104**	
SUBSTANCE ABUSE PREVENTION, TREATMENT, AND ENFORCEMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**5,000,000**	**5,000,000**	
WASHINGTON LIAISON OFFICE			
Total Operating Expense	**51,936**	**51,936**	
FOR THE LIEUTENANT GOVERNOR			
Total Operating Expense	**4,823,513**	**4,823,513**	
LIEUTENANT GOVERNOR'S CONTINGENCY FUND			
Total Operating Expense	**4,341**	**4,341**	

Direct disbursements from the lieutenant governor's contingency fund are not subject to the provisions of IC 5-22.

FOR THE SECRETARY OF STATE			
ADMINISTRATION			
Personal Services	**4,486,932**	**4,486,932**	
Other Operating Expense	**920,612**	**920,612**	
VOTER EDUCATION OUTREACH			
Total Operating Expense	**0**	**575,000**	
FOR THE ATTORNEY GENERAL			
	20,132,051	**20,132,051**	
Agency Settlement Fund (IC 4-12-16-2)			
	3,554,032	**3,554,032**	
Augmentation allowed.			
Homeowner Protection Unit Account (IC 4-6-12-9)			
	473,186	**473,186**	
Augmentation allowed.			
Real Estate Appraiser Investigative Fund (IC 25-34.1-8-7.5)			
	50,000	**50,000**	
Augmentation allowed.			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			

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818,916		**818,916**	
Augmentation allowed.			
Abandoned Property Fund (IC 32-34-1.5)			
2,054,730		**2,054,730**	
Augmentation allowed.			
The amounts specified from the general fund, homeowner protection unit account, agency settlement fund, real estate appraiser investigative fund, tobacco master settlement agreement fund, and abandoned property fund are for the following purposes:			
Personal Services	**23,883,469**	**23,883,469**	
Other Operating Expense	**3,199,446**	**3,199,446**	
MEDICAID FRAUD CONTROL UNIT			
Total Operating Expense	**1,400,000**	**1,400,000**	
The above appropriation is the state's matching share of funding for the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.			
UNCLAIMED PROPERTY			
Abandoned Property Fund (IC 32-34-1.5)			
Total Operating Expense	**7,883,908**	**7,883,908**	
Augmentation allowed.			
D. FINANCIAL MANAGEMENT			
FOR THE AUDITOR OF STATE			
Personal Services	**5,503,465**	**5,503,465**	
Other Operating Expense	**1,429,870**	**1,429,870**	
FOR THE STATE BOARD OF ACCOUNTS			
Personal Services	**13,720,717**	**13,720,717**	
EXAMINATIONS			
Examinations Fund (IC 5-11-4-3)			
Total Operating Expense	**15,292,119**	**15,292,119**	
Augmentation allowed.			
FOR THE OFFICE OF MANAGEMENT AND BUDGET			
Personal Services	**466,174**	**466,174**	
Other Operating Expense	**31,341**	**31,341**	
FOR THE DISTRESSED UNIT APPEAL BOARD			
Total Operating Expense	**4,250,000**	**4,250,000**	
FOR THE MANAGEMENT AND PERFORMANCE HUB			
Total Operating Expense	**7,375,352**	**7,375,352**	

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FOR THE STATE BUDGET AGENCY			
Personal Services	**3,640,731**	**3,640,731**	
Other Operating Expense	**205,167**	**205,167**	
STATE AGENCY CONTINGENCY FUND			
Total Operating Expense	**2,800,000**	**47,800,000**	
State Agency Contingency Fund (IC 4-12-17-1)			
Total Operating Expense	**10,000,000**	**10,000,000**	
Augmentation allowed.			

Any balance remaining on June 30, 2021 in the Personal Services/Fringe Benefits Contingency Fund shall be transferred to the state agency contingency fund effective July 1, 2021.

The above state agency contingency fund appropriations shall be allotted in the amount requested by the judicial branch, the legislative branch, and statewide elected officials by the budget agency. The above state agency contingency fund appropriation may be allotted to departments, institutions, and all state agencies by the budget agency with the approval of the governor.

Of the above appropriations, $30,000 annually shall be paid to the Indiana public retirement system in each fiscal year to pay for the local pension report.

OUTSIDE ACTS			
Total Operating Expense	**1**	**1**	
Augmentation allowed.			
STATE BUDGET COMMITTEE			
Total Operating Expense	**86,312**	**86,312**	
Augmentation allowed.			

Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of the budget committee is equal to one hundred fifty percent (150%) of the legislative business per diem allowance.

FOR THE INDIANA PUBLIC RETIREMENT SYSTEM			
PUBLIC SAFETY PENSION			
Total Operating Expense	**155,000,000**	**152,500,000**	
Augmentation allowed.			
FOR THE TREASURER OF STATE			
Personal Services	**1,286,204**	**1,286,204**	
Other Operating Expense	**46,305**	**46,305**	
ABLE AUTHORITY (IC 12-11-14)			
Total Operating Expense	**285,500**	**294,000**	
INDIANA EDUCATION SCHOLARSHIP ACCOUNT PROGRAM (IC 20-51.4)			
Total Operating Expense	**3,000,000**	**10,000,000**	

The treasurer shall use the above appropriation for FY 2022 to pay for any costs associated with creating the Indiana education scholarship account program.

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

It is the intent of the 2021 general assembly that the above appropriation for FY 2023 for the Indiana Education Scholarship Account Program shall be the total allowable state expenditure for the program. If distributions are anticipated to exceed the total appropriations for the state fiscal year, the treasurer of state shall limit enrollment for the program.

E. TAX ADMINISTRATION

FOR THE DEPARTMENT OF REVENUE			
COLLECTION AND ADMINISTRATION			
Personal Services	**44,135,545**	**44,135,545**	
Other Operating Expense	**18,864,455**	**22,864,455**	

With the approval of the governor and the budget agency, the department shall annually reimburse the state general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department of state revenue from taxes and fees.

OUTSIDE COLLECTIONS			
Total Operating Expense	**4,585,887**	**4,585,887**	

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue's outside collections may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and fees.

MOTOR CARRIER REGULATION			
Motor Carrier Regulation Fund (IC 8-2.1-23)			
Personal Services	**5,205,090**	**5,205,090**	
Other Operating Expense	**3,409,489**	**3,409,489**	
Augmentation allowed.			

FOR THE INDIANA GAMING COMMISSION			
State Gaming Fund (IC 4-33-13-2)			
	2,310,874	**2,310,874**	
Gaming Investigations Fund (IC 4-33-4-18(b))			
	1,074,000	**1,074,000**	

The amounts specified from the state gaming fund and gaming investigations fund are for the following purposes:

Personal Services	**3,047,610**	**3,047,610**	
Other Operating Expense	**337,264**	**337,264**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Augmentation allowed.			
The above appropriations to the Indiana gaming commission are made from revenues accruing to the state gaming fund under IC 4-33 before any distribution is made under IC 4-33-13-5.			
The above appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.			
GAMING RESEARCH DIVISION			
Personal Services	**5,000**	**5,000**	
Other Operating Expense	**320,000**	**320,000**	
ATHLETIC COMMISSION			
State Gaming Fund (IC 4-33-13-2)			
Total Operating Expense	**92,371**	**92,371**	
Augmentation allowed.			
Athletic Fund (IC 4-33-22-9)			
Total Operating Expense	**6,000**	**6,000**	
Augmentation allowed.			
FANTASY SPORTS REGULATION AND ADMINISTRATION			
Fantasy Sports Regulation and Administration Fund (IC 4-33-24-28)			
Total Operating Expense	**25,500**	**25,500**	
Augmentation allowed.			
FOR THE INDIANA HORSE RACING COMMISSION			
Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)			
Personal Services	**1,873,711**	**1,873,711**	
Other Operating Expense	**409,870**	**409,870**	
The above appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9.			
STANDARDBRED ADVISORY BOARD			
Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)			
Total Operating Expense	**193,500**	**193,500**	
Augmentation allowed.			
FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE			
Personal Services	**3,201,090**	**3,201,090**	
Other Operating Expense	**495,111**	**495,111**	
Assessment Training Fund (IC 6-1.1-5.5-4.7)			
Total Operating Expense	**540,280**	**540,280**	
Augmentation allowed.			
FOR THE INDIANA BOARD OF TAX REVIEW			
Personal Services	**1,292,876**	**1,292,876**	
Other Operating Expense	**74,092**	**74,092**	
Assessment Training Fund (IC 6-1.1-5.5-4.7)			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**320,628**	**320,628**	
Augmentation allowed.			
F. ADMINISTRATION			
FOR THE DEPARTMENT OF ADMINISTRATION			
Personal Services	**10,653,021**	**10,653,021**	
Other Operating Expense	**11,671,441**	**11,671,441**	
MOTOR POOL ROTARY FUND			
Total Operating Expense	**6,882,500**	**9,875,000**	
Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)			
Total Operating Expense	**28,000**	**0**	
Gaming Enforcement Agents (IC 4-35-4-5)			
Total Operating Expense	**18,980**	**18,980**	
Charity Gaming Enforcement Fund (IC 4-32.3-7-1)			
Total Operating Expense	**21,942**	**21,942**	
Fire and Building Services Fund (IC 22-12-6-1)			
Total Operating Expense	**345,847**	**320,053**	
State Highway Fund (IC 8-23-9-54)			
Total Operating Expense	**3,089,000**	**3,089,000**	
The budget agency may transfer portions of the above dedicated fund appropriations from the department of administration back to the agency that provided the appropriation if necessary.			
In addition to the appropriations above, the budget agency with the approval of the governor may transfer appropriations to the motor pool rotary fund for the purchase of vehicles and related equipment.			
FOR THE STATE PERSONNEL DEPARTMENT			
Personal Services	**2,863,157**	**2,863,157**	
Other Operating Expense	**152,830**	**152,830**	
GOVERNOR'S FELLOWSHIP PROGRAM			
Total Operating Expense	**280,779**	**280,779**	
OFFICE OF ADMINISTRATIVE LAW PROCEEDINGS			
Total Operating Expense	**1,500,000**	**1,500,000**	
FOR THE STATE EMPLOYEES' APPEALS COMMISSION			
Total Operating Expense	**136,337**	**136,337**	
FOR THE OFFICE OF TECHNOLOGY			
PAY PHONE FUND			
Correctional Facilities Calling System Fund (IC 5-22-23-7)			
Total Operating Expense	**1,175,918**	**1,175,918**	
Augmentation allowed.			
The pay phone fund is established for the procurement of hardware, software, and related equipment and services needed to expand and enhance the state campus backbone and other central information technology initiatives. Such procurements			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

may include, but are not limited to, wiring and rewiring of state offices, Internet services, video conferencing, telecommunications, application software, and related services. Notwithstanding IC 5-22-23-5, the fund consists of the net proceeds received from contracts with companies providing phone services at state institutions and other state properties. The fund shall be administered by the office of technology. Money in the fund may be spent by the office in compliance with a plan approved by the budget agency. Any money remaining in the fund at the end of any fiscal year does not revert to the general fund or any other fund but remains in the pay phone fund.

FOR THE INDIANA ARCHIVES AND RECORDS ADMINISTRATION			
Personal Services	**1,652,459**	**1,652,459**	
Other Operating Expense	**381,021**	**381,021**	
FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR			
Personal Services	**264,309**	**264,309**	
Other Operating Expense	**35,867**	**35,867**	

G. OTHER

FOR THE OFFICE OF INSPECTOR GENERAL			
Personal Services	**1,111,157**	**1,111,157**	
Other Operating Expense	**74,000**	**74,000**	
STATE ETHICS COMMISSION			
Total Operating Expense	**4,011**	**4,011**	
FOR THE SECRETARY OF STATE			
ELECTION DIVISION			
Personal Services	**1,020,095**	**1,020,095**	
Other Operating Expense	**241,650**	**241,650**	
VOTER LIST MAINTENANCE			
Total Operating Expense	**883,087**	**883,087**	
VOTER REGISTRATION SYSTEM			
Total Operating Expense	**3,211,759**	**3,211,759**	
VOTING SYSTEM TECHNICAL OVERSIGHT PROGRAM			
Total Operating Expense	**595,000**	**595,000**	

SECTION 4. [EFFECTIVE JULY 1, 2021]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION			
CENTRAL OFFICE			
Personal Services	**15,786,135**	**15,786,135**	
Other Operating Expense	**10,585,988**	**10,585,988**	
ESCAPEE COUNSEL AND TRIAL EXPENSE			
Total Operating Expense	**199,736**	**199,736**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
COUNTY JAIL MISDEMEANANT HOUSING			
Total Operating Expense	**4,152,639**	**4,152,639**	
ADULT CONTRACT BEDS			
Total Operating Expense	**1,048,200**	**1,048,200**	
STAFF DEVELOPMENT AND TRAINING			
Personal Services	**2,395,274**	**2,395,274**	
Other Operating Expense	**205,438**	**205,438**	
PAROLE BOARD			
Total Operating Expense	**887,990**	**887,990**	
INFORMATION MANAGEMENT SERVICES			
Total Operating Expense	**1,374,209**	**1,374,209**	
JUVENILE TRANSITION			
Total Operating Expense	**1,436,884**	**1,436,884**	
COMMUNITY CORRECTIONS PROGRAMS			
Total Operating Expense	**72,449,242**	**72,449,242**	

The above appropriations for community corrections programs are not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12 or any other law.

Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for community corrections programs do not revert to the general fund or another fund at the close of a state fiscal year but remain available in subsequent state fiscal years for the purposes of the program.

The appropriations are not subject to having allotment withheld by the state budget agency.

HOOSIER INITIATIVE FOR RE-ENTRY (HIRE)			
Total Operating Expense	**648,742**	**648,742**	
INDIANAPOLIS RE-ENTRY EDUCATION FACILITY			
Total Operating Expense	**700,000**	**700,000**	
CENTRAL EMERGENCY RESPONSE			
Personal Services	**1,226,045**	**1,226,045**	
Other Operating Expense	**142,812**	**142,812**	
HEPATITIS C TREATMENT			
Total Operating Expense	**19,682,000**	**24,037,000**	
DRUG ABUSE PREVENTION			
Drug Abuse Fund (IC 11-8-2-11)			
Total Operating Expense	**127,500**	**127,500**	
Augmentation allowed.			
EXONERATION FUND			
Total Operating Expense	**1**	**1**	
Augmentation allowed.			

The above appropriation shall be used for expenses relating to the restitution of wrongfully incarcerated persons in IC 5-2-23. The department shall collaborate with the Indiana Criminal Justice Institute to administer this program.

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
COUNTY JAIL MAINTENANCE CONTINGENCY FUND			
Total Operating Expense	**33,000,000**	**34,000,000**	

The above appropriations for the county jail maintenance contingency fund are for reimbursing sheriffs for the costs of 1) persons convicted of level 6 felonies and 2) jail and parole holds.

Of the above appropriation, the department of correction may distribute up to $25,300,000 to sheriffs for the cost of persons convicted of level 6 felonies that are incarcerated in county jails pursuant to IC 35-38-3-3(d). The department shall adopt a formula, subject to approval by the state budget agency, that allocates this funding to sheriffs in a manner that considers previous reimbursements for persons convicted of level 6 felonies and the current number of level 6 abstracts in a county jail in proportion to all county jails.

Of the above appropriation, the department of correction may distribute up to $7,700,000 in FY 2022 and $10,700,000 in FY 2023 to sheriffs for the costs of jail and parole holds. The department shall reimburse sheriffs up to $40 per day for the costs of persons incarcerated in county jails that are convicted of felonies. Reimbursement shall be based on the later of 1) the dates of incarceration when persons are incarcerated for more than five (5) days after the day of sentencing or 2) the date upon which the department receives the abstract of judgment and sentencing order. All requests for reimbursement shall be in conformity with department of correction policy. In addition to the per diem of up to $40, the state shall reimburse the sheriffs for expenses determined by the sheriff to be medically necessary medical care to the convicted persons. If the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

CORRECTIONAL SERVICES			
Total Operating Expense	**160,159,148**	**160,159,148**	

The above appropriations include amounts for food, educational, and medical services.

JUVENILE DETENTION ALTERNATIVES INITIATIVE (JDAI)			
Total Operating Expense	**3,017,447**	**3,017,447**	
PAROLE DIVISION			
Total Operating Expense	**13,810,281**	**13,810,281**	
HERITAGE TRAIL CORRECTIONAL FACILITY			
Total Operating Expense	**8,738,507**	**8,738,507**	
SOUTH BEND COMMUNITY RE-ENTRY CENTER			
Total Operating Expense	**2,171,865**	**2,171,865**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Work Release Fund (IC 11-10-8-6.5)			
Total Operating Expense	**655,820**	**655,820**	
Augmentation allowed.			
INDIANA STATE PRISON			
Personal Services	**36,670,286**	**36,670,286**	
Other Operating Expense	**5,528,973**	**5,528,973**	
PENDLETON CORRECTIONAL FACILITY			
Personal Services	**33,896,695**	**33,896,695**	
Other Operating Expense	**4,394,466**	**4,394,466**	
CORRECTIONAL INDUSTRIAL FACILITY			
Personal Services	**22,446,621**	**22,446,621**	
Other Operating Expense	**1,364,124**	**1,364,124**	
INDIANA WOMEN'S PRISON			
Personal Services	**12,993,480**	**12,993,480**	
Other Operating Expense	**1,304,985**	**1,304,985**	
PUTNAMVILLE CORRECTIONAL FACILITY			
Personal Services	**33,377,336**	**33,377,336**	
Other Operating Expense	**2,814,807**	**2,814,807**	
WABASH VALLEY CORRECTIONAL FACILITY			
Personal Services	**43,044,710**	**43,044,710**	
Other Operating Expense	**3,953,977**	**3,953,977**	
BRANCHVILLE CORRECTIONAL FACILITY			
Personal Services	**17,681,071**	**17,681,071**	
Other Operating Expense	**2,023,166**	**2,023,166**	
WESTVILLE CORRECTIONAL FACILITY			
Personal Services	**47,091,628**	**47,091,628**	
Other Operating Expense	**4,183,941**	**4,183,941**	
ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN			
Personal Services	**16,823,679**	**16,823,679**	
Other Operating Expense	**1,773,034**	**1,773,034**	
PLAINFIELD CORRECTIONAL FACILITY			
Personal Services	**24,846,722**	**24,846,722**	
Other Operating Expense	**3,063,226**	**3,063,226**	
RECEPTION AND DIAGNOSTIC CENTER			
Personal Services	**16,197,190**	**16,197,190**	
Other Operating Expense	**1,272,105**	**1,272,105**	
MIAMI CORRECTIONAL FACILITY			
Personal Services	**31,243,293**	**31,243,293**	
Other Operating Expense	**4,485,552**	**4,485,552**	
NEW CASTLE CORRECTIONAL FACILITY			
Other Operating Expense	**41,398,400**	**41,398,400**	
CHAIN O' LAKES CORRECTIONAL FACILITY			
Personal Services	**1,659,389**	**1,659,389**	
Other Operating Expense	**205,475**	**205,475**	
MADISON CORRECTIONAL FACILITY			
Personal Services	**12,089,906**	**12,089,906**	
Other Operating Expense	**1,280,043**	**1,280,043**	
EDINBURGH CORRECTIONAL FACILITY			
Personal Services	**4,357,056**	**4,357,056**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Other Operating Expense	**365,579**	**365,579**	
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
Personal Services	**12,867,579**	**12,867,579**	
Other Operating Expense	**752,485**	**752,485**	
LAPORTE JUVENILE CORRECTIONAL FACILITY			
Personal Services	**4,221,165**	**4,221,165**	
Other Operating Expense	**284,745**	**284,745**	
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Personal Services	**18,282,033**	**18,282,033**	
Other Operating Expense	**939,152**	**939,152**	

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU			
Personal Services	**133,115**	**133,115**	
Other Operating Expense	**69,323**	**69,323**	

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

	154,406,570	**154,406,570**	
Motor Carrier Regulation Fund (IC 8-2.1-23)			
	5,041,673	**5,041,673**	

Augmentation allowed from the motor carrier regulation fund.

The amounts specified from the General Fund and the Motor Carrier Regulation Fund are for the following purposes:

Personal Services	**140,740,927**	**140,740,927**	
Other Operating Expense	**18,707,316**	**18,707,316**	

The above appropriations include funds for the state police minority recruiting program.

The above appropriations for the Indiana state police and motor carrier inspection include funds for the police security detail to be provided to the Indiana state fair board. However, amounts actually expended to provide security for the Indiana state fair board as determined by the budget agency shall be reimbursed by the Indiana state fair board to the state general fund.

ISP SALARY MATRIX ADJUSTMENT			
Personal Services	**0**	**4,025,000**	

The above appropriations are for an adjustment to the ISP salary matrix. The Indiana State Police may not adjust the ISP salary matrix until after review by the budget committee.

ISP OPEB CONTRIBUTION			
Total Operating Expense	**5,964,305**	**6,006,409**	
INDIANA INTELLIGENCE FUSION CENTER			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**1,254,309**	**1,254,309**	
FORENSIC AND HEALTH SCIENCES LABORATORIES			
	12,522,368	**12,522,368**	
Motor Carrier Regulation Fund (IC 8-2.1-23)			
	464,960	**464,960**	

Augmentation allowed from the motor carrier regulation fund.

The amounts specified from the Motor Carrier Regulation Fund and the General Fund are for the following purposes:

Personal Services	**12,707,328**	**12,707,328**
Other Operating Expense	**280,000**	**280,000**
ENFORCEMENT AID		
Total Operating Expense	**59,791**	**59,791**

The above appropriations for enforcement aid are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's authority.

RETIREMENT PENSION FUND		
Total Operating Expense	**25,255,100**	**25,255,100**

The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

If the amount actually required under IC 10-12-2 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund.

BENEFIT TRUST FUND		
Total Operating Expense	**6,000,000**	**6,000,000**

All benefits to members shall be paid by warrant drawn on the treasurer of state by the auditor of state on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-12-2.

If the amount actually required under IC 10-12-2 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund.

PRE-1987 RETIREMENT		
Total Operating Expense	**5,450,000**	**5,450,000**

If the amount actually required under IC 10-12-5 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund.

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
ACCIDENT REPORTING			
Accident Report Account (IC 9-26-9-3)			
Total Operating Expense	**4,122**	**4,122**	
Augmentation allowed.			
DRUG INTERDICTION			
Drug Interdiction Fund (IC 10-11-7)			
Total Operating Expense	**202,249**	**202,249**	
Augmentation allowed.			
DNA SAMPLE PROCESSING			
DNA Sample Processing (IC 10-13-6-9.5)			
Total Operating Expense	**1,776,907**	**1,776,907**	
Augmentation allowed.			
FOR THE INTEGRATED PUBLIC SAFETY COMMISSION			
Integrated Public Safety Communications Fund (IC 5-26-4-1)			
Total Operating Expense	**14,698,322**	**14,698,322**	
Augmentation allowed.			
FOR THE ADJUTANT GENERAL			
Personal Services	**4,442,336**	**4,442,336**	
Other Operating Expense	**5,152,993**	**5,152,993**	
CAMP ATTERBURY MUSCATATUCK CENTER FOR COMPLEX OPERATIONS			
Total Operating Expense	**503,273**	**503,273**	
MUTC - MUSCATATUCK URBAN TRAINING CENTER			
Total Operating Expense	**927,658**	**927,658**	
HOOSIER YOUTH CHALLENGE ACADEMY			
Total Operating Expense	**2,385,031**	**2,385,031**	
GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND			
Total Operating Expense	**65,031**	**65,031**	
The above appropriations for the governor's civil and military contingency fund are made under IC 10-16-11-1.			
FOR THE CRIMINAL JUSTICE INSTITUTE			
Total Operating Expense	**1,577,171**	**1,577,171**	
Indiana Safe Schools Fund (IC 5-2-10.1-2)			
Total Operating Expense	**25,000**	**25,000**	
Augmentation allowed.			
Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)			
Total Operating Expense	**10,000**	**10,000**	
Augmentation allowed.			
Victim and Witness Assistance Fund (IC 5-2-6-14)			
Total Operating Expense	**50,000**	**50,000**	
Augmentation allowed.			
State Drug Free Communities Fund (IC 5-2-10-2)			
Total Operating Expense	**50,000**	**50,000**	
Augmentation allowed.			
DRUG ENFORCEMENT MATCH			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**250,000**	**250,000**	

To facilitate the duties of the Indiana criminal justice institute as outlined in IC 5-2-6-3, the above appropriation is not subject to the provisions of IC 4-9.1-1-7 when used to support other state agencies through the awarding of state match dollars.

VICTIM AND WITNESS ASSISTANCE			
Victim and Witness Assistance Fund (IC 5-2-6-14)			
Total Operating Expense	**381,833**	**381,833**	
Augmentation allowed.			
ALCOHOL AND DRUG COUNTERMEASURES			
Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)			
Total Operating Expense	**335,000**	**335,000**	
Augmentation allowed.			
STATE DRUG FREE COMMUNITIES			
State Drug Free Communities Fund (IC 5-2-10-2)			
Total Operating Expense	**323,125**	**323,125**	
Augmentation allowed.			
INDIANA SAFE SCHOOLS			
Total Operating Expense	**1,313,059**	**1,313,059**	
Indiana Safe Schools Fund (IC 5-2-10.1-2)			
Total Operating Expense	**300,000**	**300,000**	
Augmentation allowed from Indiana Safe Schools Fund.			

The above appropriations for the Indiana safe schools program are for the purpose of providing grants to school corporations and charter schools for school safe haven programs, emergency preparedness programs, and school safety programs. The criminal justice institute shall transfer $750,000 each fiscal year to the department of education to provide training to school safety specialists.

INDIANA CRIME GUNS TASK FORCE			
Total Operating Expense	**5,000,000**	**5,000,000**	
LOCAL LAW ENFORCEMENT TRAINING GRANTS			
Total Operating Expense	**3,500,000**	**3,500,000**	

The above appropriations are for the purpose of providing grants to city, town, and county law enforcement agencies to conduct law enforcement training, including the purchase of supplies and training materials. Law enforcement agencies may apply for grants in accordance with policies and procedures established by the criminal justice institute. A grant awarded by the criminal justice institute to a law enforcement agency in a fiscal year may not exceed the amount that the law enforcement agency received from fees collected pursuant to IC 35-47-2-3 in calendar year 2020.

OFFICE OF TRAFFIC SAFETY			
Total Operating Expense	**507,633**	**507,633**	

The above appropriation for the office of traffic safety may be used to cover the state match requirement for this program according to the current highway safety

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
plan approved by the governor and the budget agency.			
SEXUAL ASSAULT VICTIMS' ASSISTANCE			
Total Operating Expense	**2,000,000**	**2,000,000**	
VICTIMS OF VIOLENT CRIME ADMINISTRATION			
Total Operating Expense	**3,636,841**	**3,636,841**	
Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)			
Total Operating Expense	**2,550,844**	**2,550,844**	
Augmentation allowed from the violent crime victims compensation fund.			
If appropriations are insufficient to pay eligible claims, the budget agency may augment from the general fund.			
DOMESTIC VIOLENCE PREVENTION AND TREATMENT			
Total Operating Expense	**5,000,000**	**5,000,000**	
Domestic Violence Prevention and Treatment Fund (IC 5-2-6.7-4)			
Total Operating Expense	**1,226,800**	**1,226,800**	
Augmentation allowed from domestic violence prevention and treatment fund.			
The above appropriations are for programs for the prevention of domestic violence. The appropriations may not be used to construct a shelter.			
FOR THE DEPARTMENT OF TOXICOLOGY			
Total Operating Expense	**2,249,632**	**2,249,632**	
BREATH TEST TRAINING AND CERTIFICATION			
Breath Test Training and Certification Fund (IC 10-20-2-9)			
Total Operating Expense	**355,000**	**355,000**	
Augmentation allowed from the Breath Test Training and Certification Fund.			
FOR THE CORONERS TRAINING BOARD			
Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)			
Total Operating Expense	**400,000**	**400,000**	
Augmentation allowed.			
The state department of health shall administer the Coroners Training and Continuing Education Fund.			
FOR THE LAW ENFORCEMENT TRAINING ACADEMY			
	2,287,272	**2,287,272**	
Law Enforcement Academy Fund (IC 5-2-1-13)			
	2,584,810	**2,622,760**	
Augmentation allowed from the Law Enforcement Academy Fund.			
The amounts specified from the General Fund and the Law Enforcement Academy Fund are for the following purposes:			
Total Operating Expense	**4,872,082**	**4,910,032**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
C. REGULATORY AND LICENSING			
FOR THE BUREAU OF MOTOR VEHICLES			
Personal Services	**15,780,460**	**15,780,460**	
Other Operating Expense	**10,529,389**	**10,529,389**	
FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION			
Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)			
Total Operating Expense	**6,436,521**	**6,608,981**	
Augmentation allowed.			
MOTORCYCLE OPERATOR SAFETY			
Motorcycle Operator Safety Education Fund (IC 9-27-7-7)			
Total Operating Expense	**1,430,622**	**1,411,122**	
Augmentation allowed.			
LICENSE BRANCHES			
Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)			
Total Operating Expense	**106,681,667**	**106,681,667**	
Augmentation allowed.			
FOR THE DEPARTMENT OF LABOR			
Personal Services	**651,148**	**651,148**	
Other Operating Expense	**52,037**	**52,037**	
BUREAU OF MINES AND SAFETY			
Total Operating Expense	**156,517**	**156,517**	
QUALITY, METRICS, AND STATISTICS (M.I.S.)			
Total Operating Expense	**151,682**	**151,682**	
OCCUPATIONAL SAFETY AND HEALTH			
Total Operating Expense	**2,269,118**	**2,269,118**	

The above appropriations for occupational safety and health and M.I.S. research and statistics reflect only the general fund portion of the total program costs of the Indiana occupational safety and health plan as approved by the U.S. Department of Labor. It is the intent of the general assembly that the Indiana department of labor apply to the federal government for the federal share of the total program costs.

EMPLOYMENT OF YOUTH			
Labor Education and Youth Employment Fund (IC 22-2-18.1-32)			
Total Operating Expense	**532,110**	**532,110**	
Augmentation allowed.			
INSAFE			
Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)			
Total Operating Expense	**380,873**	**380,873**	
Augmentation allowed.			
FOR THE DEPARTMENT OF INSURANCE			
Department of Insurance Fund (IC 27-1-3-28)			
Personal Services	**6,191,755**	**6,191,755**	
Other Operating Expense	**1,199,878**	**1,199,878**	
Augmentation allowed.			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
ALL PAYER CLAIMS DATABASE			
Department of Insurance Fund (IC 27-1-3-28)			
Total Operating Expense	**4,300,000**	**1,000,000**	
Augmentation allowed.			
BAIL BOND DIVISION			
Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)			
Total Operating Expense	**66,465**	**66,465**	
Augmentation allowed.			
PATIENT'S COMPENSATION AUTHORITY			
Patient's Compensation Fund (IC 34-18-6-1)			
Total Operating Expense	**4,149,289**	**4,149,289**	
Augmentation allowed.			
POLITICAL SUBDIVISION RISK MANAGEMENT			
Political Subdivision Risk Management Fund (IC 27-1-29-10)			
Other Operating Expense	**133,108**	**133,108**	
Augmentation allowed.			
MINE SUBSIDENCE INSURANCE			
Mine Subsidence Insurance Fund (IC 27-7-9-7)			
Total Operating Expense	**2,400,000**	**2,400,000**	
Augmentation allowed.			
TITLE INSURANCE ENFORCEMENT OPERATING			
Title Insurance Enforcement Fund (IC 27-7-3.6-1)			
Total Operating Expense	**902,940**	**902,940**	
Augmentation allowed.			
FOR THE ALCOHOL AND TOBACCO COMMISSION			
Enforcement and Administration Fund (IC 7.1-4-10-1)			
Personal Services	**10,854,298**	**10,854,298**	
Other Operating Expense	**1,645,458**	**1,645,458**	
Augmentation allowed.			
YOUTH TOBACCO EDUCATION AND ENFORCEMENT			
Richard D. Doyle Youth Tobacco Education and Enforcement Fund (IC 7.1-6-2-6)			
Total Operating Expense	**72,849**	**72,849**	
Augmentation allowed.			
ATC SALARY MATRIX ADJUSTMENT			
Enforcement and Administration Fund (IC 7.1-4-10-1)			
Personal Services	**0**	**245,000**	
The above appropriations are for an adjustment to the ATC salary matrix.			
ATC OPEB CONTRIBUTION			
Enforcement and Administration Fund (IC 7.1-4-10-1)			
Total Operating Expense	**638,532**	**658,617**	
Augmentation allowed.			
FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS			
Financial Institutions Fund (IC 28-11-2-9)			
Personal Services	**7,384,743**	**7,384,743**	
Other Operating Expense	**1,943,928**	**1,943,928**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Augmentation allowed.			
FOR THE PROFESSIONAL LICENSING AGENCY			
Personal Services	**4,216,420**		**4,216,420**
Other Operating Expense	**306,062**		**306,062**
CONTROLLED SUBSTANCES DATA FUND (INSPECT)			
Controlled Substances Data Fund (IC 25-26-24-23)			
Total Operating Expense	**1,459,572**		**1,459,572**
Augmentation allowed.			
PRENEED CONSUMER PROTECTION			
Preneed Consumer Protection Fund (IC 30-2-13-28)			
Total Operating Expense	**67,000**		**67,000**
Augmentation allowed.			
BOARD OF FUNERAL AND CEMETERY SERVICE			
Funeral Service Education Fund (IC 25-15-9-13)			
Total Operating Expense	**250**		**250**
Augmentation allowed.			
DENTAL PROFESSION INVESTIGATION			
Dental Compliance Fund (IC 25-14-1-3.7)			
Total Operating Expense	**100,605**		**100,605**
Augmentation allowed.			
PHYSICIAN INVESTIGATION			
Physician Compliance Fund (IC 25-22.5-2-8)			
Total Operating Expense	**7,586**		**7,586**
Augmentation allowed.			
FOR THE CIVIL RIGHTS COMMISSION			
Personal Services	**1,539,033**		**1,539,033**
Other Operating Expense	**276,044**		**276,044**

The above appropriation for the Indiana civil rights commission reflects only the general fund portion of the total program costs for the processing of employment and housing discrimination complaints. It is the intent of the general assembly that the commission shall apply to the federal government for funding based upon the processing of employment and housing discrimination complaints.

COMMISSION FOR WOMEN			
Total Operating Expense	**98,115**		**98,115**
COMMISSION ON THE SOCIAL STATUS OF BLACK MALES			
Total Operating Expense	**135,431**		**135,431**
NATIVE AMERICAN INDIAN AFFAIRS COMMISSION			
Total Operating Expense	**74,379**		**74,379**
COMMISSION ON HISPANIC/LATINO AFFAIRS			
Total Operating Expense	**102,432**		**102,432**
DR. MARTIN LUTHER KING JR. HOLIDAY COMMISSION			
Total Operating Expense	**50,000**		**50,000**
FOR THE UTILITY CONSUMER COUNSELOR			
Public Utility Fund (IC 8-1-6-1)			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Personal Services	**6,135,835**	**6,135,835**	
Other Operating Expense	**771,825**	**771,825**	
Augmentation allowed.			
EXPERT WITNESS FEES AND AUDIT			
Public Utility Fund (IC 8-1-6-1)			
Total Operating Expense	**787,998**	**787,998**	
Augmentation allowed.			
FOR THE UTILITY REGULATORY COMMISSION			
Public Utility Fund (IC 8-1-6-1)			
Personal Services	**6,739,751**	**6,739,751**	
Other Operating Expense	**2,172,236**	**2,172,236**	
Augmentation allowed.			
FOR THE WORKER'S COMPENSATION BOARD			
Total Operating Expense	**1,835,964**	**1,835,964**	
Workers' Compensation Supplemental Administrative Fund (IC 22-3-5-6)			
Total Operating Expense	**409,155**	**409,155**	
Augmentation allowed from the worker's compensation supplemental administrative fund.			
FOR THE STATE BOARD OF ANIMAL HEALTH			
Personal Services	**4,626,244**	**4,626,244**	
Other Operating Expense	**518,500**	**518,500**	
INDEMNITY FUND			
Total Operating Expense	**42,500**	**42,500**	
Augmentation allowed.			
MEAT & POULTRY			
Total Operating Expense	**1,965,106**	**1,965,106**	
CAPTIVE CERVIDAE PROGRAMS			
Captive Cervidae Programs Fund (IC 15-17-14.7-16)			
Total Operating Expense	**40,000**	**40,000**	
Augmentation allowed.			
FOR THE DEPARTMENT OF HOMELAND SECURITY			
Fire and Building Services Fund (IC 22-12-6-1)			
Personal Services	**11,411,500**	**11,691,962**	
Other Operating Expense	**2,587,891**	**2,708,591**	
Augmentation allowed.			
REGIONAL PUBLIC SAFETY TRAINING			
Regional Public Safety Training Fund (IC 10-15-3-12)			
Total Operating Expense	**1,936,185**	**1,936,185**	
Augmentation allowed.			
RADIOLOGICAL HEALTH			
Total Operating Expense	**63,023**	**63,023**	
INDIANA SECURED SCHOOL SAFETY			
Total Operating Expense	**19,010,000**	**19,010,000**	
The above appropriations include funds to provide grants for the provision of school based			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

mental health services and social emotional wellness services to students in K-12 schools. From the above appropriations, the department shall make $500,000 available each fiscal year to accredited nonpublic schools that apply for grants for the purchase of security equipment or other security upgrades. The department shall prioritize grants to nonpublic schools that demonstrate a heightened risk of security threats.

EMERGENCY MANAGEMENT CONTINGENCY FUND			
Total Operating Expense	**97,288**	**97,288**	
Augmentation allowed.			

The above appropriations for the emergency management contingency fund are made under IC 10-14-3-28. The state budget agency shall report any augmentations of the emergency management contingency fund to the state budget committee no more than 60 days after the augmentation is made.

PUBLIC ASSISTANCE			
Total Operating Expense	**1**	**1**	
Augmentation allowed.			
INDIANA EMERGENCY RESPONSE COMMISSION			
Total Operating Expense	**48,579**	**48,579**	
Local Emergency Planning and Right to Know Fund (IC 13-25-2-10.5)			
Total Operating Expense	**63,251**	**63,251**	
Augmentation allowed.			
STATE DISASTER RELIEF			
State Disaster Relief Fund (IC 10-14-4-5)			
Total Operating Expense	**149,784**	**149,784**	
Augmentation allowed.			
FIRE PREVENTION AND PUBLIC SAFETY			
Fire Prevention and Public Safety Fund (IC 22-14-7-27)			
Total Operating Expense	**32,000**	**32,000**	
Augmentation allowed.			

Any remaining balance in the reduced ignition propensity standards for cigarettes fund before its repeal shall be transferred to the fire prevention and public safety fund.

STATEWIDE FIRE AND BUILDING SAFETY EDUCATION FUND			
Statewide Fire and Building Safety Education Fund (IC 22-12-6-3)			
Total Operating Expense	**102,815**	**102,815**	
Augmentation allowed.			

SECTION 5. [EFFECTIVE JULY 1, 2021]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION			
Personal Services	**9,090,851**	**9,090,851**	
Other Operating Expense	**1,926,025**	**1,926,025**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
DNR OPEB CONTRIBUTION			
Total Operating Expense	**2,399,766**	**2,454,372**	
ENTOMOLOGY AND PLANT PATHOLOGY DIVISION			
Total Operating Expense	**794,022**	**794,022**	
Entomology and Plant Pathology Fund (IC 14-24-10-3)			
Total Operating Expense	**302,415**	**302,415**	
DNR ENGINEERING DIVISION			
Personal Services	**1,749,853**	**1,749,853**	
Other Operating Expense	**348,650**	**348,650**	
DIVISION OF HISTORIC PRESERVATION AND ARCHAEOLOGY			
Total Operating Expense	**916,191**	**916,191**	
WABASH RIVER HERITAGE CORRIDOR			
Wabash River Heritage Corridor Fund (IC 14-13-6-23)			
Total Operating Expense	**159,128**	**159,128**	
NATURE PRESERVES DIVISION			
Other Operating Expense	**351,488**	**351,488**	
WATER DIVISION			
Personal Services	**4,472,659**	**4,472,659**	
Other Operating Expense	**500,001**	**500,001**	

All revenues accruing from state and local units of government and from private utilities and industrial concerns as a result of water resources study projects, and as a result of topographic and other mapping projects, shall be deposited into the state general fund, in addition to the above appropriations, for water resources studies. The above appropriations include $200,000 each fiscal year for the monitoring of water resources.

DEER RESEARCH AND MANAGEMENT			
Deer Research and Management Fund (IC 14-22-5-2)			
Total Operating Expense	**90,180**	**90,180**	
Augmentation allowed.			
OIL AND GAS DIVISION			
Oil and Gas Fund (IC 6-8-1-27)			
Personal Services	**1,054,473**	**1,054,473**	
Other Operating Expense	**302,192**	**302,192**	
Augmentation allowed.			
STATE PARKS AND RESERVOIRS			
	3,590,713	**3,590,713**	
State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)			
	35,210,802	**35,210,802**	
Augmentation allowed from the State Parks and Reservoirs Special Revenue Fund.			

The amounts specified from the General Fund and the State Parks and Reservoirs Special Revenue Fund are for the following purposes:

Personal Services	**25,623,759**	**25,623,759**	
Other Operating Expense	**13,177,756**	**13,177,756**	
SNOWMOBILE FUND			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)			
Total Operating Expense	**78,209**	**78,209**	
Augmentation allowed.			
DNR LAW ENFORCEMENT DIVISION			
	14,068,613	**14,068,613**	
Fish and Wildlife Fund (IC 14-22-3-2)			
	10,831,730	**10,831,730**	
Augmentation allowed from the Fish and Wildlife Fund.			
The amounts specified from the General Fund and the Fish and Wildlife Fund are for the following purposes:			
Personal Services	**21,631,843**	**21,631,843**	
Other Operating Expense	**3,268,500**	**3,268,500**	
DNR SALARY MATRIX ADJUSTMENT			
Personal Services	**0**	**700,000**	
The above appropriations are for an adjustment to the DNR salary matrix.			
SPORTSMEN'S BENEVOLENCE			
Total Operating Expense	**145,500**	**145,500**	
FISH AND WILDLIFE DIVISION			
Fish and Wildlife Fund (IC 14-22-3-2)			
Personal Services	**5,239,323**	**5,239,323**	
Other Operating Expense	**4,302,011**	**4,302,011**	
Augmentation allowed.			
FORESTRY DIVISION			
	5,831,218	**5,831,218**	
State Forestry Fund (IC 14-23-3-2)			
	3,643,741	**3,643,741**	
Augmentation allowed from the State Forestry Fund.			
The amounts specified from the General Fund and the State Forestry Fund are for the following purposes:			
Personal Services	**7,184,827**	**7,184,827**	
Other Operating Expense	**2,290,132**	**2,290,132**	
In addition to any of the above appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.			
LAKE MICHIGAN COASTAL PROGRAM MATCH			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Cigarette Tax Fund (IC 6-7-1-28.1)			
Total Operating Expense	**117,313**	**117,313**	
Augmentation allowed.			
LAKE AND RIVER ENHANCEMENT			
Lake and River Enhancement Fund (IC 14-22-3.5-1)			
Total Operating Expense	**2,046,309**	**2,046,309**	
Augmentation allowed.			
HERITAGE TRUST			
Total Operating Expense	**94,090**	**94,090**	
Benjamin Harrison Conservation Trust Fund (IC 14-12-2-25)			
Total Operating Expense	**811,750**	**811,750**	
Augmentation allowed.			
INSTITUTIONAL ROAD CONSTRUCTION			
State Highway Fund (IC 8-23-9-54)			
Total Operating Expense	**2,425,000**	**2,425,000**	

The above appropriations for institutional road construction may be used for road and bridge construction, relocation, and other related improvement projects at state owned properties managed by the department of natural resources.

B. OTHER NATURAL RESOURCES

FOR THE INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION			
Total Operating Expense	**9,215,833**	**9,215,833**	

In lieu of billing the University of Southern Indiana, the above appropriations include $25,000 each fiscal year for the purpose of maintaining historic properties in New Harmony.

FOR THE WAR MEMORIALS COMMISSION			
Personal Services	**935,203**	**935,203**	
Other Operating Expense	**453,615**	**453,615**	

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be deposited into the general fund.

FOR THE WHITE RIVER STATE PARK DEVELOPMENT COMMISSION			
Total Operating Expense	**848,506**	**848,506**	
FOR THE MAUMEE RIVER BASIN COMMISSION			
Total Operating Expense	**101,850**	**101,850**	
FOR THE ST. JOSEPH RIVER BASIN COMMISSION			
Total Operating Expense	**104,974**	**104,974**	
FOR THE KANKAKEE RIVER BASIN COMMISSION			
Total Operating Expense	**52,487**	**52,487**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
C. ENVIRONMENTAL MANAGEMENT			
FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT			
OPERATING			
Personal Services	**8,379,269**		**8,379,269**
Other Operating Expense	**4,851,426**		**4,851,426**
OFFICE OF ENVIRONMENTAL RESPONSE			
Personal Services	**2,109,416**		**2,109,416**
Other Operating Expense	**280,000**		**280,000**
POLLUTION PREVENTION AND TECHNICAL ASSISTANCE			
Personal Services	**599,439**		**599,439**
Other Operating Expense	**70,000**		**70,000**
RIVERSIDE CLEAN-UP			
Total Operating Expense	**1,950,000**		**1,950,000**
STATE SOLID WASTE GRANTS MANAGEMENT			
State Solid Waste Management Fund (IC 13-20-22-2)			
Total Operating Expense	**3,649,940**		**3,649,940**
Augmentation allowed.			
RECYCLING PROMOTION AND ASSISTANCE PROGRAM			
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)			
Total Operating Expense	**2,225,116**		**2,225,116**
Augmentation allowed.			
VOLUNTARY CLEAN-UP PROGRAM			
Voluntary Remediation Fund (IC 13-25-5-21)			
Personal Services	**1,076,668**		**1,076,668**
Other Operating Expense	**90,000**		**90,000**
Augmentation allowed.			
TITLE V AIR PERMIT PROGRAM			
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)			
Personal Services	**10,842,859**		**10,842,859**
Other Operating Expense	**725,000**		**725,000**
Augmentation allowed.			
WATER MANAGEMENT PERMITTING			
Environmental Management Permit Operation Fund (IC 13-15-11-1)			
Personal Services	**6,030,674**		**6,030,674**
Other Operating Expense	**1,769,000**		**1,769,000**
Augmentation allowed.			
SOLID WASTE MANAGEMENT PERMITTING			
Environmental Management Permit Operation Fund (IC 13-15-11-1)			
Personal Services	**3,315,656**		**3,315,656**
Other Operating Expense	**963,000**		**963,000**
Augmentation allowed.			
CFO/CAFO INSPECTIONS			
Total Operating Expense	**812,248**		**812,248**
HAZARDOUS WASTE MANAGEMENT PERMITTING			
Environmental Management Permit Operation Fund (IC 13-15-11-1)			
Personal Services	**882,577**		**882,577**
Other Operating Expense	**339,000**		**339,000**

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Augmentation allowed.			
Environmental Management Special Fund (IC 13-14-12)			
Total Operating Expense	**1,500,000**	**1,500,000**	
ELECTRONIC WASTE			
Electronic Waste Fund (IC 13-20.5-2-3)			
Total Operating Expense	**213,685**	**213,685**	
Augmentation allowed.			
AUTO EMISSIONS TESTING PROGRAM			
Total Operating Expense	**5,087,133**	**5,087,133**	

The above appropriations for auto emissions testing are the maximum amounts available for this purpose. If it becomes necessary to conduct additional tests in other locations, the above appropriations shall be prorated among all locations.

HAZARDOUS WASTE SITES - STATE CLEAN-UP			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**3,486,973**	**3,486,973**	
Augmentation allowed.			
HAZARDOUS WASTE - NATURAL RESOURCE DAMAGES			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**237,215**	**237,215**	
Augmentation allowed.			
SUPERFUND MATCH			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	**1,500,000**	**1,500,000**	
Augmentation allowed.			
ASBESTOS TRUST - OPERATING			
Asbestos Trust Fund (IC 13-17-6-3)			
Total Operating Expense	**567,086**	**567,086**	
Augmentation allowed.			
UNDERGROUND PETROLEUM STORAGE TANK - OPERATING			
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Personal Services	**3,399,496**	**3,399,496**	
Other Operating Expense	**33,861,114**	**33,861,114**	
Augmentation allowed.			
WASTE TIRE MANAGEMENT			
Waste Tire Management Fund (IC 13-20-13-8)			
Total Operating Expense	**1,508,758**	**1,508,758**	
Augmentation allowed.			
CCR STATE PERMIT PROGRAM			
CCR Program Fund (IC 13-19-3-3.2)			
Total Operating Expense	**100,000**	**450,000**	
Augmentation allowed.			
VOLUNTARY COMPLIANCE			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	**529,126**	**529,126**	
Augmentation allowed.			
PETROLEUM TRUST - OPERATING			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**1,110,000**	**1,110,000**	
Augmentation allowed.			

Notwithstanding any other law, with the approval of the governor and the budget agency, the above appropriations for hazardous waste management permitting, wetlands protection, groundwater program, underground storage tank program, air management operating, asbestos trust operating, water management nonpermitting, safe drinking water program, and any other appropriation eligible to be included in a performance partnership grant may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the department of environmental management.

FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION			
Personal Services	**319,652**	**319,652**	
Other Operating Expense	**20,007**	**20,007**	

SECTION 6. [EFFECTIVE JULY 1, 2021]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE			
Personal Services	**1,404,171**	**1,404,171**	
Other Operating Expense	**805,854**	**805,854**	

The above appropriations include $5,000 each fiscal year to purchase plaques for the recipients of the Hoosier Homestead award.

DISTRIBUTIONS TO FOOD BANKS			
Total Operating Expense	**1,000,000**	**1,000,000**	
CLEAN WATER INDIANA			
Total Operating Expense	**970,000**	**970,000**	
Cigarette Tax Fund (IC 6-7-1-28.1)			
Total Operating Expense	**2,519,014**	**2,519,014**	
SOIL CONSERVATION DIVISION			
Cigarette Tax Fund (IC 6-7-1-28.1)			
Total Operating Expense	**1,205,700**	**1,205,700**	
Augmentation allowed.			
GRAIN BUYERS AND WAREHOUSE LICENSING			
Grain Buyers and Warehouse Licensing Agency License Fee Fund (IC 26-3-7-6.3)			
Total Operating Expense	**598,090**	**598,090**	
Augmentation allowed.			

B. COMMERCE

FOR THE LIEUTENANT GOVERNOR			
INDIANA DESTINATION DEVELOPMENT CORP.			
Total Operating Expense	**5,858,036**	**5,858,036**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

The above appropriation includes $500,000 annually to assist the department of natural resources with marketing efforts.

Of the above appropriations, the office of tourism development shall distribute up to $550,000 each year to the Indiana sports corporation to promote the hosting of amateur sporting events in Indiana cities. Funds may be released, and in an amount lesser per year, only after the actual allocation amount has been reviewed by the budget committee.

The office may retain any advertising revenue generated by the office. Any revenue received is in addition to the above appropriations and is appropriated for the purposes of the office.

The above appropriations include $75,000 each state fiscal year for the Grissom Air Museum and $50,000 for the Studebaker Museum. The Studebaker Museum distribution requires a $50,000 match. Funds for the Grissom Air Museum and the Studebaker Museum may be released, and in an amount lesser per year, only after the actual allocation amount has been reviewed by the budget committee. Of the above appropriations, up to $500,000 each year may be used to pay costs associated with hosting the national convention for FFA.

OFFICE OF COMMUNITY AND RURAL AFFAIRS		
Total Operating Expense	**1,355,746**	**1,355,746**
HISTORIC PRESERVATION GRANTS		
Total Operating Expense	**778,561**	**778,561**
LINCOLN PRODUCTION		
Total Operating Expense	**164,493**	**164,493**
INDIANA GROWN		
Total Operating Expense	**206,230**	**206,230**
RURAL ECONOMIC DEVELOPMENT		
Total Operating Expense	**496,712**	**496,712**
FOOD EMPOWERMENT PILOT PROJECT		
Total Operating Expense	**600,000**	**0**

The above appropriation may be used to acquire equipment and to provide for training connected with running a retail grocery store in low income areas where access to resources for food is limited in a consolidated city. The grant must be used to provide to an entity that is receiving donor support from a private sector company that is succificent to build the grocery store. The project must include a component which educates the grocery store patrons on the preparation of fresh and healthy food.

FOR THE OFFICE OF ENERGY DEVELOPMENT		
Total Operating Expense	**235,109**	**235,109**
FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION		
ADMINISTRATIVE AND FINANCIAL SERVICES		
Total Operating Expense	**7,694,904**	**7,694,904**

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Skills Enhancement Fund (IC 5-28-7-5)			
Total Operating Expense	**180,061**		**180,061**
Industrial Development Grant Fund (IC 5-28-25-4)			
Total Operating Expense	**50,570**		**50,570**
INDIANA 21ST CENTURY RESEARCH AND TECHNOLOGY FUND			
Total Operating Expense	**32,750,000**		**32,750,000**
MANUFACTURING READINESS GRANTS			
Total Operating Expense	**10,000,000**		**10,000,000**
SKILLS ENHANCEMENT FUND			
Total Operating Expense	**11,500,000**		**11,500,000**
OFFICE OF SMALL BUSINESS AND ENTREPRENEURSHIP			
Total Operating Expense	**1,183,000**		**1,183,000**
INDIANA OFFICE OF DEFENSE DEVELOPMENT			
Total Operating Expense	**523,627**		**523,627**
CAREER CONNECTIONS AND TALENT			
Personal Services	**595,197**		**595,197**
Other Operating Expense	**79,235**		**79,235**
BUSINESS PROMOTION AND INNOVATION			
Total Operating Expense	**17,000,000**		**17,000,000**

The above appropriations may be used by the Indiana Economic Development Corporation to promote business investment and encourage entrepreneurship and innovation. The corporation may use the above appropriations to advance innovation and entrepreneurship education through strategic partnerships with higher education institutions and communities, provide innovation vouchers to small Hoosier businesses, establish a pilot project for income sharing agreements, support efforts to attract amateur sporting events, including contributions to bid funds, promote and enhance the motor sports industry in Indiana, and support activities that promote international trade.

INDUSTRIAL DEVELOPMENT GRANT PROGRAM			
Total Operating Expense	**4,850,000**		**4,850,000**
ECONOMIC DEVELOPMENT FUND			
Total Operating Expense	**947,344**		**947,344**

FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

HOUSING FIRST PROGRAM			
Total Operating Expense	**890,027**		**890,027**
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS			
Total Operating Expense	**609,945**		**609,945**

The housing and community development authority shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The division of family resources shall apply all qualifying expenditures for individual development account deposits toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

FOR THE INDIANA FINANCE AUTHORITY

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM			
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Total Operating Expense	**2,500,000**	**2,500,000**	

C. EMPLOYMENT SERVICES

FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT			
ADMINISTRATION			
Total Operating Expense	**1,138,715**	**1,138,715**	
WORK INDIANA PROGRAM			
Total Operating Expense	**150,000**	**150,000**	
PROPRIETARY EDUCATIONAL INSTITUTIONS			
Total Operating Expense	**53,243**	**53,243**	
NEXT LEVEL JOBS EMPLOYER TRAINING GRANT PROGRAM			
Total Operating Expense	**17,064,066**	**17,064,066**	
INDIANA CONSTRUCTION ROUNDTABLE FOUNDATION			
Total Operating Expense	**850,000**	**850,000**	
WORKFORCE READY GRANTS			
Total Operating Expense	**3,000,000**	**3,000,000**	
DROPOUT PREVENTION			
Total Operating Expense	**6,800,000**	**6,800,000**	
ADULT EDUCATION DISTRIBUTION			
Total Operating Expense	**12,985,041**	**12,985,041**	

It is the intent of the 2021 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. If disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of workforce development shall reduce the distributions proportionately.

SERVE INDIANA ADMINISTRATION			
Total Operating Expense	**239,560**	**239,560**	
FOR THE WORKFORCE CABINET			
Total Operating Expense	**500,000**	**500,000**	
WORKFORCE DIPLOMA REIMBURSEMENT PROGRAM			
Total Operating Expense	**1,000,000**	**1,000,000**	
PERKINS STATE MATCH			
Total Operating Expense	**494,000**	**494,000**	
OFFICE OF WORK-BASED LEARNING AND APPRENTICESHIP			
Total Operating Expense	**255,000**	**255,000**	
PROMOTED INDUSTRY CERTIFICATION EXAMS			
Total Operating Expense	**200,000**	**200,000**	

The above appropriations for certifications are to provide funding for students of accredited public and nonpublic schools to take exams required to earn certifications on Indiana's promoted industry certification list.

D. OTHER ECONOMIC DEVELOPMENT

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
FOR THE INDIANA STATE FAIR BOARD			
Total Operating Expense	**2,128,859**	**2,128,859**	

SECTION 7. [EFFECTIVE JULY 1, 2021]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION			
RAILROAD GRADE CROSSING IMPROVEMENT			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**750,000**	**750,000**	
PUBLIC MASS TRANSPORTATION			
Other Operating Expense	**45,000,000**	**45,000,000**	

The above appropriations for public mass transportation are to be used solely for the promotion and development of public transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 5301 et seq.) or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

AIRPORT DEVELOPMENT			
Airport Development Grant Fund (IC 8-21-11)			
Other Operating Expense	**3,600,000**	**3,600,000**	
Augmentation allowed.			
HIGHWAY OPERATING			
State Highway Fund (IC 8-23-9-54)			
Personal Services	**281,673,026**	**281,673,026**	
Other Operating Expense	**74,645,808**	**76,511,954**	
Augmentation allowed.			
HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT			
State Highway Fund (IC 8-23-9-54)			
Other Operating Expense	**30,307,124**	**30,783,714**	
Augmentation allowed.			

The above appropriations for highway operating and highway vehicle and road maintenance equipment may be used for the cost of providing transportation for the governor.

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
HIGHWAY MAINTENANCE WORK PROGRAM			
State Highway Fund (IC 8-23-9-54)			
Other Operating Expense	**121,904,082**	**124,646,972**	
Augmentation allowed.			

The above appropriations for the highway maintenance work program may be used for:
(1) materials for patching roadways and shoulders;
(2) repairing and painting bridges;
(3) installing signs and signals and painting roadways for traffic control;
(4) mowing, herbicide application, and brush control;
(5) drainage control;
(6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
(7) materials for snow and ice removal;
(8) utility costs for roadway lighting; and
(9) other special maintenance and support activities consistent with the highway maintenance work program.

HIGHWAY CAPITAL IMPROVEMENTS		
State Highway Fund (IC 8-23-9-54)		
Right-of-Way Expense	**50,000,000**	**50,000,000**
Formal Contracts Expense	**718,224,085**	**805,032,075**
Consulting Services Expense	**100,000,000**	**100,000,000**
Institutional Road Construction	**5,000,000**	**5,000,000**
Augmentation allowed for the highway capital improvements program.		

The above appropriations for the capital improvements program may be used for:
(1) bridge rehabilitation and replacement;
(2) road construction, reconstruction, or replacement;
(3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
(4) relocation and modernization of existing roads;
(5) resurfacing;
(6) erosion and slide control;
(7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
(8) small structure replacements;
(9) safety and spot improvements; and
(10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

Subject to approval by the Budget Director, the above appropriation for institutional road construction may be used for road, bridge, and parking lot construction, maintenance, and improvement projects at any state-owned property.

No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
NEXT LEVEL CONNECTIONS			
Next Level Connections Fund (IC 8-14-14.3)			
Total Operating Expense	**214,000,000**	**205,000,000**	
Augmentation allowed.			

The department shall use $192,000,000 of the above appropriation for fiscal year 2022 to defease any remaining highway revenue bonds issued for Section 5 of Interstate Highway 69.

TOLL ROAD COUNTIES STATE HIGHWAY PROGRAM			
Toll Road Lease Amendment Proceeds Fund (IC 8-14-14.2)			
Total Operating Expense	**238,000,000**	**196,000,000**	
Augmentation allowed.			
HIGHWAY PLANNING AND RESEARCH PROGRAM			
State Highway Fund (IC 8-23-9-54)			
Total Operating Expense	**3,780,000**	**3,780,000**	
Augmentation allowed.			
STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM			
State Highway Road Construction and Improvement Fund (IC 8-14-10-5)			
Lease Rental Payments Expense	**70,000,000**	**70,000,000**	
Augmentation allowed.			

The above appropriations for the state highway road construction and improvement program shall be first used for payment of rentals and leases relating to projects under IC 8-14.5. If any funds remain, the funds may be used for the following purposes:
(1) road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
(3) relocation and modernization of existing roads; and
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

CROSSROADS 2000 PROGRAM			
Crossroads 2000 Fund (IC 8-14-10-9)			
Lease Rental Payment Expense	**38,400,000**	**38,400,000**	
Augmentation allowed.			
State Highway Fund (IC 8-23-9-54)			
Lease Rental Payment Expense	**4,657,882**	**5,070,335**	
Augmentation allowed.			

The above appropriations for the crossroads 2000 program shall be first used for payment of rentals and leases relating to projects under IC 8-14-10-9. If any funds remain, the funds may be used for the following purposes:
(1) road and bridge construction, reconstruction, or replacement;
(2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
(3) relocation and modernization of existing roads; and
(4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
JOINT MAJOR MOVES CONSTRUCTION			
Major Moves Construction Fund (IC 8-14-14-5)			
Formal Contracts Expense	**151,862,686**		**0**
Augmentation allowed.			
FEDERAL APPORTIONMENT			
Formal Contracts Expense	**1,184,000,000**	**1,091,666,667**	

The department may establish an account to be known as the "local government revolving account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2021-2023 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH			
Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	**250,000**	**250,000**	

The above appropriation is for developing and maintaining a centralized electronic statewide asset management data base that may be used to aggregrate data on local road conditions. The data base shall be developed in cooperation with the department and the office of management and budget per IC 8-14-3-3.

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:
(1) the program of technical assistance under IC 8-23-2-5(a)(6); and
(2) the research and highway extension program conducted for local government under

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7), there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:
(1) one-half (1/2) from the thirty-eight percent (38%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
(2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

OHIO RIVER BRIDGE		
State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	**500,000**	**500,000**

SECTION 8. [EFFECTIVE JULY 1, 2021]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

FAMILY AND SOCIAL SERVICES ADMINISTRATION - CENTRAL OFFICE		
Total Operating Expense	**13,602,650**	**13,602,650**
SOCIAL SERVICES DATA WAREHOUSE		
Total Operating Expense	**38,273**	**38,273**
211 SERVICES		
Total Operating Expense	**1,263,519**	**1,263,519**
INDIANA PRESCRIPTION DRUG PROGRAM		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**443,315**	**443,315**
CHILDREN'S HEALTH INSURANCE PROGRAM ASSISTANCE		
Total Operating Expense	**46,200,000**	**51,100,000**
CHILDREN'S HEALTH INSURANCE PROGRAM ADMINISTRATION		
Total Operating Expense	**1,403,000**	**1,403,000**
OMPP STATE PROGRAMS		
Total Operating Expense	**713,924**	**713,924**
MEDICAID ADMINISTRATION		
Total Operating Expense	**36,451,919**	**36,451,919**
MEDICAID ASSISTANCE		

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**2,584,600,000**	**2,931,900,000**	

The above appropriations for Medicaid assistance and for Medicaid administration are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6.5. Of the above appropriations in both FY 2022 and FY 2023, the office of Medicaid policy and planning shall utilize $2,000,000 to increase reimbursement for Aged & Disabled Waiver assisted living services and $10,000,000 to increase reimbursement for Medicaid home health services. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of Medicaid policy and planning for the respective purposes for which the money was allocated and paid to the state. Subject to the provisions of IC 12-8-1.5-11, if the sums herein appropriated for Medicaid assistance and for Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

HEALTHY INDIANA PLAN		
Healthy Indiana Plan Trust Fund (IC 12-15-44.2-17)		
Total Operating Expense	**103,034,565**	**99,134,565**
Augmentation allowed.		
MARION COUNTY HEALTH AND HOSPITAL CORPORATION		
Total Operating Expense	**38,000,000**	**38,000,000**
MENTAL HEALTH ADMINISTRATION		
Total Operating Expense	**2,480,903**	**2,480,903**

Two hundred seventy-five thousand dollars ($275,000) of the above appropriation shall be distributed annually to neighborhood based community service programs.

MENTAL HEALTH AND ADDICTION FORENSIC TREATMENT SERVICES GRANT		
Total Operating Expense	**25,000,000**	**25,000,000**

The Family and Social Services Administration shall report to the State Budget Committee prior to November 1, 2021, on the mental health and addiction forensic treatment services grant program including the amounts of the awards and grants, the number of recipients receiving services, and the impacts of the program in reducing incarceration and recidivism.

CHILD PSYCHIATRIC SERVICES		
Total Operating Expense	**13,458,508**	**13,458,508**

The above appropriation includes $4,500,000 in both FY 2022 and FY 2023 for the Family and Social Services Administration to contract with no more than three regionally diverse social services providers to implement an evidence-based program that partners with school corporations, charter schools, and accredited nonpublic schools to provide social work services and evidence-based prevention programs to children, parents, caregivers, teachers, and the community to prevent substance abuse, promote healthy

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

behaviors, and maximize student success. In making contracts for FY 2022 and FY 2023, the Family and Social Services Administration shall require the contracted social services providers to secure matching funds that obligate the state to no more than sixty-five percent (65%) of the total program cost and require the contracted social services providers to have experience in providing similar services including independent evaluation of those services.

CHILD ASSESSMENT NEEDS SURVEY		
Total Operating Expense	**218,525**	**218,525**
SERIOUSLY EMOTIONALLY DISTURBED		
Total Operating Expense	**14,571,352**	**14,571,352**
SERIOUSLY MENTALLY ILL		
Total Operating Expense	**88,279,650**	**88,279,650**
Mental Health Centers Fund (IC 6-7-1-32.1)		
Total Operating Expense	**2,454,890**	**2,454,890**
Augmentation allowed.		
COMMUNITY MENTAL HEALTH CENTERS		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	**7,200,000**	**7,200,000**

The above appropriation from the Tobacco Master Settlement Agreement Fund is in addition to other funds. The above appropriations for comprehensive community mental health services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

The comprehensive community mental health centers shall submit their proposed annual budgets (including income and operating statements) to the budget agency on or before August 1 of each year. All federal funds shall be used to augment the above appropriations rather than supplant any portion of the appropriation. The office of the secretary, with the approval of the budget agency, shall determine an equitable allocation of the appropriation among the mental health centers.

GAMBLERS' ASSISTANCE		
Addiction Services Fund (IC 12-23-2)		
Total Operating Expense	**3,047,034**	**3,047,034**
Augmentation allowed.		
SUBSTANCE ABUSE TREATMENT		
Total Operating Expense	**4,100,000**	**4,100,000**
Addiction Services Fund (IC 12-23-2)		
Total Operating Expense	**1,257,131**	**1,257,131**
QUALITY ASSURANCE/RESEARCH		
Total Operating Expense	**304,711**	**304,711**
PREVENTION		
Addiction Services Fund (IC 12-23-2)		
Total Operating Expense	**2,572,675**	**2,572,675**
Augmentation allowed.		
METHADONE DIVERSION CONTROL AND OVERSIGHT (MDCO) PROGRAM		
Opioid Treatment Program Fund (IC 12-23-18-4)		
Total Operating Expense	**363,995**	**363,995**

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Augmentation allowed.			
DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**250,000**	**250,000**	
Augmentation allowed.			
EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER			
Total Operating Expense	**1,539,869**	**1,539,869**	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	**2,209,422**	**2,209,422**	
Augmentation allowed.			
EVANSVILLE STATE HOSPITAL			
Total Operating Expense	**22,896,280**	**22,896,280**	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	**4,340,134**	**4,340,134**	
Augmentation allowed.			
LARUE CARTER MEMORIAL HOSPITAL			
Total Operating Expense	**414,749**	**414,749**	
LOGANSPORT STATE HOSPITAL			
Total Operating Expense	**31,201,089**	**31,201,089**	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	**1,410,464**	**1,410,464**	
Augmentation allowed.			
MADISON STATE HOSPITAL			
Total Operating Expense	**25,147,845**	**25,147,845**	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	**2,796,667**	**2,796,667**	
Augmentation allowed.			
RICHMOND STATE HOSPITAL			
Total Operating Expense	**32,969,553**	**32,969,553**	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	**2,062,201**	**2,062,201**	
Augmentation allowed.			
NEURO DIAGNOSTIC INSTITUTE			
Total Operating Expense	**30,618,869**	**30,001,556**	
Mental Health Fund (IC 12-24-14-4)			
Total Operating Expense	**4,671,125**	**5,288,438**	
Augmentation allowed.			
PATIENT PAYROLL			
Total Operating Expense	**148,533**	**148,533**	

The federal share of revenue accruing to the state mental health institutions under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established by IC 12-24-14, and the remainder shall be deposited in the general fund.

DIVISION OF FAMILY RESOURCES ADMINISTRATION			
Total Operating Expense	**1,994,565**	**1,994,565**	
EBT ADMINISTRATION			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**114,079**	**114,079**	
DFR - COUNTY ADMINISTRATION			
Total Operating Expense	**90,115,284**	**90,115,284**	
INDIANA ELIGIBILITY SYSTEM			
Total Operating Expense	**8,377,529**	**8,377,529**	
SNAP/IMPACT ADMINISTRATION			
Total Operating Expense	**9,555,726**	**9,555,726**	
TEMPORARY ASSISTANCE TO NEEDY FAMILIES – STATE APPROPRIATION			
Total Operating Expense	**17,886,301**	**17,886,301**	
BURIAL EXPENSES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**5,816,761**	**5,816,761**	
DIVISION OF AGING ADMINISTRATION			
Total Operating Expense	**751,057**	**751,057**	
DIVISION OF AGING SERVICES			
Total Operating Expense	**563,561**	**563,561**	
ROOM AND BOARD ASSISTANCE (R-CAP)			
Total Operating Expense	**6,483,801**	**6,483,801**	
C.H.O.I.C.E. IN-HOME SERVICES			
Total Operating Expense	**48,765,643**	**48,765,643**	

The above appropriations for C.H.O.I.C.E. In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver.

The intragovernmental transfers for use in the Medicaid aged and disabled waiver may not exceed $18,000,000 annually.

The division of aging shall conduct an annual evaluation of the cost effectiveness of providing home and community-based services. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council (in an electronic format under IC 5-14-6) that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:
(1) the number and demographic characteristics of the recipients of home and community-based services during the preceding fiscal year, including a separate count of individuals who received no services other than case management services (as defined in 455 IAC 2-4-10) during the preceding fiscal year;
(2) the total cost and per recipient cost of providing home and community-based services during the preceding fiscal year.

The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6.

STATE SUPPLEMENT TO SSBG - AGING			
Total Operating Expense	**687,396**	**687,396**	
OLDER HOOSIERS ACT			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**1,573,446**	**1,573,446**	
ADULT PROTECTIVE SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**5,451,948**	**5,451,948**	
Augmentation allowed.			

The above appropriations may be used for emergency adult protective services placement. Funds shall be used to the extent that such services are not available to an individual through a policy of accident and sickness insurance, a health maintenance organization contract, the Medicaid program, the federal Medicare program, or any other federal program.

ADULT GUARDIANSHIP SERVICES			
Total Operating Expense	**405,565**	**405,565**	
DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION			
Total Operating Expense	**61,775**	**61,775**	
BUREAU OF REHABILITATIVE SERVICES -VOCATIONAL REHABILITATION			
Total Operating Expense	**16,093,405**	**16,093,405**	
INDEPENDENT LIVING			
Total Operating Expense	**871,926**	**871,926**	

The above appropriations include funding to be distributed to the centers for independent living for independent living services.

REHABILITATIVE SERVICES - DEAF AND HARD OF HEARING SERVICES			
Total Operating Expense	**236,402**	**236,402**	
BLIND VENDING - STATE APPROPRIATION			
Total Operating Expense	**64,295**	**64,295**	
QUALITY IMPROVEMENT SERVICES			
Total Operating Expense	**1,063,857**	**1,063,857**	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DAY SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Other Operating Expense	**3,418,884**	**3,418,884**	
FIRST STEPS			
Total Operating Expense	**18,000,000**	**18,000,000**	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DIAGNOSIS AND EVALUATION			
Total Operating Expense	**20,000**	**20,000**	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - OPERATING			
Total Operating Expense	**4,945,448**	**4,945,448**	

In the development of new community residential settings for persons with developmental disabilities, the division of disability and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

SCHOOL AGE CHILD CARE PROJECT FUND			
Total Operating Expense	**812,413**	**812,413**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

The above appropriations are made under IC 6-7-1-30.2(c) and not in addition to the transfer required by IC 6-7-1-30.2(c).

EARLY CHILDHOOD LEARNING		
Total Operating Expense	**28,860,246**	**28,860,246**
PRE-K EDUCATION PILOT		
Total Operating Expense	**22,005,069**	**22,005,069**

Of the above appropriations, $1,000,000 shall be used each fiscal year for reimbursement of technology based in-home early education services under IC 12-17.2-7.5.

FOR THE DEPARTMENT OF CHILD SERVICES

CHILD SERVICES ADMINISTRATION		
Total Operating Expense	**259,841,467**	**259,841,467**

With the above appropriations, the department of child services shall award grants to All Pro Dad chapters located in Indiana in an amount of at least $250,000 each year of the biennium for the purpose of building relationships between fathers and their children.

With the above appropriations, the department of child services shall award grants to Boys and Girls Clubs Indiana Alliance in an amount of at least $2,000,000 each year of the biennium for the purpose of providing grant funding to Indiana Boys and Girls clubs for the promotion of the social welfare of youth.

DHHS CHILD WELFARE PROGRAM		
Total Operating Expense	**46,554,199**	**46,554,199**
CHILD WELFARE SERVICES STATE GRANTS		
Total Operating Expense	**11,416,415**	**11,416,415**
TITLE IV-D CHILD SUPPORT		
Total Operating Expense	**13,379,008**	**13,379,008**

The above appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

FAMILY AND CHILDREN FUND		
Total Operating Expense	**492,376,260**	**492,376,260**
Augmentation allowed.		

With the above appropriations, the department of child services may operate an early intervention, home-based program pursuant to IC 31-33-8-16.

Of the above appropriations, the department of child services shall allocate $10,000,000 each fiscal year for the purpose of providing rate increases to providers of home based services.

YOUTH SERVICE BUREAU		
Total Operating Expense	**1,008,947**	**1,008,947**

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
PROJECT SAFEPLACE			
Total Operating Expense	**112,000**	**112,000**	
HEALTHY FAMILIES INDIANA			
Total Operating Expense	**3,093,145**	**3,093,145**	
ADOPTION SERVICES			
Total Operating Expense	**26,362,735**	**26,362,735**	
TITLE IV-E ADOPTION SERVICES			
Total Operating Expense	**31,489,886**	**31,489,886**	
FOR THE DEPARTMENT OF ADMINISTRATION			
DEPARTMENT OF CHILD SERVICES OMBUDSMAN BUREAU			
Total Operating Expense	**362,000**	**362,000**	
B. PUBLIC HEALTH			
FOR THE STATE DEPARTMENT OF HEALTH			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Personal Services	**18,627,727**	**18,627,727**	
Other Operating Expense	**4,484,468**	**4,484,468**	
Augmentation allowed.			

All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund.

AREA HEALTH EDUCATION CENTERS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**2,630,676**	**2,630,676**	
MINORITY HEALTH INITIATIVE			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,000,000**	**3,000,000**	

The above appropriations shall be allocated to the Indiana Minority Health Coalition to work with the state department on the implementation of IC 16-46-11.

MOBILE INTEGRATED HEALTH CARE			
Total Operating Expense	**100,000**	**0**	

The above appropriation shall be deposited in the mobile integration healthcare grant fund (IC 16-31-12-5).

INDIANA MINORITY HEALTH COALITION FUNDING			
Total Operating Expense	**100,000**	**0**	

The above appropriation shall be provided to the Indiana Minority Health Coalition Inc. to address COVID-19 disparities in accessing health care and chronic health conditions of minority communities.

SICKLE CELL			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**750,000**	**750,000**	
MEDICARE-MEDICAID CERTIFICATION			
Total Operating Expense	**5,079,399**	**5,079,399**	

Augmentation allowed in amounts not to exceed revenue from health facilities license fees or from health care providers (as defined in IC 16-18-2-163) fee increases or those adopted by the Executive Board of the Indiana State Department of Health under IC 16-19-3.

INFECTIOUS DISEASE			
Total Operating Expense	**1,390,325**	**1,390,325**	
NUTRITION ASSISTANCE			
Total Operating Expense	**280,806**	**280,806**	
HIV/AIDS SERVICES			
Total Operating Expense	**2,925,101**	**2,925,101**	
CANCER PREVENTION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**664,122**	**664,122**	
MATERNAL & CHILD HEALTH INITIATIVES			
Total Operating Expense	**239,639**	**239,639**	
TUBERCULOSIS TREATMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**100,000**	**100,000**	
STATE CHRONIC DISEASES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**862,488**	**862,488**	

At least $82,560 of the above appropriations shall be distributed as grants to community groups and organizations as provided in IC 16-46-7-8. The state department of health may consider grants to the Kidney Foundation up to $50,000.

OB NAVIGATOR PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,300,000**	**3,300,000**	

The department of health shall develop metrics for the OB Navigator Program and present the metrics to the Interim Study Committee on Public Health, Behavioral Health, and Human Services before November 1, 2021. The department of health shall before November 1, 2022 and each year thereafter present a report to the Interim Study Committee on Public Health, Behavioral Health, and Human Services progress on the metrics. The report must be in an electronic format under IC 5-14-6.

ADOPTION HISTORY			
Adoption History Fund (IC 31-19-18-6)			
Total Operating Expense	**195,163**	**195,163**	
Augmentation allowed.			
CHILDREN WITH SPECIAL HEALTH CARE NEEDS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**14,950,000**	**14,950,000**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Augmentation allowed.			
NEWBORN SCREENING PROGRAM			
Newborn Screening Fund (IC 16-41-17-11)			
Total Operating Expense	**2,677,762**	**2,677,762**	
Augmentation allowed.			
CENTER FOR DEAF AND HARD OF HEARING EDUCATION			
Total Operating Expense	**2,452,677**	**2,452,677**	
RADON GAS TRUST FUND			
Radon Gas Trust Fund (IC 16-41-38-8)			
Total Operating Expense	**10,670**	**10,670**	
Augmentation allowed.			
SAFETY PIN PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**5,500,000**	**5,500,000**	
REAL ALTERNATIVES, INC.			
Total Operating Expense	**250,000**	**250,000**	

The above appropriations shall be augmented by $2,500,000 in each fiscal year if the state budget agency determines that temporary assistance for needy families funding can no longer be used to support the program because of changes to federal regulations.

BIRTH PROBLEMS REGISTRY			
Birth Problems Registry Fund (IC 16-38-4-17)			
Total Operating Expense	**73,517**	**73,517**	
Augmentation allowed.			
MOTOR FUEL INSPECTION PROGRAM			
Motor Fuel Inspection Fund (IC 16-44-3-10)			
Total Operating Expense	**239,125**	**239,125**	
Augmentation allowed.			
DONATED DENTAL SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**34,335**	**34,335**	

The above appropriations shall be used by the Indiana foundation for dentistry to provide dental services to individuals who are handicapped.

OFFICE OF WOMEN'S HEALTH			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**96,970**	**96,970**	
SPINAL CORD AND BRAIN INJURY			
Spinal Cord and Brain Injury Fund (IC 16-41-42.2-3)			
Total Operating Expense	**1,600,000**	**1,600,000**	
Augmentation allowed.			
IMMUNIZATIONS AND HEALTH INITIATIVES			
Healthy Indiana Plan Trust Fund (IC 12-15-44.2-17)			
Total Operating Expense	**10,665,435**	**10,665,435**	
WEIGHTS AND MEASURES FUND			
Weights and Measures Fund (IC 16-19-5-4)			

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**7,106**	**7,106**	
Augmentation allowed.			
MINORITY EPIDEMIOLOGY			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**750,000**	**750,000**	
COMMUNITY HEALTH CENTERS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**14,453,000**	**14,453,000**	
PRENATAL SUBSTANCE USE & PREVENTION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**119,965**	**119,965**	
OPIOID OVERDOSE INTERVENTION			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**250,000**	**250,000**	
NURSE FAMILY PARTNERSHIP			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**5,000,000**	**5,000,000**	
HEARING AND BLIND SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**500,000**	**500,000**	

Of the above appropriations for hearing and blind services, $375,000 shall be annually deposited in the Hearing Aid Fund established under IC 16-35-8-3.

LOCAL HEALTH MAINTENANCE FUND			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,915,209**	**3,915,209**	
Augmentation allowed.			

The amount appropriated from the tobacco master settlement agreement fund is in lieu of the appropriation provided for this purpose in IC 6-7-1-30.5 or any other law. Of the above appropriations for the local health maintenance fund, $60,000 each year shall be used to provide additional funding to adjust funding through the formula in IC 16-46-10 to reflect population increases in various counties. Money appropriated to the local health maintenance fund must be allocated under the following schedule each year to each local board of health whose application for funding is approved by the state department of health:

COUNTY POPULATION	**AMOUNT OF GRANT**
over 499,999	**94,112**
100,000 - 499,999	**72,672**
50,000 - 99,999	**48,859**
under 50,000	**33,139**

LOCAL HEALTH DEPARTMENT ACCOUNT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**3,000,000**	**3,000,000**	

The above appropriations for the local health department account are statutory distributions

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
under IC 4-12-7.			
TOBACCO USE PREVENTION AND CESSATION PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**7,500,000**	**7,500,000**	
A minimum of 90% of the above appropriations shall be distributed as grants to local agencies and other entities with programs designed to reduce smoking.			
FOR THE INDIANA SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED			
Personal Services	**9,521,121**	**9,521,121**	
Other Operating Expense	**1,876,205**	**1,876,205**	
FOR THE INDIANA SCHOOL FOR THE DEAF			
Personal Services	**14,394,996**	**14,394,996**	
Other Operating Expense	**2,238,712**	**2,238,712**	
C. VETERANS' AFFAIRS			
FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS			
Personal Services	**1,820,937**	**1,820,937**	
Other Operating Expense	**785,536**	**785,536**	
The above appropriations for personal services include funding for a women's veteran services officer and $300,000 each year for six state veterans services officers.			
VETERAN SERVICE ORGANIZATIONS			
Total Operating Expense	**910,000**	**910,000**	
The above appropriations shall be used to assist veterans in securing available benefits. Of the above appropriations, the following amounts shall be allocated each fiscal year to the following organizations:			
American Legion: $202,000			
Disabled Veterans: $202,000			
Veterans of Foreign Wars: $202,000			
AMVETS: $202,000			
Vietnam Veterans: $102,000			
The allocations shall be administered by the Indiana Department of Veterans' Affairs.			
OPERATION OF VETERANS' CEMETERY			
Total Operating Expense	**350,000**	**350,000**	
INDIANA VETERANS' HOME			
Veterans' Home Comfort and Welfare Fund (IC 10-17-9-7(d))			
Total Operating Expense	**10,000,000**	**10,000,000**	
IVH Medicaid Reimbursement Fund			
Total Operating Expense	**14,500,000**	**14,500,000**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Augmentation allowed from the Comfort and Welfare Fund and the IVH Medicaid Reimbursement Fund.			
SECTION 9. [EFFECTIVE JULY 1, 2021]			
EDUCATION			
A. HIGHER EDUCATION			
FOR INDIANA UNIVERSITY			
BLOOMINGTON CAMPUS			
Total Operating Expense	**201,961,310**	**198,962,890**	
Fee Replacement	**20,864,079**	**20,740,449**	
FOR INDIANA UNIVERSITY REGIONAL CAMPUSES			
EAST			
Total Operating Expense	**14,047,315**	**15,042,686**	
KOKOMO			
Total Operating Expense	**16,059,485**	**16,526,185**	
NORTHWEST			
Total Operating Expense	**18,870,523**	**19,608,142**	
Fee Replacement	**4,181,247**	**4,190,132**	
SOUTH BEND			
Total Operating Expense	**24,873,721**	**25,266,685**	
Fee Replacement	**1,445,375**	**1,451,375**	
SOUTHEAST			
Total Operating Expense	**20,890,749**	**21,181,815**	
Fee Replacement	**1,689,180**	**1,702,750**	
FORT WAYNE HEALTH SCIENCES PROGRAM			
Total Operating Expense	**4,971,250**	**4,971,250**	
TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES	**107,028,845**	**109,941,020**	
FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)			
I.U. SCHOOLS OF MEDICINE AND DENTISTRY			
Total Operating Expense	**105,712,799**	**107,827,053**	
Fee Replacement	**7,006,738**	**6,982,835**	
FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE			
INDIANA UNIVERSITY SCHOOL OF MEDICINE - EVANSVILLE			
Total Operating Expense	**2,212,633**	**2,256,886**	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - FORT WAYNE			
Total Operating Expense	**2,068,129**	**2,109,492**	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - NORTHWEST - GARY			
Total Operating Expense	**2,766,537**	**2,821,868**	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - LAFAYETTE			
Total Operating Expense	**2,513,302**	**2,563,568**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
INDIANA UNIVERSITY SCHOOL OF MEDICINE - MUNCIE			
Total Operating Expense	**2,300,988**	**2,347,008**	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - SOUTH BEND			
Total Operating Expense	**2,163,502**	**2,206,772**	
INDIANA UNIVERSITY SCHOOL OF MEDICINE - TERRE HAUTE			
Total Operating Expense	**2,500,983**	**2,551,003**	

The Indiana University School of Medicine - Indianapolis shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)			
GENERAL ACADEMIC DIVISIONS			
Total Operating Expense	**111,103,662**	**122,110,562**	
Fee Replacement	**6,910,541**	**6,926,049**	
TOTAL APPROPRIATIONS - IUPUI			
	247,259,814	**260,703,096**	

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

DUAL CREDIT			
Total Operating Expense	**4,253,715**	**4,253,715**	
CLINICAL AND TRANSLATIONAL SCIENCES INSTITUTE			
Total Operating Expense	**2,500,000**	**2,500,000**	
GLOBAL NETWORK OPERATIONS CENTER			
Total Operating Expense	**721,861**	**721,861**	
SPINAL CORD AND HEAD INJURY RESEARCH CENTER			
Total Operating Expense	**553,429**	**553,429**	
INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES			
Total Operating Expense	**2,105,824**	**2,105,824**	
GEOLOGICAL SURVEY			
Total Operating Expense	**2,783,782**	**2,783,782**	
I-LIGHT NETWORK OPERATIONS			
Total Operating Expense	**1,508,628**	**1,508,628**	
GIGAPOP PROJECT			
Total Operating Expense	**672,562**	**672,562**	
FOR PURDUE UNIVERSITY			
WEST LAFAYETTE			
Total Operating Expense	**222,755,871**	**223,527,695**	
Fee Replacement	**32,152,425**	**29,002,950**	
NORTHWEST			
Total Operating Expense	**46,730,203**	**48,297,564**	

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Fee Replacement	**3,892,013**	**3,891,013**	
FORT WAYNE			
Total Operating Expense	**43,460,880**	**44,856,416**	
Fee Replacement	**3,039,750**	**3,036,000**	
COLLEGE OF VETERINARY MEDICINE			
Total Operating Expense	**18,056,523**	**18,417,653**	

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.

DUAL CREDIT			
Total Operating Expense	**916,605**	**916,605**	
ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM			
Total Operating Expense	**3,711,561**	**3,711,561**	

The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 21-46-3-5. Notwithstanding IC 21-46-3-4, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY			
Total Operating Expense	**6,695,258**	**6,695,258**	
COUNTY AGRICULTURAL EXTENSION EDUCATORS			
Total Operating Expense	**7,487,816**	**7,487,816**	
AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS			
Total Operating Expense	**8,492,325**	**8,492,325**	
CENTER FOR PARALYSIS RESEARCH			
Total Operating Expense	**522,558**	**522,558**	
IN TECH ASST. AND ADV. MFG. COMPETITIVENESS PROGRAM			
Total Operating Expense	**4,430,212**	**4,430,212**	
FOR INDIANA STATE UNIVERSITY			
Total Operating Expense	**72,063,968**	**74,498,951**	
Fee Replacement	**11,044,480**	**11,051,288**	
DUAL CREDIT			
Total Operating Expense	**199,620**	**199,620**	
NURSING PROGRAM			
Total Operating Expense	**204,000**	**204,000**	
PRINCIPAL LEADERSHIP ACADEMY			
Total Operating Expense	**600,000**	**600,000**	
DEGREE LINK			
Total Operating Expense	**446,438**	**446,438**	

FOR UNIVERSITY OF SOUTHERN INDIANA

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*
Total Operating Expense	**48,210,149**	**51,038,023**	
Fee Replacement	**14,377,159**	**12,317,288**	
DUAL CREDIT			
Total Operating Expense	**555,480**	**555,480**	
HISTORIC NEW HARMONY			
Total Operating Expense	**486,878**	**486,878**	
FOR BALL STATE UNIVERSITY			
Total Operating Expense	**134,408,873**	**133,010,951**	
Fee Replacement	**24,739,019**	**24,741,019**	
DUAL CREDIT			
Total Operating Expense	**238,815**	**238,815**	
ENTREPRENEURIAL COLLEGE			
Total Operating Expense	**2,500,000**	**2,500,000**	
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES			
Total Operating Expense	**4,384,956**	**4,384,956**	
FOR VINCENNES UNIVERSITY			
Total Operating Expense	**43,561,521**	**44,475,375**	
Fee Replacement	**6,204,550**	**5,507,270**	
DUAL CREDIT			
Total Operating Expense	**4,315,365**	**4,315,365**	
CAREER AND TECHNICAL EARLY COLLEGE PROGRAM			
Total Operating Expense	**3,000,000**	**3,000,000**	

Additional Early College sites may be established upon approval by the Commission for Higher Education and review by the budget committee.

FOR IVY TECH COMMUNITY COLLEGE			
Total Operating Expense	**229,890,923**	**235,110,368**	
Fee Replacement	**28,938,873**	**28,484,398**	
DUAL CREDIT			
Total Operating Expense	**17,073,720**	**17,073,720**	
STATEWIDE NURSING			
Total Operating Expense	**85,411**	**85,411**	
TESTING CENTERS			
Total Operating Expense	**710,810**	**710,810**	
INDIANA RURAL EDUCATION INITIATIVE			
Total Operating Expense	**1,057,738**	**1,057,738**	

The sums herein appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College are in addition to all income of said institutions, respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2021, and all such income and fees, earnings, and receipts accruing thereafter are hereby

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appropriated to the boards of trustees or directors of the aforementioned institutions and may be expended for any necessary expenses of the respective institutions, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures only if approved by the governor and the budget agency.

The above appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College include the employers' share of Social Security payments for university employees under the public employees' retirement fund, or institutions covered by the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for each institution's employees covered by these retirement plans.

The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College on the basis of vouchers stating the total amount claimed against each fund or account, or both, but not to exceed the legally made appropriations.

For universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted

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to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, and the trustees of Ivy Tech Community College are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

FOR THE MEDICAL EDUCATION BOARD			
FAMILY PRACTICE RESIDENCY FUND			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**1,852,698**	**1,852,698**	

Of the above appropriations, $1,000,000 each year shall be distributed as grants for the purpose of improving family practice residency programs serving medically underserved areas.

FOR THE GRADUATE MEDICAL EDUCATION BOARD			
MEDICAL RESIDENCY EDUCATION GRANTS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**4,000,000**	**5,000,000**	

The above appropriations for medical residency education grants are to be distributed in accordance with IC 21-13-6.5.

FOR THE COMMISSION FOR HIGHER EDUCATION			
Total Operating Expense	**2,764,059**	**2,764,059**	
FREEDOM OF CHOICE GRANTS			
Total Operating Expense	**66,225,902**	**66,225,902**	
HIGHER EDUCATION AWARD PROGRAM			
Total Operating Expense	**101,425,081**	**101,425,081**	

For the higher education awards and freedom of choice grants made for the biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:
(1) The commission shall maintain the proportionality of award maximums for public, private, and proprietary institutions when setting forth amounts under IC 21-12-1.7.
(2) Minimum Award: No award shall be less than $600.
(3) The commission shall reduce award amounts as necessary to stay within the appropriation.

TUITION AND FEE EXEMPTION FOR CHILDREN OF VETERANS AND PUBLIC SAFETY OFFICERS			
Total Operating Expense	**31,773,696**	**31,773,696**	
MIDWEST HIGHER EDUCATION COMPACT			

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Total Operating Expense	**115,000**	**115,000**	
ADULT STUDENT GRANT APPROPRIATION			
Total Operating Expense	**7,579,858**	**7,579,858**	

Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the adult grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 21-12-3 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources, shall apply all qualifying expenditures for the part-time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

STEM TEACHER RECRUITMENT FUND			
Total Operating Expense	**5,000,000**	**5,000,000**	

The above appropriations may be used to provide grants to nonprofit organizations that place new science, technology, engineering, and math teachers in elementary and high schools located in underserved areas.

TEACHER RESIDENCY GRANT PROGRAM (IC 21-18-15.1)			
Total Operating Expense	**1,000,000**	**1,000,000**	
MINORITY TEACHER SCHOLARSHIP FUND (IC 21-13-2-1)			
Total Operating Expense	**400,000**	**400,000**	
HIGH NEED STUDENT TEACHING STIPEND FUND (IC 21-13-7)			
Total Operating Expense	**450,000**	**450,000**	
MINORITY STUDENT TEACHING STIPEND FUND (IC 21-13-8)			
Total Operating Expense	**50,000**	**50,000**	
EARN INDIANA WORK STUDY PROGRAM			
Total Operating Expense	**606,099**	**606,099**	
21ST CENTURY - ADMINISTRATIVE			
Total Operating Expense	**1,645,774**	**1,645,774**	
21ST CENTURY SCHOLAR AWARDS			
Total Operating Expense	**166,270,623**	**166,270,623**	

The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR 265.

The division of family resources shall apply all qualifying expenditures for the 21st century scholar program toward Indiana's maintenance of effort under the federal

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Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).			
WORK AND LEARN INDIANA			
Total Operating Expense	**250,000**		**250,000**
NEXT GENERATION HOOSIER EDUCATORS			
Total Operating Expense	**6,082,400**		**6,082,400**
NATIONAL GUARD TUITION SCHOLARSHIP			
Total Operating Expense	**3,676,240**		**3,676,240**

The above appropriations for national guard scholarships plus reserve balances in the fund shall be the total allowable state expenditure for the program in the biennium.

PRIMARY CARE SCHOLARSHIP			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	**2,000,000**		**2,000,000**

The above appropriations for primary care scholarships shall be distributed in accordance with IC 21-13-9.

LEARN MORE INDIANA			
Total Operating Expense	**582,295**		**582,295**
STATEWIDE TRANSFER AND TECHNOLOGY			
Total Operating Expense	**913,263**		**913,263**
HIGH VALUE WORKFORCE READY CREDIT BEARING GRANT (IC 21-12-8)			
Total Operating Expense	**1,000,000**		**1,000,000**

The above appropriations may be used to provide grants to adults who pursue high value certificates.

FOR THE DEPARTMENT OF ADMINISTRATION

COLUMBUS LEARNING CENTER LEASE PAYMENT			
Total Operating Expense	**4,933,000**		**4,988,000**

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

	17,529,420	**17,529,420**	
Professional Standards Fund (IC 20-28-2-10)			
	1,237,940	**1,237,940**	
Augmentation allowed from the Professional Standards Fund.			

The amounts specified from the General Fund and the Professional Standards Fund are for the following purposes:

Personal Services	**13,499,980**		**13,499,980**
Other Operating Expense	**5,267,380**		**5,267,380**

The above appropriations include funds to provide state support to educational service

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centers. Using existing resources, the department shall provide guidance or assistance to increase the operational efficiency of schools.

STATE BOARD OF EDUCATION		
Total Operating Expense	**1,831,499**	**1,831,499**

The above appropriations for the Indiana state board of education are for the academic standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks, for special evaluation and research projects, including national and international assessments, and for state board administrative expenses.

PUBLIC TELEVISION DISTRIBUTION		
Total Operating Expense	**3,600,000**	**3,600,000**

The Indiana Public Broadcasting Stations, Inc., shall submit a distribution plan for the eight Indiana public television stations for approval by the budget agency after review by the budget committee. Of the above appropriations, at least one seventh of the funds each year shall be set aside and distributed equally among all of the public radio stations.

STEM PROGRAM ALIGNMENT		
Total Operating Expense	**3,950,000**	**4,550,000**

The above appropriations for STEM program alignment shall be used to provide grants to high-need schools (as determined by a needs assessment conducted in partnership with a state research institution) for the purpose of implementing qualified STEM curricula and professional development plans, to develop methods of evaluating STEM curricula and professional development plans for the purpose of awarding STEM grants, to develop a system for measuring student growth in critical thinking, problem-solving, and other STEM-based skills in schools that receive STEM grants. The department shall provide an annual report to the general assembly, the office of the governor, and the state board of education describing the department's progress toward implementing the state's STEM plan. All data collected by the department shall be tracked electronically and shared with the management and performance hub for the purpose of collecting longitudinal data.

Of the above appropriations, $600,000 in FY 2022 shall and in FY 2023 up to $1,200,000 shall be used to provide grants to colleges or universities for the purpose of supporting programs and statewide initiatives dedicated to increasing student enrollment and student scores in math and science Advanced Placement courses.

Of the above appropriations, $350,000 shall be used for each fiscal year to provide grants to school corporations or schools to purchase robotic technology and professional development endorsed by the Council of Administrators of Special Education to improve the social and behavioral skills for students with autism.

Of the above appropriations, $300,000 each fiscal year shall be used to partner with the commission for higher education to provide professional development and technical assistance to schools that pilot the transitions math course for students

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transitioning from secondary to post-secondary education.			
INDIANA BAR FOUNDATION - WE THE PEOPLE			
Total Operating Expense	**300,000**	**300,000**	
RILEY HOSPITAL			
Total Operating Expense	**250,000**	**250,000**	
BEST BUDDIES			
Total Operating Expense	**206,125**	**206,125**	
SCHOOL TRAFFIC SAFETY			
Total Operating Expense	**227,143**	**227,143**	
CHARTER AND INNOVATION NETWORK SCHOOL GRANT PROGRAM			
Total Operating Expense	**36,700,000**	**47,500,000**	
Augmentation allowed.			
SPECIAL EDUCATION (S-5)			
Total Operating Expense			**48,140,000**
The above appropriations for special education are made under IC 20-35-6-2.			
NEXT LEVEL COMPUTER SCIENCE PROGRAM			
Total Operating Expense	**3,000,000**	**3,000,000**	
SPECIAL EDUCATION EXCISE			
Excise Tax Funds of the Alcohol Beverage Commission (IC 20-35-4-4)			
Total Operating Expense	**172,856**	**172,856**	
Augmentation allowed.			
TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION			
Total Operating Expense	**2,157,521**	**2,157,521**	
The above appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area career and technical education schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teachers' retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.			
DISTRIBUTION FOR TUITION SUPPORT			
Total Operating Expense	**7,860,000,000**	**8,200,000,000**	
The above appropriations for tuition support are to be distributed in accordance with a statute enacted for this purpose during the 2021 session of the general assembly.			
If the above appropriations for distribution for tuition support are more than the amount required by statute, the excess shall revert to the general fund.			
The above appropriations for tuition support shall be made each fiscal year under a schedule set by the budget agency and approved by the governor. The schedule shall			

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provide for at least twelve (12) payments made at least once every forty (40) days, and the aggregate of the payments in each fiscal year shall equal the amount required by statute.

TEACHER APPRECIATION GRANTS		
Total Operating Expense	**37,500,000**	**37,500,000**

It is the intent of the 2021 general assembly that the above appropriations for teacher appreciation grants shall be the total allowable state expenditure for the program. If disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

DISTRIBUTION FOR SUMMER SCHOOL		
Total Operating Expense	**18,360,000**	**18,360,000**

It is the intent of the 2021 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for the program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

DISTRIBUTION FOR ADULT LEARNERS		
Total Operating Expense	**40,331,250**	**40,331,250**
EARLY INTERVENTION PROGRAM AND READING DIAGNOSTIC ASSESSMENT		
Total Operating Expense	**3,225,130**	**3,225,130**

The above appropriations for the early intervention program may be used for grants to local school corporations for grant proposals for early intervention programs.

The above appropriations may be used by the department of education for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and accredited nonpublic school first and second grade students upon the approval of the governing body of the school corporations or the accredited nonpublic school. The board shall determine how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board.

NATIONAL SCHOOL LUNCH PROGRAM		
Total Operating Expense	**5,033,086**	**5,108,582**
CURRICULAR MATERIAL REIMBURSEMENT		
Total Operating Expense	**39,000,000**	**39,000,000**

Before a school corporation or an accredited nonpublic school may receive a distribution under the textbook reimbursement program, the school corporation or accredited nonpublic school shall provide to the department the requirements established in IC 20-33-5-2. The department shall provide to the family and social

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services administration (FSSA) all data required for FSSA to meet the data collection reporting requirement in 45 CFR 265. The family and social services administration, division of family resources, shall apply all qualifying expenditures for the textbook reimbursement program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

TESTING			
Total Operating Expense	**22,355,000**	**22,355,000**	

The above appropriations are for assessments, including special education alternate assessments, as determined by the state board of education and the department of education.

REMEDIATION TESTING			
Total Operating Expense	**11,711,344**	**11,711,344**	

The above appropriations for remediation testing are for grants to public and accredited nonpublic schools through the department of education. Public and accredited nonpublic schools shall use the grants to fund formative tests to identify students who require remediation. Prior to distribution to public and accredited nonpublic schools, the grant amounts and formula shall be submitted to the state board of education and the budget agency for review and approval, and the department of education shall provide a report to the budget committee.

ADVANCED PLACEMENT PROGRAM			
Other Operating Expense	**5,200,000**	**5,200,000**	

The above appropriations for the Advanced Placement Program are to provide funding for students of accredited public and nonpublic schools to take the College Board Advanced Placement math, English, and science exams. Any remaining funds available after exam fees have been paid shall be prioritized for use by teachers of math and science Advanced Placement courses to attend professional development training for those courses.

PSAT PROGRAM			
Other Operating Expense	**1,900,000**	**1,900,000**	

The above appropriations for the PSAT program are to provide funding for students of accredited public and nonpublic schools in grade 10 and 11 to take the PSAT exam.

NON-ENGLISH SPEAKING PROGRAM			
Total Operating Expense	**27,500,000**	**27,500,000**	
Augmentation allowed.			

The above appropriations for the Non-English Speaking Program are for students who have a primary language other than English and limited English proficiency, as determined by using the WIDA Consortium ACCESS assessment.

The grant amount is determined as follows:

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(1) Determine the number of students who score at level one (1) or level two (2) on the WIDA Consortium ACCESS assessment or who are English language learners who have severe special needs that require a different test to assess English proficiency multiplied by five hundred twenty-four dollars ($524) for state fiscal years beginning after June 30, 2021.
(2) Determine the number of students who score at level three (3) or level four (4) on the WIDA Consortium ACCESS assessment or who score at level five (5) or higher on the Tier A form of the WIDA Consortium ACCESS assessment multiplied by three hundred sixty-six dollars ($366) for state fiscal years beginning after June 30, 2021.
(3) Determine the sum of the subdivision (1) amount plus the subdivision (2) amount.

GIFTED AND TALENTED EDUCATION PROGRAM			
Total Operating Expense	**13,053,399**	**13,053,399**	

In each fiscal year, $500,000 shall be made available to school corporations and charter schools to purchase verbal and quantitative reasoning tests to be administered to all students within the corporation or charter school that are enrolled in kindergarten, second grade, and fifth grade.

ALTERNATIVE EDUCATION			
Total Operating Expense	**5,306,394**	**5,306,394**	

The above appropriations include funding to provide $10,000 for each child in recovery from alcohol or drug abuse who attends a charter school accredited by the National Association of Recovery Schools. This funding is in addition to tuition support for the charter school.

SENATOR DAVID C. FORD EDUCATIONAL TECHNOLOGY PROGRAM			
Total Operating Expense	**3,086,071**	**3,086,071**	

The department shall use the funds to make grants to school corporations to promote student learning through the use of technology. Notwithstanding distribution guidelines in IC 20-20-13, the department shall develop guidelines for distribution of the grants.

SCHOOL BUSINESS OFFICIALS LEADERSHIP ACADEMY			
Total Operating Expense	**127,500**	**127,500**	

The department shall make available the above appropriations to the Indiana Association of School Business Officials to assist in the creation of an academy designed to strengthen the management and leadership skills of practicing Indiana school business officials.

SCHOOL INTERNET CONNECTION			
Total Operating Expense	**3,415,000**	**3,415,000**	
DUAL IMMERSION PILOT PROGRAM			
Total Operating Expense	**425,000**	**425,000**	

FOR THE INDIANA CHARTER SCHOOL BOARD

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Total Operating Expense	**444,059**	**444,059**	
FOR THE INDIANA PUBLIC RETIREMENT SYSTEM			
TEACHERS' RETIREMENT FUND DISTRIBUTION			
Other Operating Expense	**975,000,000**	**1,005,000,000**	
Augmentation allowed.			

If the amount actually required under the pre-1996 account of the teachers' retirement fund for actual benefits for the Post Retirement Pension Increases that are funded on a "pay as you go" basis plus the base benefits under the pre-1996 account of the teachers' retirement fund is:

(1) greater than the above appropriations for a year, after notice to the governor and the budget agency of the deficiency, the above appropriation for the year shall be augmented from the state general fund. Any augmentation shall be included in the required pension stabilization calculation under IC 5-10.4; or

(2) less than the above appropriations for a year, the excess shall be retained in the state general fund. The portion of the benefit funded by the annuity account and the actuarially funded Post Retirement Pension Increases shall not be part of this calculation.

C. OTHER EDUCATION			
FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD			
Personal Services	**821,734**	**821,734**	
Other Operating Expense	**162,971**	**162,971**	
FOR THE STATE LIBRARY			
Personal Services	**2,508,960**	**2,508,960**	
Other Operating Expense	**256,603**	**256,603**	
STATEWIDE LIBRARY SERVICES			
Total Operating Expense	**1,184,343**	**1,184,343**	
LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES			
Other Operating Expense	**180,000**	**180,000**	
ACADEMY OF SCIENCE			
Total Operating Expense	**4,357**	**4,357**	
HISTORICAL MARKER PROGRAM			
Total Operating Expense	**8,649**	**8,649**	
INSPIRE			
Total Operating Expense	**1,382,250**	**1,382,250**	
LOCAL LIBRARY CONNECTIVITY GRANT			
Total Operating Expense	**1,419,434**	**1,419,434**	
FOR THE ARTS COMMISSION			
Personal Services	**529,978**	**529,978**	
Other Operating Expense	**3,102,439**	**3,102,439**	

The above appropriations to the arts commission includes $650,000 each year to provide grants to:

(1) the arts organizations that have most recently qualified for general operating

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support as major arts organizations as determined by the arts commission; and (2) the significant regional organizations that have most recently qualified for general operating support as mid-major arts organizations, as determined by the arts commission and its regional re-granting partners.

SECTION 10. [EFFECTIVE JULY 1, 2021]

DISTRIBUTIONS

FOR THE AUDITOR OF STATE			
GAMING TAX			
Total Operating Expense	**50,500,000**	**50,500,000**	
Augmentation allowed.			
ALCOHOL BEVERAGE COMMISSION GALLONAGE TAX			
Total Operating Expense	**9,864,160**	**9,864,160**	
Augmentation allowed.			

SECTION 11. [EFFECTIVE JULY 1, 2021]

The following allocations of federal funds are available for career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for Career and Technical Education). These funds shall be received by the workforce cabinet and may be allocated by the budget agency after consultation with the workforce cabinet and any other state agencies, commissions, or organizations required by state law. Funds shall be allocated to these agencies in accordance with the allocations specified below:

STATE PROGRAMS AND LEADERSHIP		
	1,614,568	**1,614,568**
SECONDARY VOCATIONAL PROGRAMS		
	16,416,383	**16,416,383**
POSTSECONDARY VOCATIONAL PROGRAMS		
	8,878,505	**8,878,505**

SECTION 12. [EFFECTIVE JULY 1, 2021]

In accordance with IC 20-20-38, the budget agency, upon the request of the workforce cabinet, may proportionately augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2021]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

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SECTION 14. [EFFECTIVE JULY 1, 2021]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of $50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than $90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than $85 for any twenty-four (24) hour period. While traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than $65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2021]

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Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is equal to $100 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2021]

No payment for personal services shall be made by the auditor of state unless the payment has been approved by the budget agency or the designee of the budget agency.

SECTION 17. [EFFECTIVE JULY 1, 2021]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution have been deposited into the state treasury for the month. However, if a department or an institution has more than $10,000 in daily receipts, the receipts shall be deposited into the state treasury daily.

SECTION 18. [EFFECTIVE JULY 1, 2021]

In case of loss by fire or any other cause involving any state institution or department, the proceeds derived from the settlement of any claim for the loss shall be deposited in the state treasury, and the amount deposited is hereby reappropriated to the institution or department for the purpose of replacing the loss. If it is determined that the loss shall not be replaced, any funds received from the settlement of a claim shall be deposited into the state general fund.

SECTION 19. [EFFECTIVE JULY 1, 2021]

If an agency has computer equipment in excess of the needs of that agency, then the excess computer equipment may be sold under the provisions of surplus property sales, and the proceeds of the sale or sales shall be deposited in the state treasury. The amount so deposited is hereby reappropriated to that agency for other operating expenses of the then current year, if approved by the director of the budget agency.

SECTION 20. [EFFECTIVE JULY 1, 2021]

This act does not authorize any rehabilitation and repairs to any state buildings, nor does it allow that any obligations be incurred for lands and structures, without the prior approval of the budget director or the director's designee. This SECTION does not apply to contracts for the state universities supported in whole or in part by state funds.

SECTION 21. [EFFECTIVE JULY 1, 2021]

If an agency has an annual appropriation fixed by law, and if the agency also receives an appropriation in this act for the same function or program, the appropriation in this act supersedes any other appropriations and is the total appropriation for the

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agency for that program or function.

SECTION 22. [EFFECTIVE JULY 1, 2021]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided in this act placed to the credit of any division of the state of Indiana, the powers, duties, and functions whereof are assigned and transferred to any department for salaries, maintenance, operation, construction, or other expenses in the exercise of such powers, duties, and functions, shall be transferred to the credit of the department to which such assignment and transfer is made, and the same shall be available for the objects and purposes for which appropriated originally.

SECTION 23. [EFFECTIVE JULY 1, 2021]

The director of the division of procurement of the Indiana department of administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of an automobile that is to be paid for from any appropriation made by this act or any other act, unless the following facts are shown to the satisfaction of the commissioner of the Indiana department of administration or the commissioner's designee:
(1) In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.
(2) In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a greater distance than one thousand (1,000) miles each month or that they are subject to official duty call at all times.
(3) In the case of employees, it shall be shown that the major portion of the duties assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment.

In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station is not to be considered as a part of the total. Department heads shall annually submit justification for the continued assignment of each vehicle in their department, which shall be reviewed by the commissioner of the Indiana department of administration, or the commissioner's designee. There shall be an insignia permanently affixed on each side of all state owned cars, designating the cars as being state owned. However, this requirement does not apply to state owned cars driven by elected state officials or to cases where the commissioner of the Indiana department of administration or the commissioner's designee determines that affixing insignia on state owned cars would hinder or handicap the persons driving the cars in the performance of their official duties.

SECTION 24. [EFFECTIVE JULY 1, 2021]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory

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recommendation. The budget committee may hold hearings and take any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 25. [EFFECTIVE JULY 1, 2021]

Except as provided for under IC 4-12-18, the governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 26. [EFFECTIVE JULY 1, 2021]

Except as provided for under IC 4-12-18, federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

FROM THE FEDERAL ECONOMIC STIMULUS FUND

A. FROM THE ACCOUNT CREATED FOR THE AMERICAN RESCUE PLAN ACT (ARP ACT)

FOR THE DEPARTMENT OF CORRECTION		
COVID-19 Hazard Pay Stipends		
Total Operating Expense	**8,500,000**	**0**
Augmentation allowed.		

The above appropriation for FY 2022 shall be used to provide a pandemic bonus to correctional officers and other department employees who have performed duties that are normally performed by correctional officers, as determined by the department. The COVID-19 hazard pay stipend shall be $1,600 per correctional officer and eligible employee.

Stab Vests		
Total Operating Expense	**7,000,000**	**0**
FOR THE INDIANA STATE POLICE		
COVID-19 Hazard Pay Stipends		
Total Operating Expense	**2,000,000**	**0**
Augmentation allowed.		

The above appropriation for FY 2022 shall be used to provide a pandemic bonus to state troopers and state capitol police officers in the amount of $1,600 per trooper and officer.

Indiana State Police Body Cameras		
Total Operating Expense	**20,000,000**	**0**
Local Unit Body Camera Grants		

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Total Operating Expense	**5,000,000**	**5,000,000**	

The above appropriations are for the purpose of providing matching grants to city, town, and county law enforcement agencies for the acquisition of body cameras. The following matching grant requirements apply:

County:

(A) Fifty percent (50%), if the county has a population greater than or equal to fifty thousand (50,000).

(B) Twenty-five percent (25%), if the county has a population of less than fifty thousand (50,000).

City/Town:

(A) Fifty percent (50%), if the city or town has a population greater than or equal to ten thousand (10,000).

(B) Twenty-five percent (25%), if the city or town has a population of less than ten thousand (10,000).

Grant proceeds may only be used for the purchase of body cameras and may not be used to purchase video storage equipment or services. Eligible law enforcement agencies may apply for grants in accordance with procedures established by the Indiana State Police.

Multi Agency Academic Cooperative (MAAC) Firefighter Regional Training Pilot			
Total Operating Expense	**250,000**	**250,000**	
FOR THE DEPARTMENT OF NATURAL RESOURCES			
Next Level Trails			
Total Operating Expense	**60,000,000**	**0**	
Conservation Land Acquisition			
Total Operating Expense	**25,000,000**	**0**	
FOR THE LIEUTENANT GOVERNOR			
Broadband Grants			
Total Operating Expense	**250,000,000**	**0**	

The above appropriation shall be deposited in the Rural Broadband Fund (IC 4-4-38.5-11). The lieutenant governor's office may spend up to $1,200,000 in FY 2022 and $1,200,000 in FY 2023 from the rural broadband fund for the administration of broadband grant programs administered by the office.

FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION	
Regional Economic Acceleration and Development Initiative (READI)	
Total Operating Expense	**500,000,000**

The above appropriation shall be deposited in the READI fund (IC 5-28-41-7)

Next Level Flights	
Total Operating Expense	**10,000,000**

Of the above appropriation for next level flights, the Indiana economic development corporation may award up to three million dollars ($3,000,000) to the Fort Wayne

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International Airport for a gate expansion project.			
FOR INVESTED INDIANA			
Career Accelerator (IC 5-34-2)			
Total Operating Expense	**75,000,000**	**0**	
The above appropriation shall be deposited in the Career Accelerator Fund (IC 5-34-2).			
Indiana Internet of Things (IoT) Lab - Statewide Initiatives			
Total Operating Expense	**1,000,000**	**0**	
FOR THE INDIANA FINANCE AUTHORITY			
Northwest Indiana Regional Development Authority			
Total Operating Expense	**231,000,000**	**0**	
FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT			
Unemployment Insurance Trust Fund			
Total Operating Expense	**500,000,000**	**0**	
FOR THE INDIANA DEPARTMENT OF TRANSPORTATION			
Next Level Connections Fund (IC 8-14-14.3)			
Total Operating Expense	**205,000,000**	**900,000,000**	
FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION			
Mental Health Grants			
Total Operating Expense	**50,000,000**	**50,000,000**	
The family and social services administration, in consultation with the department of health, shall utilize the above appropriations to address mental health needs across the state. The administration shall use regional-level data regarding suicide hotline use, overdose mortality, and population to determine the distribution of funds.			
FOR THE STATE DEPARTMENT OF HEALTH			
Health Issues and Challenges Grant Program (IC 16-46-16.5-4)			
Total Operating Expense			**50,000,000**
The above appropriation shall be deposited in the health issues and challenges grant fund (IC 16-46-16.5-4).			
FOR THE INDIANA FINANCE AUTHORITY			
Water Infrastructure Grant Fund			
Total Operating Expense	**50,000,000**	**50,000,000**	
Transportation and Water Infrastructure Local Grants			
Total Operating Expense	**30,000,000**	**30,000,000**	
FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION			
Inter-modal Transportation Study			
Total Operating Expense	**1,200,000**	**0**	

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The above appropriation shall be used by the corporation to fund the final analysis for a light manufacturing, warehousing, distribution, and logistics district along Buffington Harbor. The study must be conducted to determine the expected market demand, provide transportation and logistics operational modeling, and analyze the need for environmental remediation. The project shall be accomplished through a public private partnership to further advance the development opportunities.

SECTION 27. [EFFECTIVE JULY 1, 2021]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director.

SECTION 28. [EFFECTIVE JULY 1, 2021]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 29. [EFFECTIVE JULY 1, 2021]

Subject to SECTION 24 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2021-2023 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 30. [EFFECTIVE JULY 1, 2021]

CONSTRUCTION

For the 2021-2023 biennium, the following amounts, from the funds listed as follows, are appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals, and the purchase and sale of land, including equipment for these properties and other projects as specified.

State General Fund - Lease Rentals			
	201,602,266		
State General Fund - Construction			
	1,240,543,746		
Veterans' Home Building Fund (IC 10-17-9-7)			
	2,281,000		
State Construction Fund (IC 9-13-2-173.1)			
	50,386,007		
State Highway Fund (IC 8-23-9-54)			
	34,440,500		

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TOTAL	**1,529,253,519**		

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

A. GENERAL GOVERNMENT

FOR THE STATE BUDGET AGENCY			
Stadium Lease Rental	**40,469,646**	**67,943,587**	
Convention Center Lease Rental	**0**	**14,719,700**	
Indiana Motorsports Commission	**7,000,000**	**7,000,000**	
Water Infrastructure Assistance	**20,000,000**	**20,000,000**	
STATE BUDGET AGENCY			
Enterprise Grant Management System	**0**	**3,000,000**	
Capital Reserve Account			**550,000,000**

The above appropriation may be used capital expenses for the following projects: the Evansville Police Post and Lab, a new consolidated campus for the Indiana School for the Deaf and the Indiana School for the Blind and Visually Impaired, a new State Archives Building, new lodges at Potato Creek State Park and Prophetstown State Park, amateur sports facilities, improvements to the former GM Stamping Plant, engineering and design work for the reconstruction of the Westville Correctional Facility, cybersecurity infrastructure, or for another purpose after review by the budget committee.

DEPARTMENT OF REVENUE			
Integrated Tax System	**20,300,000**	**0**	
DEPARTMENT OF ADMINISTRATION			
Preventive Maintenance	**5,300,000**	**5,300,000**	
Repair and Rehabilitation	**19,152,444**	**18,252,444**	
DEPARTMENT OF ADMINISTRATION - LEASES			
NeuroDiagnostic Inst. Capital Lease	**12,234,703**	**12,234,630**	
STATE LIBRARY			
Repair and Rehabilitation	**0**	**2,000,000**	
INDIANA STATE FAIR			
Preventive Maintenance	**1,045,000**	**1,045,000**	
Repair and Rehabilitation	**1,775,552**	**4,356,500**	
Fall Creek Pavilion	**50,000,000**	**0**	

B. PUBLIC SAFETY

(1) LAW ENFORCEMENT

INDIANA STATE POLICE			
Preventive Maintenance	**955,899**	**955,899**	

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Lowell District/Lab Construction	**8,500,000**	**0**	
Repair and Rehabilitation	**906,900**	**1,440,000**	
LAW ENFORCEMENT TRAINING BOARD			
Preventive Maintenance	**200,000**	**200,000**	
Repair and Rehabilitation	**143,885**	**241,350**	
ADJUTANT GENERAL			
Preventive Maintenance	**930,250**	**930,250**	
Hamilton County Readiness Center	**579,780**	**6,791,750**	
Danville Armory Add. and Alter.	**1,520,000**	**0**	
Martinsville Armory Add. and Alter.	**0**	**1,520,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**1,180,574**	**1,451,277**	
(2) CORRECTIONS			
STATE PRISON			
Preventive Maintenance	**467,500**	**467,500**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**1,500,000**	**500,000**	
PENDLETON CORRECTIONAL FACILITY			
Preventive Maintenance	**552,500**	**552,500**	
WOMEN'S PRISON			
Preventive Maintenance	**153,000**	**153,000**	
NEW CASTLE CORRECTIONAL FACILITY			
Preventive Maintenance	**700,000**	**700,000**	
PUTNAMVILLE CORRECTIONAL FACILITY			
Preventive Maintenance	**340,000**	**340,000**	
INDIANAPOLIS RE-ENTRY EDUCATION FACILITY			
Preventive Maintenance	**153,000**	**153,000**	
BRANCHVILLE CORRECTIONAL FACILITY			
Preventive Maintenance	**153,000**	**153,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**575,000**	
WESTVILLE CORRECTIONAL FACILITY			
Facility Reconstruction	**400,000,000**	**0**	
Preventive Maintenance	**442,000**	**442,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**1,250,000**	
ROCKVILLE CORRECTIONAL FACILITY			
Preventive Maintenance	**212,500**	**212,500**	
PLAINFIELD CORRECTIONAL FACILITY			
Preventive Maintenance	**212,500**	**212,500**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**1,250,000**	
RECEPTION AND DIAGNOSTIC CENTER			
Preventive Maintenance	**89,250**	**89,250**	
CORRECTIONAL INDUSTRIAL FACILITY			
Preventive Maintenance	**255,000**	**255,000**	
State Construction Fund (IC 9-13-2-173.1)			

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Repair and Rehabilitation	**4,250,000**	**950,000**	
WABASH VALLEY CORRECTIONAL FACILITY			
Preventive Maintenance	**224,125**	**224,125**	
CHAIN O' LAKES CORRECTIONAL FACILITY			
Preventive Maintenance	**38,250**	**38,250**	
MADISON CORRECTIONAL FACILITY			
Preventive Maintenance	**318,750**	**318,750**	
MIAMI CORRECTIONAL FACILITY			
Preventive Maintenance	**382,500**	**382,500**	
LOGANSPORT JUVENILE CORRECTIONAL FACILITY			
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**100,000**	**0**	
LAPORTE JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance	**34,000**	**34,000**	
EDINBURGH CORRECTIONAL FACILITY			
Preventive Maintenance	**34,000**	**34,000**	
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance	**127,500**	**127,500**	
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
Preventive Maintenance	**51,000**	**51,000**	
SOUTH BEND WORK RELEASE CENTER			
Preventive Maintenance	**42,500**	**42,500**	
HERITAGE TRAIL CORRECTIONAL FACILITY			
Preventive Maintenance	**191,250**	**191,250**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**250,000**	
C. CONSERVATION AND ENVIRONMENT			
DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION			
Preventive Maintenance	**50,000**	**50,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**6,063,788**	**5,670,788**	
FISH AND WILDLIFE			
Preventive Maintenance	**1,550,000**	**1,550,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**850,000**	
FORESTRY			
Preventive Maintenance	**1,525,000**	**1,525,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**750,000**	**0**	
NATURE PRESERVES			
Preventive Maintenance	**586,614**	**586,614**	
OUTDOOR RECREATION			
Preventive Maintenance	**35,000**	**35,000**	
STATE PARKS AND RESERVOIR MANAGEMENT			
Preventive Maintenance	**4,050,000**	**4,050,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**2,875,000**	**3,397,500**	

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DIVISION OF WATER			
Preventive Maintenance	**83,500**	**83,500**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**2,110,000**	**2,000,000**	
ENFORCEMENT			
Preventive Maintenance	**270,000**	**270,000**	
ENTOMOLOGY			
Preventive Maintenance	**137,500**	**137,500**	
INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION			
Preventive Maintenance	**574,687**	**574,687**	
Repair and Rehabilitation	**1,950,505**	**1,912,500**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**757,800**	
WAR MEMORIALS COMMISSION			
Preventive Maintenance	**617,000**	**617,000**	
Repair and Rehabilitation	**681,960**	**2,251,200**	
D. TRANSPORTATION			
DEPARTMENT OF TRANSPORTATION - BUILDINGS AND GROUNDS			
State Highway Fund (IC 8-23-9-54)			
Preventive Maintenance	**2,232,888**	**2,232,888**	
State Highway Fund (IC 8-23-9-54)			
Repair and Rehabilitation	**1,872,362**	**1,872,362**	
State Highway Fund (IC 8-23-9-54)			
A&E Fee Matl. & Test. Lab Phase 4	**105,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
Materials & Testing Lab Phase 4	**1,500,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
Const. of the LaGrange Unit/Salt Bldg	**8,700,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
Bluffton Subdistrict Renovation	**4,950,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
A&E Fee Cloverdale Salt Building	**125,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
Const. of the Cloverdale Salt Bldg	**2,050,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
A&E Fee Mishawaka Unit/Salt Bldg	**450,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
Cap. Land Purchase-Evansville Unit 1	**250,000**	**0**	
State Highway Fund (IC 8-23-9-54)			
Const. of the Mishawaka Unit/Salt Bldg	**0**	**7,100,000**	
State Highway Fund (IC 8-23-9-54)			
A&E Fee for Evansville Unit 1/Salt Bldg		**0**	**450,000**
State Highway Fund (IC 8-23-9-54)			
A&E Fee Frankfort Subdistrict Renv.	**0**	**300,000**	
State Highway Fund (IC 8-23-9-54)			
Cap. Land Purchase-Roselawn Unit	**0**	**250,000**	

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E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS			
(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION			
FSSA - DIVISION OF MENTAL HEALTH			
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**3,386,146**	**0**	
EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER			
Preventive Maintenance	**36,500**	**36,500**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**452,000**	**0**	
EVANSVILLE STATE HOSPITAL			
Preventive Maintenance	**391,162**	**391,162**	
MADISON STATE HOSPITAL			
Preventive Maintenance	**464,104**	**464,104**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**98,400**	
LOGANSPORT STATE HOSPITAL			
Preventive Maintenance	**491,572**	**491,572**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**833,369**	**1,824,000**	
RICHMOND STATE HOSPITAL			
Preventive Maintenance	**550,000**	**550,000**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**0**	**1,217,485**	
LARUE CARTER MEMORIAL HOSPITAL			
Preventive Maintenance	**417,703**	**417,703**	
NEURO DIAGNOSTIC INSTITUTE			
Preventive Maintenance	**475,810**	**475,810**	
(2) PUBLIC HEALTH			
SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED			
Preventive Maintenance	**282,857**	**282,857**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**1,262,390**	**885,249**	
SCHOOL FOR THE DEAF			
Preventive Maintenance	**424,285**	**424,285**	
State Construction Fund (IC 9-13-2-173.1)			
Repair and Rehabilitation	**734,637**	**1,960,604**	
(3) VETERANS' AFFAIRS			
DEPARTMENT OF VETERANS' AFFAIRS			
Preventive Maintenance	**48,195**	**48,195**	
INDIANA VETERANS' HOME			
Veterans' Home Building Fund (IC 10-17-9-7)			
Preventive Maintenance	**637,500**	**637,500**	
Veterans' Home Building Fund (IC 10-17-9-7)			

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Repair and Rehabilitation	**789,000**	**217,000**	
F. EDUCATION			
HIGHER EDUCATION			
INDIANA UNIVERSITY - TOTAL SYSTEM			
Repair and Rehabilitation	**14,349,098**	**14,349,098**	
Regional Deferred Maintenance	**0**	**8,100,000**	
PURDUE UNIVERSITY - TOTAL SYSTEM			
Repair and Rehabilitation	**12,242,154**	**12,242,154**	
Regional Deferred Maintenance	**0**	**3,500,000**	
Fort Wayne Academic Expansion	**2,425,000**	**2,425,000**	
INDIANA STATE UNIVERSITY			
Repair and Rehabilitation	**1,504,289**	**1,504,289**	
UNIVERSITY OF SOUTHERN INDIANA			
Repair and Rehabilitation	**1,112,962**	**1,112,962**	
BALL STATE UNIVERSITY			
Repair and Rehabilitation	**2,917,359**	**2,917,359**	
VINCENNES UNIVERSITY			
Repair and Rehabilitation	**1,005,286**	**1,005,286**	
IVY TECH COMMUNITY COLLEGE			
Repair and Rehabilitation	**3,610,577**	**3,610,577**	

SECTION 31. [EFFECTIVE JULY 1, 2021]

The budget agency may employ one (1) or more architects or engineers to inspect construction, rehabilitation, and repair projects covered by the appropriations in this act or previous acts.

SECTION 32. [EFFECTIVE UPON PASSAGE]

If any part of a construction or rehabilitation and repair appropriation made by this act or any previous acts has not been allotted or encumbered before the expiration of the biennium, the budget agency may determine that the balance of the appropriation is not available for allotment. The appropriation may be terminated, and the balance may revert to the fund from which the original appropriation was made.

SECTION 33. [EFFECTIVE JULY 1, 2021]

The budget agency may retain balances in the mental health fund at the end of any fiscal year to ensure there are sufficient funds to meet the service needs of the developmentally disabled and the mentally ill in any year.

SECTION 34. [EFFECTIVE JULY 1, 2021]

If the budget director determines at any time during the biennium that the executive branch of state government cannot meet its statutory obligations due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with

	FY 2021-2022 Appropriation	*FY 2022-2023 Appropriation*	*Biennial Appropriation*

the approval of the governor and after review by the budget committee, may transfer from the counter-cyclical revenue and economic stabilization fund to the general fund any additional amount necessary to maintain a positive balance in the general fund.

SECTION 35. IC 2-5-1.1-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 20. (a) A transaction is exempted from taxation under IC 6-2.5, IC 6-9-12, and IC 6-9-35 if:**

(1) the transaction is directly related to the 2023 NCSL Legislative Summit of the National Conference of State Legislatures; and

(2) the transaction is entered into by the legislative council, the legislative services agency, the National Conference of State Legislatures, or a person that is a sponsor for or a supporter of a function that is part of the published program for that meeting.

(b) This section expires December 31, 2023.

SECTION 36. IC 4-6-15 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 15. Opioid Litigation and Settlements

Sec. 1. The following definitions apply throughout this chapter:

(1) "Opioid" has the meaning set forth in IC 35-48-1-21.

(2) "Opioid litigation" means any civil lawsuit, demand, or settlement, including any settlement in lieu of litigation, filed against any opioid party for any cause of action filed for the purpose of redressing the impact of the opioid epidemic to the state or any political subdivision.

(3) "Opioid party" means any manufacturer, consultant, marketer, distributor, prescriber, or dispenser of an opioid product.

(4) "Political subdivision" has the meaning set forth in IC 34-6-2-110.

Sec. 2. (a) Except as provided in subsection (b), all political subdivisions shall be considered a party to any settlement, including a settlement in lieu of litigation, in opioid litigation by the attorney general with an opioid party that is finalized with court approval after March 1, 2021. Except as provided in subsection (b), political subdivisions shall be bound by the terms of any opioid litigation settlement imposed by a bankruptcy court or any other court of competent jurisdiction as accepted by the attorney general.

(b) A political subdivision that has filed opioid litigation on or before January 1, 2021, may opt out of the settlement described in this section and choose to pursue its own claims by submitting written documentation as prescribed in subsection (c) to the attorney general by June 30, 2021. Except as provided in subsection (d), any political subdivision that opts out and chooses to maintain its own lawsuit under this section shall have no claim to any state or political subdivision funds paid according to the settlement authorized or approved by the attorney general.

(c) A document submitted by a political subdivision under subsection (b) to opt out of the settlement shall include:

(1) the name of the political subdivision electing to opt out;

(2) contact information for an individual at the political subdivision who can provide information regarding the decision to opt out; and

(3) a certified copy of the resolution adopted by the political subdivision to opt out;

of the settlement.

(d) Notwithstanding subsection (b), a political subdivision may opt back in to a settlement by submission of:

(1) the name of the political subdivision opting back in;

(2) contact information for an individual at the political subdivision who can provide information regarding the decision to opt back in; and

(3) a certified copy of the resolution adopted by the political subdivision to opt back in;

to the settlement to the attorney general by the earlier of sixty (60) days after the political subdivision adopted a resolution to opt out of the settlement or September 30, 2021, whichever occurs first.

(e) A political subdivision that has not made a choice to opt out or that has opted back in to the settlement is bound by full release, waiver, and dismissal of all claims against the opioid party.

(f) No political subdivision has any claim to any settlement proceeds for litigation against any opioid party not yet filed by the state as of the effective date of this chapter, as added by HEA 1001-2021.

Sec. 3. (a) After January 1, 2021, no political subdivision shall initiate or file opioid litigation in any court.

(b)The state and each political subdivision shall be solely responsible for paying all costs, expenses, and attorney's fees arising from opioid litigation brought under their respective authorities, including any attorney's fees owed to private legal counsel, and may not seek payment for reimbursement of such costs, expenses, and attorney's fees from money to be used for treatment, education, and prevention programs for opioid use disorder and any co-occurring substance use disorder or mental health issues. Payment of attorney's fees may be sought from specific attorney's fee, costs, and expenses funds set up by the settlement agreement.

Sec. 4. (a) Funds received from opioid litigation settlements that resolve existing state and political subdivision litigation lawsuits as of January 1, 2021, shall be distributed in the following manner:

(1) Fifteen percent (15%) to the agency settlement fund established by IC 4-12-16-2 for the benefit of the state.

(2) Fifteen percent (15%) to the agency settlement fund established by IC 4-12-16-2 for distribution to cities, counties, and towns on a per capita basis. For purposes of this subdivision, the population, as determined under IC 1-1-3.5-3(a), of a county is the aggregate population for all unincorporated areas of the county.

(3) Seventy percent (70%) to the agency settlement fund established by IC 4-12-16-2 to be used for statewide treatment, education, and prevention programs for opioid use disorder and any co-occurring substance use disorder or mental health issues as defined or required by the settlement documents or court order.

(b) The amount distributed to the agency settlement fund under subsection (a)(2) is annually appropriated to the office of the attorney general to make the distributions described under subsection (a)(2).

(c) The amount distributed to the agency settlement fund under subsection (a)(3) is annually appropriated to the office of the secretary of family and social services for treatment, education, and prevention programs for opioid use disorder and any co-occurring substance use disorder or mental health issues as defined or required by the settlement documents or court order. The office of the secretary of family and social services shall allocate fifty percent (50%) of the funds received annually under this subsection to eligible community-based treatment, education, and prevention programs for opioid use disorder and any co-occurring substance use disorder or mental health issues. The office of the secretary of family and social services shall divide the state into regions based on population and ensure that funds are awarded to participating entities in each region of the state. Data from calendar years beginning after December 31, 2017, and ending before January 1, 2021, related to opioid use disorder during those calendar years, including overdoses and deaths, may be considered in the process of determining regional funding allocations under this subsection. The office of the secretary of family

and social services may adopt rules under IC 4-22-2 to define the regions within the state and for determining a process for the application and awarding of funds. Before the remaining fifty percent (50%) of the funds received under this subsection may be distributed, the office of the secretary of family and social services shall submit a distribution plan to the budget committee for review.

(d) All entities receiving settlement funds to be used for treatment, education, and prevention programs for opioid use disorder and any co-occurring substance use disorder or mental health issues shall monitor the use of those funds and provide an annual report to the office of the secretary of family and social services not later than a date determined by the office of the secretary of family and social services.

(e) The office of the secretary of family and social services shall compile and submit an annual comprehensive report of the information received under subsection (d) to the general assembly in an electronic format under IC 5-14-6 not later than October 1 of each year identifying all funds committed and used as specified by any settlement documents or court order.

SECTION 37. IC 4-9.1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. The ~~governor,~~ **budget director or the budget director's designee,** the auditor of state, and the treasurer of state constitute the state board of finance, referred to as the "board" in this chapter. The board has advisory supervision of the safekeeping of all funds coming into the state treasury and all other funds belonging to the state coming into the possession of any state officer or agency.

SECTION 38. IC 4-10-22-1, AS AMENDED BY P.L.146-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) After the end of the state fiscal year beginning July 1, 2015, and ending June 30, 2016, and after the end of each odd-numbered state fiscal year thereafter, the office of management and budget shall calculate in the customary manner the total amount of state reserves as of the end of the state fiscal year. The office of management and budget shall make the calculation not later than July 31, 2016, and not later than July 31 of each odd-numbered year thereafter.

(b) The office of management and budget may not consider a balance in the state tuition reserve account established by IC 4-12-1-15.7 when making the calculation required by subsection (a) in 2017 and in an odd-numbered year thereafter.

(c) The office of management and budget shall consider a balance in the state tuition reserve account established by IC 4-12-1-15.7 when making the calculation required by subsection (a) in 2016.

(d) This subsection applies in 2022. After the end of the state fiscal year beginning July 1, 2021, and ending June 30, 2022, the office of management and budget shall calculate in the customary manner the total amount of state reserves as of the end of the state fiscal year. In making the calculation, the office of management and budget shall include a balance in the state tuition reserve account established by IC 4-12-1-15.7. The office of management and budget shall make the calculation of the combined reserve balance required by this subsection not later than July 31, 2022.

SECTION 39. IC 4-10-22-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. This section applies only in calendar year 2022. Notwithstanding any other law, if, after the calculation required by section 1(d) of this chapter, the budget agency certifies that the state's combined reserve balance as calculated in section 1(d) of this chapter exceeds two billion five hundred million dollars ($2,500,000,000), the budget agency, after budget committee review, shall transfer the amount of combined state reserves that exceed two billion five hundred million dollars ($2,500,000,000) to the pre-1996 account (as defined in IC 5-10.2-1-5.5) for the purposes of the pre-1996 account.**

SECTION 40. IC 4-12-1-13, AS AMENDED BY P.L.8-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 13. (a) During the interval between sessions of the general assembly, the budget agency shall make regular or, at the request of the governor, special inspections of the respective institutions of the state supported by public funds. The budget agency shall report regularly to the governor relative to the physical condition of such institutions, and any contemplated action of the institution on a new or important matter, and on any other subject which the budget agency may deem pertinent or on which the governor may require information. The budget agency shall likewise familiarize itself with the best and approved practices in each of such institutions and supply such information to other institutions to make their operation more efficient and economical.

(b) Except as to officers and employees of state educational institutions, the executive secretary of the governor, the administrative assistants to the governor, the elected officials, and persons whose salaries or compensation are fixed by the governor pursuant to law, the annual compensation of all persons employed by agencies of the state shall be subject to the approval of the budget agency. Except as otherwise provided by IC 4-15-2.2, the budget agency shall establish classifications and schedules for fixing compensation, salaries and wages of all classes and types of employees of any state agency or state agencies, and any and all other such classifications affecting compensation as the budget agency shall deem necessary or desirable. The classifications and schedules thus established shall be filed in the office of the budget agency. Requests by an appointing authority for salary and wage adjustments or personal service payments coming within such classifications and schedules shall become effective when approved by, and upon the terms of approval fixed by, the budget agency. All personnel requests pertaining to the staffing of programs or agencies supported in whole or in part by federal funds are subject to review and approval by the state personnel department under IC 4-15-2.2.

(c) The budget agency shall review and approve, for the sufficiency of funds, all payments for personal services which are submitted to the auditor of state for payment.

(d) The budget agency shall review all contracts for personal services or other services and no contract for personal services or other services may be entered into by any agency of the state before the written approval of the budget agency is given. Each demand for payment submitted by an agency to the auditor of state under these contracts must be accompanied by a copy of the budget agency approval. No payment may be made by the auditor of state without such approval. However, this subsection does not apply to a contract entered into by:

(1) a state educational institution; or

(2) an agency of the state if the contract is not required to be approved by the budget agency under IC 4-13-2-14.1.

(e) The budget agency shall review and approve the policy and procedures governing travel prepared by the department of administration under IC 4-13-1, before the travel policies and procedures are distributed.

(f) Except as provided in subsections (g), (h), and (i), the budget agency may adopt such policies and procedures not inconsistent with law as it may deem advisable to facilitate and carry out the powers and duties of the agency, including the execution and administration of all appropriations made by law. IC 4-22-2 does not apply to these policies and procedures.

(g) The budget agency may not enforce or apply any policy or procedure, unless specifically authorized by this chapter or an applicable statute, against or in relation to the following officials or agencies, unless the official or agency consents to comply with the policy or procedure, or emergency circumstances justify extraordinary measures to protect the state's budget or fiscal reserves:

(1) The judicial department of the state.
(2) The general assembly, the legislative services agency, or any other entity of the legislative department of the state.
(3) The attorney general.
(4) The auditor of state.
(5) The secretary of state.
(6) The superintendent of public instruction. This subdivision does not apply after January 10, 2021.
(7) The treasurer of state.

(h) The budget agency may not enforce a policy or procedure against an official or an agency specified in subsection (g)(1) through (g)(7) by refusing to allot money from the ~~personal services/fringe benefits~~ **state agency** contingency fund to the official or agency **without review by the budget committee.**

(i) The budget agency may not withhold or refuse to allot appropriations for a state educational institution without review by the budget committee.

SECTION 41. IC 4-12-1-18, AS ADDED BY P.L.246-2005, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. **Except provided in IC 4-12-18,** federal funds received by an instrumentality are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this chapter and other laws concerning the acceptance, disbursement, review, and approval of grants, loans, and gifts made by the federal government or any other source to the state or its agencies apply to instrumentalities.

SECTION 42. IC 4-12-1-20 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 20. (a) As used in this section, "fund" refers to the Pokagon Band Tribal-state compact fund established by subsection (c).**

(b) As used in this section, "Tribal-state compact" refers to the compact between the state and the Pokagon Band of Potawatomi Indians pursuant to IC 4-29.

(c) The Pokagon Band Tribal-state compact fund is established for the purposes set forth in subsection (f). The fund shall be administered by the budget agency. The fund consists of the following:

(1) Money transferred to the fund as a result of the Tribal-state compact.
(2) Appropriations, if any, made by the general assembly.
(3) Grants and gifts intended for deposit in the fund.
(4) Any earnings on money in the fund.

(d) The expenses of administering the fund shall be paid from money in the fund.

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

(f) Money in the fund may be used only for the following program areas:

(1) Economic and workforce development.
(2) Tourism promotion.
(3) Public health.
(4) Education.

SECTION 43. IC 4-12-17-1, AS ADDED BY P.L.217-2017, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) The ~~personal services/fringe benefits~~ **state agency** contingency fund is established for the purpose of allotting money to departments, institutions, and state agencies for the purposes set forth in subsection (b). The fund consists of money appropriated to the fund by the general assembly. The budget agency shall administer the fund.

(b) Money in the fund may be used only with the approval of the governor for:

(1) salary increases;
(2) fringe benefit increases;
(3) an employee leave conversion program;
(4) state retiree health programs; ~~and~~
(5) necessary expenses for existing programs as determined by the governor and budget director; and
~~(5)~~ **(6)** any related expenses.

(c) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available for expenditure.

(d) Notwithstanding IC 4-9.1-1-7, IC 4-13-2-23, or any other law, money may not be transferred, assigned, reassigned, or otherwise removed from the fund by the state board of finance, the budget agency, or any other state agency, except for the purposes specified in this section. **The budget committee shall be advised of each transfer from the fund that exceeds five hundred thousand dollars ($500,000).**

SECTION 44. IC 4-13.1-2-4, AS AMENDED BY P.L.171-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. The chief information officer, in conjunction with:

(1) the ~~state librarian or the state librarian's designee;~~ **budget director or the budget director's designee;**
(2) the director of the Indiana archives and records administration or the director's designee; and
(3) a representative from each of the two (2) state agencies that generate the most revenue under this section;

shall establish reasonable fees for enhanced access to public records and other electronic records, so that the revenues generated are sufficient to develop, maintain, operate, and expand services that make public records available electronically. A meeting to establish or revise the fees described in this section is subject to the requirements of IC 5-14-1.5.

SECTION 45. IC 4-31-5-9, AS AMENDED BY P.L.256-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The commission shall determine the dates and (if the commission adopts a rule under subsection (c)) the number of racing days authorized under each recognized meeting permit. Except for racing at winterized tracks, a recognized meeting may not be conducted after December 10 of a calendar year.

(b) Except as provided in subsection (c), the commission shall require at least two hundred eighty (280) but not more than three hundred thirty (330) total live racing days each calendar year combined at both racetracks, as follows:

(1) At least one hundred sixty (160) but not more than one hundred eighty (180) live racing days must be for standardbreds to race at Hoosier Park.
(2) At least one hundred twenty (120) but not more than one hundred fifty (150) live racing days must be for horses that are:
(A) mounted by jockeys; and
(B) run on a course without jumps or obstacles;
to race at Indiana Grand.

The requirements of this subsection are a continuing condition for maintaining the permit holder's permit. However, the requirements do not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or another event over which the permit holder has no control.

(c) The commission may by rule adjust any of the following:

(1) The total required number of live racing days under subsection (b).
(2) The number of live racing days required under subsection (b)(1).
(3) The number of live racing days required under subsection (b)(2).

(d) A permit holder may not conduct more than fourteen (14) races on a particular racing day, **unless authorized by the commission to conduct additional races.**

SECTION 46. IC 4-31-5.5-6, AS AMENDED BY P.L.229-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) A permit holder or group of permit holders that is authorized to

operate satellite facilities may accept and transmit pari-mutuel wagers on horse racing at those facilities and may engage in all activities necessary to establish and operate appropriate satellite wagering facilities, including the following:

(1) Live simulcasts of horse racing conducted at the permit holder's racetrack or at other racetracks. However, a satellite facility operated by a permit holder may not simulcast races conducted in other states on any day that is not a live racing day (as defined in section 3 of this chapter) unless the satellite facility also simulcasts all available races conducted in Indiana on that day.

(2) Construction or leasing of satellite wagering facilities.

(3) Sale of food and beverages.

(4) Advertising and promotion.

(5) All other related activities.

(b) A permit holder authorized to operate a satellite facility may use an approved limited mobile gaming system to accept pari-mutuel wagers on horse racing at the satellite facility in accordance with IC 4-31-7-10.

(c) A permit holder authorized to operate a satellite facility may accept and transmit pari-mutuel wagers on races conducted at a racetrack that has entered into a simulcasting contract with the permit holder even if the races are conducted during a time when the satellite facility is not open.

SECTION 47. IC 4-31-7-1, AS AMENDED BY P.L.268-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on ~~the~~ horse races conducted or simulcast by the person, **and as permitted in section 7 of this chapter, IC 4-31-5.5, and IC 4-31-7.5.** The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering.

However, a permit holder licensed to conduct gambling games under IC 4-35 may permit wagering on gambling games at a racetrack as permitted by IC 4-35.

(b) Except as provided in section 7 of this chapter, IC 4-31-5.5, and IC 4-31-7.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 48. IC 4-31-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) Upon request by a permit holder from time to time, the commission may authorize the permit holder to conduct pari-mutuel wagering at the permit holder's racetrack on televised simulcasts of horse races from other racetracks in Indiana or in other states or countries where horse racing and wagering are permitted by law. **In addition, the commission may authorize the permit holder to conduct pari-mutuel wagering at the permit holder's racetrack on races from racetracks that have entered into a simulcasting contract with the permit holder even if the races are conducted during a time when the permit holder's racetrack is not open.** The commission may adopt rules regarding simulcasting. A permit holder that conducts at least one hundred twenty (120) live racing days annually may request an unlimited number of days of simulcasting per year. However, the requirement for one hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days. A permit holder that conducts fewer than one hundred twenty (120) live racing days annually may request permission to conduct simulcasting only during the hours on a racing day when racing is being conducted at the permit holder's racetrack. The televised simulcasts must comply with the Interstate Horse Racing Act of 1978 (15 U.S.C. 3001 et seq.).

(c) A permit holder that conducts simulcasts on a day that is not a live racing day may not simulcast races conducted in other states unless the permit holder also simulcasts all available races conducted in Indiana on that day.

SECTION 49. IC 4-31-9-3, AS AMENDED BY P.L.108-2019, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) At the close of each day on which a permit holder or satellite facility operator conducts pari-mutuel wagering on live racing or simulcasts at a racetrack or satellite facility, the permit holder or satellite facility operator shall pay to the department of state revenue a tax on the total amount of money wagered on that day as follows:

(1) Two percent (2%) of the total amount of money wagered ~~on live races and simulcasts conducted~~ **under IC 4-31-7** at a permit holder's racetrack.

(2) Two and one-half percent (2.5%) of the total amount of money wagered ~~on simulcasts at satellite facilities, regardless of whether those simulcasts originate from Indiana or another state.~~ **under IC 4-31-5.5-6 at a permit holder's satellite facility.**

(b) The taxes collected under subsection (a) shall be paid from the amounts withheld under section 1 of this chapter and shall be distributed as follows:

(1) The first one hundred fifty thousand dollars ($150,000) of taxes collected during each state fiscal year shall be deposited in the veterinary school research account established by IC 4-31-12-22.

(2) The remainder of the taxes collected during each state fiscal year shall be paid into the Indiana horse racing commission operating fund (IC 4-31-10).

(c) The tax imposed by this section is a listed tax for purposes of IC 6-8.1-1.

SECTION 50. IC 4-33-18-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. As used in this chapter, ~~"department" means the Indiana department of gaming research.~~ **"division" means the gaming research division of the commission established by section 2 of this chapter.**

SECTION 51. IC 4-33-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. ~~The Indiana department of gaming research is established as an agency of the state of Indiana~~ **The gaming research division is established within the commission** for the purpose of enhancing the gaming industry in Indiana through research and analysis.

SECTION 52. IC 4-33-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. The ~~department is under the control of the governor, who~~ **commission** shall appoint or employ the executive director **of the division** and other persons that the ~~governor~~ **commission** considers necessary.

SECTION 53. IC 4-33-18-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. ~~(a)~~ The executive director, with the ~~governor's~~ **commission's** approval, may employ individuals as are necessary to perform the various functions of the ~~department.~~ **division.**

~~(b) The executive director and the budget agency shall set the compensation for the department's employees.~~

SECTION 54. IC 4-33-18-5, AS AMENDED BY

P.L.58-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. The ~~department~~ **division** shall research and analyze data and public policy issues relating to all aspects of gaming in Indiana for the enhancement of:

(1) the Indiana lottery under IC 4-30;

(2) pari-mutuel horse racing under IC 4-31;

(3) charity gaming under IC 4-32.3; and

(4) riverboat casino gambling under IC 4-33.

SECTION 55. IC 4-33-18-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. The ~~department~~ **division** shall study and make findings and recommendations on the following:

(1) Alternative methods of taxing gaming entities, including taxes based upon the size of a riverboat or the number of gaming positions on board a riverboat.

(2) The impact of flexible boarding on the gaming industry.

(3) The impact of breed development programs and sire stakes racing in Indiana.

(4) Any other issue considered appropriate by the ~~department~~ **commission** or suggested by:

(A) the Indiana lottery commission;

(B) the Indiana horse racing commission; **or**

(C) the department of state revenue. ~~or~~

~~(D) the Indiana gaming commission.~~

SECTION 56. IC 4-33-18-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. The executive director shall submit the ~~department's~~ **division's** findings and recommendations to **the commission,** the governor, and the legislative council.

SECTION 57. IC 4-33-18-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. The ~~department~~ **division** shall impose an annual fee of twenty-five thousand dollars ($25,000) upon the following:

(1) Each licensed owner or operating agent operating a riverboat in Indiana.

(2) Each permit holder (as defined in IC 4-31-2-14) operating a live pari-mutuel horse racing facility in Indiana.

SECTION 58. IC 4-33-18-9 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 9. (a) Nothing in this chapter may be construed to limit the powers or responsibilities of:~~

~~(1) the state lottery commission under IC 4-30;~~

~~(2) the Indiana horse racing commission under IC 4-31; or~~

~~(3) the Indiana gaming commission under IC 4-32.3, IC 4-33, or IC 4-35.~~

~~(b) The department may not exercise any administrative or regulatory powers with respect to:~~

~~(1) the Indiana lottery under IC 4-30;~~

~~(2) pari-mutuel horse racing under IC 4-31;~~

~~(3) charity gaming under IC 4-32.3;~~

~~(4) riverboat casino gambling under IC 4-33; or~~

~~(5) gambling games conducted at a racetrack (as defined in IC 4-35-2-9) under IC 4-35.~~

SECTION 59. IC 5-2-23-7 IS REPEALED [EFFECTIVE UPON PASSAGE]. ~~Sec. 7. (a) The exoneration fund is established for the purpose of carrying out this chapter. The fund shall be administered by the criminal justice institute.~~

~~(b) The fund consists of appropriations from the general assembly.~~

SECTION 60. IC 5-2-23-8, AS ADDED BY P.L.165-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person to whom this chapter applies may seek compensation under this chapter by applying to the criminal justice institute on a form and in a manner to be determined by the criminal justice institute. An application must be submitted not later than:

(1) November 1, 2021; or

(2) two (2) years from the date the:

(A) judgment vacating, reversing, or setting aside the person's conviction becomes final; or

(B) governor pardons the person;

whichever is later. An applicant shall submit additional evidence to the criminal justice institute upon request by the criminal justice institute.

(b) An applicant must demonstrate the following in any application submitted to the criminal justice institute:

(1) The applicant's eligibility for compensation under this chapter as described in this chapter.

(2) The applicant's compliance with any rules promulgated or required by the criminal justice institute pursuant to section 9 of this chapter.

(c) Upon receipt of:

(1) a completed application; and

(2) any additional evidence required by the criminal justice institute;

the criminal justice institute shall evaluate, investigate, and make a determination with respect to an applicant's claim.

(d) If, at the conclusion of an investigation performed pursuant to subsection (c), the criminal justice institute determines that the applicant qualifies for compensation under this chapter, the criminal justice institute shall pay ~~from the exoneration fund,~~ any compensation due to the applicant, subject to the requirements of subsections (e) and (f).

(e) **This subsection applies to any application or compensation owed, regardless of when the application was initially submitted or a payment of the compensation was initially made.** The criminal justice institute may not pay, **or continue to pay,** compensation to an applicant who:

(1) has received an award for restitution or damages described in section 1 of this chapter in connection with the conviction;

(2) has a pending case that might result in an award for restitution or damages described in section 1 of this chapter with respect to the conviction; ~~or~~

(3) has not executed the waiver described in section 4 of this chapter;

(4) is serving a term of imprisonment for a crime other than a crime for which the individual was wrongfully incarcerated; or

(5) is serving a term of imprisonment after the revocation of parole or probation for a crime other than a crime for which the individual was wrongfully incarcerated.

However, after a term of imprisonment described in subdivision (4) or (5) has concluded, the criminal justice institute shall resume paying compensation to the individual.

(f) The criminal justice institute may only pay compensation to the individual who was wrongfully incarcerated or, on behalf of the individual, to the individual's guardian. The criminal justice institute may not pay compensation to:

(1) the estate of;

(2) a fiduciary of;

(3) a trust on behalf of; or

(4) an assignee of;

the wrongfully incarcerated individual.

SECTION 61. IC 5-10.5-3-2, AS ADDED BY P.L.23-2011, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) The board is composed of nine (9) trustees appointed by the governor as follows:

(1) At least one (1) trustee must have experience in economics, finance, or investments.

(2) At least one (1) trustee must have experience in executive management or benefits administration.

(3) The director of the ~~budget agency~~ **office of management and budget** or the ~~budget agency~~ director's designee serving as an ex officio voting member of the board. An individual appointed under this subdivision to serve as the ~~budget agency~~ **office of management and budget** director's designee:

(A) is subject to section 5 of this chapter; and

(B) serves as a permanent designee until replaced by the ~~budget agency~~ **office of management and budget** director.

(4) Two (2) trustees nominated by the speaker of the house of representatives as follows:

(A) One (1) must be an active or retired police officer or firefighter who is a member of the 1977 police officers' and firefighters' pension and disability fund.

(B) One (1) must be a member of the teachers' retirement fund with at least ten (10) years of creditable service.

(5) Two (2) trustees nominated by the president pro tempore of the senate as follows:

(A) One (1) must be a member of the public employees' retirement fund with at least ten (10) years of creditable service.

(B) One (1) must be a member of the teachers' retirement fund with at least ten (10) years of creditable service.

(6) One (1) trustee nominated by the auditor of state. The individual nominated under this subdivision may be the auditor of state or another individual who has experience in professional financial accounting or actuarial science.

(7) One (1) trustee nominated by the treasurer of state. The individual nominated under this subdivision may be the treasurer of state or another individual who has experience in economics, finance, or investments.

(b) If a vacancy on the board occurs, the governor shall, not later than forty-five (45) days after the date the vacancy occurs, appoint an individual to fill the vacancy using the criteria in subsection (a).

(c) During the first year after an individual's initial appointment as a trustee and each year thereafter during which the individual serves as a trustee, the individual is strongly encouraged to complete at least twelve (12) hours of trustee education, at least two (2) hours in each of the following areas:

(1) Fiduciary duties and responsibilities of a trustee.

(2) Ethics.

(3) Governance process and procedures.

(4) Retirement plan design and administration.

(5) Investments.

(6) Actuarial principles and methods.

(d) Subject to the director's approval, each trustee is entitled to reimbursement for reasonable expenses actually incurred in fulfilling the educational requirements under subsection (c). The director shall give a preference for reimbursement for in-state training that meets the requirements under subsection (c), if in-state training is available.

SECTION 62. IC 5-11-4-3, AS AMENDED BY P.L.209-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The expense of examination and investigation of accounts shall be paid by each municipality or entity as provided in this chapter.

(b) The state examiner shall not certify more often than monthly to the auditor of each county the amount chargeable to each taxing unit within the county for the expense of its examinations as provided in this chapter. Immediately upon receipt of the certified statement, the county auditor shall issue a warrant on the county treasurer payable to the treasurer of state out of the general fund of the county for the amount stated in the certificate. The county auditor shall reimburse the county general fund, except for the expense of examination and investigation of county offices, out of the money due the taxing units at the next semiannual settlement of the collection of taxes.

(c) If the county to which a claim is made is not in possession or has not collected the funds due or to be due to any examined municipality, then the certificate must be filed with and the warrant shall be drawn by the officer of the municipality having authority to draw warrants upon its funds. The municipality shall pay the warrant immediately to the treasurer of state. The money, when received by the treasurer of state, shall be deposited in the examinations fund created by subsection (g).

(d) Except as otherwise provided in this chapter, each:

(1) taxing unit; and

(2) soil and water conservation district;

shall be charged at the rate of one hundred seventy-five dollars ($175) per day for each field examiner, private examiner, expert, or employee of the state board of accounts who is engaged in making examinations or investigations carried out under this article. Audited entities described in subdivisions (1) and (2) shall be charged the actual direct and indirect allowable cost under 2 CFR 200.425 of performing the audit. Except as provided in subsection (h), all other audited entities shall be charged the actual direct and indirect cost of performing the examination or investigation.

(e) The state examiner shall certify, as necessary, to the proper disbursing officer the total amount of expense incurred for the examination of:

(1) any unit of state government or entity that is required by law to bear the costs of its own examination and operating expense; or

(2) any utility owned or operated by any municipality or any department of the municipality, if the utility is operated from revenues or receipts other than taxation.

Upon receipt of the state examiner's certificate the unit of state government, entity, or utility shall immediately pay to the treasurer of state the amount charged. The money, when received by the treasurer of state, shall be deposited in the examinations fund created by subsection (g).

(f) In addition to other charges provided in this chapter, the state examiner may charge a reasonable fee for technology and processing costs related to completing reports of examination and processing reports of examination in the same manner as other charges are made under this chapter. The fees shall be deposited in the examinations fund created by subsection (g).

(g) There is created a dedicated fund known as the examinations fund in the hands of the state examiner to be used by the state examiner for the payment of the expense of examinations under this article. All fees charged for examinations under this article shall be deposited into the examinations fund. ~~Money in the fund is annually appropriated for the payment of the expense of examinations by the state board of accounts.~~ Money remaining in the fund at the end of the state fiscal year does not revert to the state general fund.

(h) A municipality that contracts for services with a volunteer fire department may pay the cost of an examination or investigation of the volunteer fire department under this chapter.

(i) An audit of a county shall include, but not be limited to, an audit of that county's soil and water conservation district established under IC 14-32.

SECTION 63. IC 5-28-38 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Indiana Regional Cities Development Fund).

SECTION 64. IC 5-28-41 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 41. Regional Economic Acceleration and Development Initiative (READI)

Sec. 1. As used in this chapter, "development authority" includes:

(1) the northwest Indiana regional development authority established by IC 36-7.5-2-1;

(2) a regional development authority established under IC 36-7.6-2-3;

(3) a regional development authority established under IC 36-7.7-3-1; and

(4) the northeast Indiana strategic development commission established by IC 36-7-39-3.

Sec. 2. As used in this chapter, "eligible regional economic acceleration and development organization" means:

(1) a development authority; and

(2) a qualified nonprofit organization.

Sec. 3. As used in this chapter, "fund" refers to the READI fund established by section 7 of this chapter.

Sec. 4. As used in this chapter, "qualified nonprofit organization" means a private, nonprofit entity formed as a partnership between local units (as defined in IC 4-4-32.2-9), private sector businesses, or community or philanthropic organizations to develop and implement a regional economic acceleration and development strategy that has an organizational structure that conforms with the requirements of a policy developed by the corporation under section 16 of this chapter.

Sec. 5. As used in this chapter, "READI" refers to the regional economic acceleration and development initiative.

Sec. 6. As used in this chapter, "regional economic acceleration and development strategy" refers to:

(1) a development plan prepared by a development authority under IC 36-7.5-3-4, IC 36-7.6-3-5, or IC 36-7.7-3-4;

(2) a comprehensive economic development strategy developed by an eligible regional economic acceleration and development organization; or

(3) plans and policies developed by a development authority under IC 36-7-39-4.

Sec. 7. The READI fund is established within the state treasury to do the following:

(1) Support the corporation's READI program.

(2) Provide grants or loans to support proposals for economic development and regional economic acceleration and development.

Sec. 8. The fund consists of:

(1) appropriations from the general assembly;

(2) grants, gifts, and donations intended for deposit in the fund;

(3) interest deposited into the fund under section 10 of this chapter; and

(4) loan repayments.

Sec. 9. The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Administrative expenses incurred to carry out the purposes of this chapter.

Sec. 10. 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. Interest that accrues from these investments shall be deposited in the state general fund. Interest from loans made under this chapter shall be deposited in the fund.

Sec. 11. (a) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

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

Sec. 12. The board has the following powers:

(1) To accept, analyze, approve, and deny applications under this chapter.

(2) To contract with experts for advice and counsel.

(3) To employ staff to assist in carrying out this chapter, including the following:

(A) Providing assistance to applicants that wish to apply for a grant or loan from the fund.

(B) Analyzing proposals.

(C) Working with experts engaged by the board.

(D) Preparing reports and recommendations for the board.

Sec. 13. (a) The board may form a strategic review committee to review applications that are submitted under this chapter.

(b) The board may invite employees of state agencies and outside experts to:

(1) sit on the strategic review committee; or

(2) present analysis or opinions about any aspect of an application under review.

An employee of a state agency who sits on the strategic review committee or otherwise participates in the review of an application may not receive compensation for the employee's service on the strategic review committee or participation with the strategic review committee.

Sec. 14. (a) The board shall consider the following when reviewing applications for a grant or loan from the fund:

(1) Recommendations from the board's strategic review committee described in section 13 of this chapter.

(2) Which projects have the greatest economic development potential.

(3) Which applications focus on rural areas of Indiana.

(4) The degree of regional collaboration.

(5) The application's alignment with the state's economic development priorities.

(6) Any other criteria as determined by the board.

(b) The board shall make final funding determinations for applications for a grant or loan from the fund.

(c) The board may not approve an application for a grant or loan from the fund unless the board finds that approving the application will have an overall positive return on investment for the state.

Sec. 15. (a) An eligible regional economic acceleration and development organization may submit an application to the corporation for a grant or loan from the fund.

(b) An application for a grant or loan from the fund must be made on an application form prescribed by the board.

(c) An applicant shall provide all information required by this chapter.

(d) All applications for a grant or loan from the fund must include a regional economic acceleration and development strategy that complies with the requirements of a policy established under section 16 of this chapter and contain at least the following:

(1) A comprehensive development plan and timeline.

(2) A detailed financial analysis that includes the commitment of resources and a return on investment analysis.

(3) A demonstration of the expected impact of the grant or loan on the region and state.

(4) Any other information the board considers appropriate.

(e) An applicant for a grant or loan from the fund may request that information that may be excepted from disclosure under IC 5-14-3 that is submitted by the applicant be kept confidential.

Sec. 16. (a) Before July 1, 2021, the corporation shall develop a policy that establishes the framework for a READI program.

(b) The policy developed by the corporation shall include detailed information outlining:

(1) the entities that are eligible to submit applications for a grant or loan from the fund;

(2) the elements of a regional economic acceleration and development strategy, and the information a regional economic acceleration and development strategy must contain in order to make projects to implement the strategy eligible for a grant or loan from the fund;

(3) the types of projects that are eligible for financial support from the fund; and

(4) the criteria that will be used by a strategic review committee and the board to analyze applications for a grant or loan from the fund.

(c) The policy developed by the corporation must be approved by the board after review by the budget committee.

SECTION 65. IC 5-34 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

ARTICLE 34. INDIANA CAREER ACCELERATOR FUND

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Base year state income tax liability" means the amount of state income tax paid by an individual who receives a financial assistance award from the fund during the taxable year immediately preceding the taxable year in which the individual enrolled in the qualified education program.

Sec. 3. "Department" refers to the department of state revenue.

Sec. 4. "Fund" refers to the Indiana career accelerator fund established by IC 5-34-2-1.

Sec. 5. "INvestED Indiana" refers to the Indiana-based, nonprofit financial aid literacy and student loan organization commonly known as INvestED.

Sec. 6. "Qualified education program" means a program that is certified by INvestED Indiana.

Sec. 7. (a) INvestED Indiana shall develop policies to evaluate, identify, and certify qualified education programs.

(b) Requirements for certification of a qualified education program must include the following:

(1) The program allows an individual to earn a credential in not more than six (6) months.

(2) The following must be demonstrated to INvestED Indiana concerning the program:

(A) That at least seventy-five percent (75%) of enrolled individuals graduate from the program with a credential not more than six (6) months after beginning the program.

(B) That at least sixty-five percent (65%) of graduates obtain employment within three (3) months of graduating from the program.

(C) That graduates of the program who obtain employment within six (6) months of graduation earn average wages that are at least twenty percent (20%) higher than the wages the graduates earned before beginning the program.

(D) That graduates of the program earn an average wage that is at least two hundred percent (200%) of the statewide per capita income within two (2) years of graduation.

Sec. 8. INvestED Indiana shall provide financial assistance awards from the fund to assist individuals in obtaining credentials from qualified education programs.

Sec. 9. (a) INvestED Indiana shall require an individual who receives an award from the fund to enter into an agreement for repayment of the award.

(b) An agreement for repayment of an award from the fund is subject to the following:

(1) The agreement may not require the individual to make repayments during any period in which the individual is earning a lower annualized income than the individual earned in the taxable year immediately preceding the individual's enrollment in the qualified education program.

(2) The agreement may not require the individual to make repayments unless the individual is earning an annualized income that is not less than seventy-five percent (75%) of Indiana median household income.

(3) The total award repayment amount may not exceed the initial principal amount of the award.

(4) The recipient of an award may not be charged interest on the award.

(5) Award repayment installment amounts may not exceed five percent (5%) of the individual's monthly income. However, the individual may voluntarily choose to pay more than the repayment installment amount.

Sec. 10. INvestED Indiana shall engage an independent certified public accounting firm to conduct an annual examination of the fund. The examination must comply with the uniform compliance guidelines, directives, and standards established by the state board of accounts. INvestED Indiana shall submit a copy of the annual examination report to the state board of accounts.

Chapter 2. Indiana Career Accelerator Fund

Sec. 1. The Indiana career accelerator fund is established to provide financial assistance awards to assist individuals in obtaining credentials from qualified education programs.

Sec. 2. The fund consists of the following:

(1) Appropriations made by the general assembly.

(2) Grants and gifts intended for deposit in the fund.

(3) Repayments of awards from the fund.

(4) Interest that accrues from investments of money in the fund.

(5) Money received from the department under IC 5-34-3-2.

Sec. 3. (a) INvestED Indiana shall administer the fund. The expenses of administering the fund may be paid from money in the fund.

(b) Any compensation provided to employees of INvestED Indiana may not be paid from money received by the department under IC 5-34-3-2.

Sec. 4. Money in the fund not currently needed to meet the obligations in the fund may be invested in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

Sec. 5. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Chapter 3. Financial Assistance

Sec. 1. For each individual who receives a financial assistance award from the fund, the department shall, in each of the ten (10) taxable years following the taxable year in which the individual graduates from the qualified education program, determine the difference between the individual's base year state income tax liability and the amount of state income tax liability the individual paid in that particular taxable year.

Sec. 2. If the amount determined in section 1 of this chapter for a particular taxable year is greater than zero (0), the department shall transfer an amount equal to the amount determined in section 1 of this chapter to INvestED Indiana for deposit in the fund.

Sec. 3. A qualified education program and INvestED Indiana shall provide the department any information necessary for the department to carry out this chapter. The information shared under this section may be used only to make the determinations required by this chapter.

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

SECTION 66. IC 6-1.1-10-48, AS ADDED BY P.L.85-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) This section applies to assessment dates occurring after December 31, 2016.

(b) Tangible property is exempt from property taxation if:

(1) it is owned by an Indiana nonprofit public benefit corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code;

(2) the property is used in the operation of a nonprofit health, fitness, aquatics, and community center; and

(3) funds for the acquisition and development of the property have been provided in part under the regional cities initiative of the Indiana economic development corporation under IC 5-28-38 **(before its repeal).**

(c) The property that is exempt under this section also includes any part of the property that is leased or licensed by the owner to another nonprofit or municipal entity for use as a nonprofit health, fitness, aquatics, or community center and

property used for storage and parking.

(d) For purposes of this section, a tract of land and any improvements on the land are exempt from taxation if not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the use of the tract of land and any improvements on the tract as a nonprofit health, fitness, aquatics, and community center. To establish substantial progress and active pursuit under this subsection, the owner must prove the existence of factors such as the following:

(1) Organization of and activity by a building committee or other oversight group.

(2) Completion and filing of building plans with the appropriate local government authority.

(3) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe actual construction can and will begin within four (4) years.

(4) The breaking of ground and the beginning of actual construction.

(5) Any other factor that would lead a reasonable individual to believe that construction of the improvement is an active plan and that the improvement is capable of being completed within eight (8) years considering the circumstances of the owner.

(e) To the extent the owner of property that is exempt from taxation as provided in this section has paid any property taxes, penalties, or interest with respect to the property for the 2017 assessment date through the 2018 assessment date, the owner of the exempt property is entitled to a refund of the amounts paid on the exempt property. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the owner of exempt property under this subsection before September 1, 2019, is considered timely filed. The county auditor shall pay the refund due under this subsection in one (1) installment.

(f) If a refund is due under subsection (e) to an owner of property that is exempt under this section, the owner is not entitled to interest on the refund under this article or any other law to the extent interest has not been paid by or on behalf of the owner.

SECTION 67. IC 6-1.1-20.3-4, AS AMENDED BY P.L.241-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The distressed unit appeal board is established.

(b) The distressed unit appeal board consists of the following members:

(1) The director of the office of management and budget or the director's designee. The director or the director's designee shall serve as chairperson of the distressed unit appeal board.

(2) The commissioner of the department of local government finance or the commissioner's designee.

(3) The state examiner of the state board of accounts or the state examiner's designee.

(4) The ~~state superintendent of public instruction~~ **secretary of education** or the ~~superintendent's~~ **secretary's** designee.

(5) An individual appointed by the governor.

(6) A member of the house of representatives appointed by the speaker of the house of representatives, who shall serve as a nonvoting member.

(7) A member of the senate appointed by the president pro tempore of the senate, who shall serve as a nonvoting member.

(8) A member to serve a one (1) year term in each even-numbered year who:

(A) is a member of the house of representatives; and

(B) is appointed by the minority leader of the house of representatives.

The member is a nonvoting member.

(9) A member to serve a one (1) year term in each odd-numbered year who:

(A) is a member of the senate; and

(B) is appointed by the minority leader of the senate.

The member is a nonvoting member.

(c) Each member of the board who is not a member of the general assembly is entitled to reimbursement for:

(1) traveling expenses as provided under IC 4-13-1-4; and

(2) other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(d) Each member of the board who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees. Per diem, mileage, and travel allowances paid under this section shall be paid from appropriations made to the legislative council or the legislative services agency.

SECTION 68. IC 6-1.1-20.3-17, AS AMENDED BY P.L.154-2020, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) If the distressed unit appeal board delays or suspends, for a period determined by the board, any payments on loans or advances from the common school fund under section 6.8 of this chapter, the distressed unit appeal board may recommend to the state board of finance that the term of the loans or advances be extended. If the distressed unit appeal board makes a recommendation to extend the term of the loan or advances, the state board of finance may extend the term of the loans or advances for a period of time that is equal to or less than the number of months for which the payments are delayed or suspended.

(b) If payments on loans or advances from the common school fund are suspended under section 6.8 of this chapter, the distressed unit appeal board shall require that the school corporation:

(1) establish a school improvement fund; and

(2) transfer to the school improvement fund an amount equal to the payments that are delayed or suspended **for calendar year 2020.**

(c) A school improvement fund established under subsection (b)(1) may be used only for the following purposes:

(1) Repair, renovation, or other improvements to school buildings and property being used for education purposes as of July 1, 2020.

(2) Demolition of school buildings or other structures on school property in existence as of July 1, 2020.

(d) All expenditures from a school improvement fund established under subsection (b)(1) must be approved by the distressed unit appeal board.

(e) A school corporation may, on an annual basis, levy a tax in the debt service fund equal to the amount that would have been deducted from the distribution of state tuition support for the payment of loans made under section 6.8 of this chapter during calendar year 2020 if the loans had not been suspended. The amount received from a tax under this subsection must be transferred from the debt service fund to the education fund.

(f) With the approval of the distressed unit appeal board, a school corporation may spend other funds of the school corporation for the purposes described in subsection (c) and reimburse the expenditures from a school improvement fund established under subsection (b)(1).

(g) This section expires January 1, 2025.

SECTION 69. IC 6-2.5-1-5, AS AMENDED BY P.L.146-2020, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 5. (a) Except as provided in subsection (b), "gross retail income" means the total amount of consideration, including cash, credit, property, and services, for which tangible personal property is sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for:

(1) the seller's cost of the property sold;
(2) the cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;
(3) charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;
(4) delivery charges; or
(5) consideration received by the seller from a third party if:
(A) the seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;
(B) the seller has an obligation to pass the price reduction or discount through to the purchaser;
(C) the amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and
(D) the price reduction or discount is identified as a third party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate, or other documentation presented by the purchaser.

For purposes of subdivision (4), delivery charges are charges by the seller for preparation and delivery of the property to a location designated by the purchaser of property, including but not limited to transportation, shipping, postage charges that are not separately stated on the invoice, bill of sale, or similar document, handling, crating, and packing. Delivery charges do not include postage charges that are separately stated on the invoice, bill of sale, or similar document.

(b) "Gross retail income" does not include that part of the gross receipts attributable to:
(1) the value of any tangible personal property received in a like kind exchange in the retail transaction, if the value of the property given in exchange is separately stated on the invoice, bill of sale, or similar document given to the purchaser;
(2) the receipts received in a retail transaction which constitute interest, finance charges, or insurance premiums on either a promissory note or an installment sales contract;
(3) discounts, including cash, terms, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;
(4) interest, financing, and carrying charges from credit extended on the sale of personal property if the amount is separately stated on the invoice, bill of sale, or similar document given to the purchaser;
(5) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale, or similar document given to the purchaser, including an excise tax imposed under IC 6-6-15;
(6) installation charges that are separately stated on the invoice, bill of sale, or similar document given to the purchaser;
(7) telecommunications nonrecurring charges;
(8) postage charges that are separately stated on the invoice, bill of sale, or similar document; or
(9) charges for serving or delivering food and food ingredients furnished, prepared, or served for consumption at a location, or on equipment, provided by the retail merchant, to the extent that the charges for the serving or delivery are stated separately from the price of the food and food ingredients when the purchaser pays the charges.

(c) Notwithstanding subsection (b)(5):
(1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income is the total sales price of the special fuel minus the part of that price attributable to tax imposed under IC 6-6-2.5 or Section 4041 or Section 4081 of the Internal Revenue Code; ~~and~~
(2) in the case of retail sales of cigarettes (as defined in IC 6-7-1-2), the gross retail income is the total sales price of the cigarettes including the tax imposed under IC 6-7-1; **and**
(3) in the case of retail sales of consumable material (as defined in IC 6-7-4-2), vapor products (as defined in IC 6-7-4-8), and closed system cartridges (as defined in 6-7-2-0.5) under the closed system cartridge tax, the gross retail income received from selling at retail is the total sales price of the consumable material (as defined in IC 6-7-4-2), vapor products (as defined in IC 6-7-4-8), and closed system cartridges (as defined in IC 6-7-2-0.5) including the tax imposed under IC 6-7-4 and IC 6-7-2-7.5.

(d) Gross retail income is only taxable under this article to the extent that the income represents:
(1) the price of the property transferred, without the rendition of any services; and
(2) except as provided in subsection (b), any bona fide changes which are made for preparation, fabrication, alteration, modification, finishing, completion, delivery, or other service performed in respect to the property transferred before its transfer and which are separately stated on the transferor's records. For purposes of this subdivision, a transfer is considered to have occurred after the delivery of the property to the purchaser.

(e) A public utility's or a power subsidiary's gross retail income includes all gross retail income received by the public utility or power subsidiary, including any minimum charge, flat charge, membership fee, or any other form of charge or billing.

SECTION 70. IC 6-2.5-8-1, AS AMENDED BY P.L.146-2020, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1. (a) A retail merchant may not make a retail transaction in Indiana, unless the retail merchant has applied for a registered retail merchant's certificate.

(b) A retail merchant may obtain a registered retail merchant's certificate by filing an application with the department and paying a registration fee of twenty-five dollars ($25) for each place of business listed on the application. The retail merchant shall also provide such security for payment of the tax as the department may require under IC 6-2.5-6-12.

(c) The retail merchant shall list on the application the location (including the township) of each place of business where the retail merchant makes retail transactions. However, if the retail merchant does not have a fixed place of business, the retail merchant shall list the retail merchant's residence as the retail merchant's place of business. In addition, a public utility may list only its principal Indiana office as its place of business for sales of public utility commodities or service, but the utility must also list on the application the places of business where it makes retail transactions other than sales of public utility commodities or service.

(d) Upon receiving a proper application, the correct fee, and the security for payment, if required, the department shall issue to the retail merchant a separate registered retail merchant's certificate for each place of business listed on the application. Each certificate shall bear a serial number and the location of the place of business for which it is issued.

(e) The department may deny an application for a registered retail merchant's certificate if the applicant's business is operated, managed, or otherwise controlled by or affiliated with a person, including a relative, family member, responsible officer, or owner, who the department has determined:
(1) failed to:
(A) file all tax returns or information reports with the department for listed taxes; or
(B) pay all taxes, penalties, and interest to the department for listed taxes; and
(2) the business of the person who has failed to file all tax

returns or information reports under subdivision (1)(A) or who has failed to pay all taxes, penalties, and interest under subdivision (1)(B) is substantially similar to the business of the applicant.

(f) If a retail merchant intends to make retail transactions during a calendar year at a new Indiana place of business, the retail merchant must file a supplemental application and pay the fee for that place of business.

(g) Except as provided in subsection (i), a registered retail merchant's certificate is valid for two (2) years after the date the registered retail merchant's certificate is originally issued or renewed. If the retail merchant has filed all returns and remitted all taxes the retail merchant is currently obligated to file or remit, the department shall renew the registered retail merchant's certificate within thirty (30) days after the expiration date, at no cost to the retail merchant. Before issuing or renewing the registered retail merchant certification, the department may require the following to be provided:

(1) The names and addresses of the retail merchant's principal employees, agents, or representatives who engage in Indiana in the solicitation or negotiation of the retail transaction.

(2) The location of all of the retail merchant's places of business in Indiana, including offices and distribution houses.

(3) Any other information that the department requests.

(h) The department may not renew a registered retail merchant certificate of a retail merchant who is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4, **the electronic cigarette tax under IC 6-7-4,** or sales or use tax. The department, at least sixty (60) days before the date on which a retail merchant's registered retail merchant's certificate expires, shall notify a retail merchant who is delinquent in remitting withholding taxes required to be remitted under IC 6-3-4, **the electronic cigarette tax under IC 6-7-4,** or sales or use tax that the department will not renew the retail merchant's registered retail merchant's certificate.

(i) If:

(1) a retail merchant has been notified by the department that the retail merchant is delinquent in remitting withholding taxes or sales or use tax in accordance with subsection (h); and

(2) the retail merchant pays the outstanding liability before the expiration of the retail merchant's registered retail merchant's certificate;

the department shall renew the retail merchant's registered retail merchant's certificate for one (1) year.

(j) The department may permit an out-of-state retail merchant to collect the gross retail tax in instances where the retail merchant has not met the thresholds in IC 6-2.5-2-1(d). However, before the out-of-state retail merchant may collect the tax, the out-of-state retail merchant must obtain a registered retail merchant's certificate in the manner provided by this section. Upon receiving the certificate, the out-of-state retail merchant becomes subject to the same conditions and duties as an Indiana retail merchant and must then collect the gross retail tax due on all retail transactions that the out-of-state retail merchant knows are sourced to Indiana pursuant to IC 6-2.5-13-1.

(k) Except as provided in subsection (l), the department shall submit to the township assessor, or the county assessor if there is no township assessor for the township, before January 15 of each year:

(1) the name of each retail merchant that has newly obtained a registered retail merchant's certificate during the preceding year for a place of business located in the township or county;

(2) the address of each place of business of the taxpayer in the township or county described in subdivision (1);

(3) the name of each retail merchant that:

(A) held a registered retail merchant's certificate at any time during the preceding year for a place of business located in the township or county; and

(B) had ceased to hold the registered retail merchant's certificate at the end of the preceding year for the place of business; and

(4) the address of each place of business described in subdivision (3).

(l) If the duties of the township assessor have been transferred to the county assessor as described in IC 6-1.1-1-24, the department shall submit the information listed in subsection (k) to the county assessor.

SECTION 71. IC 6-3-1-3.5, AS AMENDED BY P.L.146-2020, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021 (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) 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 federal 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). In the case of a married individual filing a separate return, the qualifying income amount in this clause is equal to twenty thousand dollars ($20,000).

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 if the taxpayer and the taxpayer's spouse file a joint income tax return or the taxpayer is otherwise entitled to a deduction under this subdivision for the taxpayer's spouse, or both.

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

(A) two thousand five hundred dollars ($2,500), or one thousand two hundred fifty dollars ($1,250) in the case of a married individual filing a separate return; 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code.

(24) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(25) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years

ending after December 22, 2017.

(26) For taxable years beginning after December 31, 2019, and before January 1, 2021, add an amount of the deduction claimed under Section 62(a)(22) of the Internal Revenue Code.

(27) For taxable years beginning after December 31, 2019, for payments made by an employer under an education assistance program after March 27, 2020:

(A) add the amount of payments by an employer that are excluded from the taxpayer's federal gross income under Section 127(c)(1)(B) of the Internal Revenue Code; and

(B) deduct the interest allowable under Section 221 of the Internal Revenue Code, if the disallowance under Section 221(e)(1) of the Internal Revenue Code did not apply to the payments described in clause (A). For purposes of applying Section 221(b) of the Internal Revenue Code to the amount allowable under this clause, the amount under clause (A) shall not be added to adjusted gross income.

(28) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(29) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (15) and (17) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (15) and (17) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (15), then to the modification under subdivision (17).

(30) Add an amount equal to the amount excluded from federal gross income under Section 108(f)(5) of the Internal Revenue Code. For purposes of this subdivision, if an amount excluded under Section 108(f)(5) of the Internal Revenue Code would be excludible under Section 108(a)(1)(B) of the Internal Revenue Code, the exclusion under Section 108(a)(1)(B) of the Internal Revenue Code shall take precedence.

(31) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

(32) Subtract the amount of an annual grant amount distributed to a taxpayer's Indiana education scholarship account under IC 20-51.4-4-2 that is used for a qualified expense (as defined in IC 20-51.4-2-9), to the extent the distribution used for the qualified expense is included in the taxpayer's federal adjusted gross income under the Internal Revenue Code.

~~(26)~~ **(33)** 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1,

2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(8) Add to the extent required by IC 6-3-2-20:

(A) the amount of intangible 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; and

(B) any directly related interest expenses (as defined in IC 6-3-2-20) that reduced the corporation's adjusted gross income (determined without regard to this subdivision). For purposes of this clause, any directly related interest expense that constitutes business interest within the meaning of Section 163(j) of the Internal Revenue Code shall be considered to have reduced the taxpayer's federal taxable income only in the first taxable year in which the deduction otherwise would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(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).

(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.

(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.

(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) For taxable years beginning after December 25, 2016:

(A) for a corporation other than a real estate investment trust, add:

(i) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(ii) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(B) for a real estate investment trust, add an amount equal to the deduction for deferred foreign income that was claimed by the taxpayer for the taxable year under Section 965(c) of the Internal Revenue Code, but only to the extent that the taxpayer included income pursuant to Section 965 of the Internal Revenue Code in its taxable income for federal income tax purposes or is required to add back dividends paid under subdivision (9).

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

(15) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(16) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(17) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(18) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

~~(17)~~ **(19)** 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) 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 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

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

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the

limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

~~(16)~~ **(18)** 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.

(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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add:

(A) an amount equal to the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1; or

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code.

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

separately specify the amount of the reduction under Section 250(a)(1)(B)(i) of the Internal Revenue Code and under Section 250(a)(1)(B)(ii) of the Internal Revenue Code.

(14) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(15) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(16) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(17) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

~~(16)~~ **(18)** 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) 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 the sum of:

(A) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in clause (B); and

(B) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if:

(i) the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017;

(ii) the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code; and

(iii) the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service.

The amount of deductions allowable for an item of property under this clause may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(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) For taxable years beginning after December 25, 2016, add an amount equal to:

(A) the amount reported by the taxpayer on IRC 965 Transition Tax Statement, line 1;

(B) if the taxpayer deducted an amount under Section 965(c) of the Internal Revenue Code in determining the taxpayer's taxable income for purposes of the federal income tax, the amount deducted under Section 965(c) of the Internal Revenue Code; and

(C) with regard to any amounts of income under Section 965 of the Internal Revenue Code distributed by the taxpayer, the deduction under Section 965(c) of the Internal Revenue Code attributable to such distributed amounts and not reported to the beneficiary.

For purposes of this article, the amount required to be added back under clause (B) is not considered to be distributed or distributable to a beneficiary of the estate or trust for purposes of Sections 651 and 661 of the Internal

Revenue Code.

(10) Subtract any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code. Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year. For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(11) 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.

(12) Subtract the amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(13) Add an amount equal to the remainder of:

(A) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(B) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(14) For taxable years beginning after December 31, 2017, and before January 1, 2021, add an amount equal to the excess business loss of the taxpayer as defined in Section 461(l)(3) of the Internal Revenue Code. In addition:

(A) If a taxpayer has an excess business loss under this subdivision and also has modifications under subdivisions (3) and (5) for property placed in service during the taxable year, the taxpayer shall treat a portion of the taxable year modifications for that property as occurring in the taxable year the property is placed in service and a portion of the modifications as occurring in the immediately following taxable year.

(B) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year in which the property is placed in service equals:

(i) the modification for the property otherwise determined under this section; minus

(ii) the excess business loss disallowed under this subdivision;

but not less than zero (0).

(C) The portion of the modifications under subdivisions (3) and (5) for property placed in service during the taxable year treated as occurring in the taxable year immediately following the taxable year in which the property is placed in service equals the modification for the property otherwise determined under this section minus the amount in clause (B).

(D) Any reallocation of modifications between taxable years under clauses (B) and (C) shall be first allocated to the modification under subdivision (3), then to the modification under subdivision (5).

(15) For taxable years ending after March 12, 2020, subtract an amount equal to the deduction disallowed pursuant to:

(A) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(B) Section 3134(e) of the Internal Revenue Code.

~~(13)~~ **(16)** 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)(26),~~ **(a)(33),** ~~(b)(17),~~ **(b)(19),** ~~(d)(16),~~ **(d)(18),** ~~(e)(16),~~ **(e)(18),** or ~~(f)(13)~~ **(f)(16)** 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 taxable years beginning after December 25, 2016, if:

(1) a taxpayer is a shareholder, either directly or indirectly, in a corporation that is an E&P deficit foreign corporation as defined in Section 965(b)(3)(B) of the Internal Revenue Code, and the earnings and profit deficit, or a portion of the earnings and profit deficit, of the E&P deficit foreign corporation is permitted to reduce the federal adjusted gross income or federal taxable income of the taxpayer, the deficit, or the portion of the deficit, shall also reduce the amount taxable under this section to the extent permitted under the Internal Revenue Code, however, in no case shall this permit a reduction in the amount taxable under Section 965 of the Internal Revenue Code for purposes of this section to be less than zero (0); and

(2) the Internal Revenue Service issues guidance that such an income or deduction is not reported directly on a federal tax return or is to be reported in a manner different than specified in this section, this section shall be construed as if federal adjusted gross income or federal taxable income included the income or deduction.

SECTION 72. IC 6-3-1-11, AS AMENDED BY P.L.146-2020, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021 (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, 2020.~~ **March 31, 2021.**

(b) Whenever the Internal Revenue Code is mentioned in this article, **or in another provision of the Indiana Code that cites the definition of "Internal Revenue Code" provided in this section,** the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on ~~January 1, 2020,~~ **March 31, 2021,** 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 that a federal statute in the United States Code is enacted or amended in a title other than the Internal Revenue Code on or before March 31, 2021, and affects federal adjusted gross income, federal taxable income, federal tax credits, or other federal tax attributes, the federal statute shall be considered to be part of the Internal Revenue Code as amended and in effect on March 31, 2021.** To the extent:

(1) the provisions **of the Internal Revenue Code** apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code, and in effect on ~~January 1, 2020,~~ **March 31, 2021; and**

(2) a federal statute in the United States Code that is enacted or amended in a title other than the Internal Revenue Code on or before March 31, 2021, and affects federal adjusted gross income, federal taxable income, federal tax credits, or other federal tax attributes applies to this article, regulations adopted under the federal statute of the United States Code and in effect on March 31, 2021;

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, 2020,~~ **March 31, 2021,** other than the federal 21st Century Cures Act (P.L. 114-255) and the federal Disaster Tax Relief and Airport and Airway Extension Act of 2017 (P.L. 115-63), that is effective for any taxable year that began before ~~January 1, 2020,~~ **March 31, 2021,** 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 **and IC 6-5.5-1-2.**

(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 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.

SECTION 73. IC 6-3-2-2.5, AS AMENDED BY P.L.234-2019, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021 (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 sum of:**

(1) 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) **and, in the case of an individual, reduced by any deductions allowable in determining the federal net operating loss for the taxable year, but not allowable in determining federal adjusted gross income;** ~~plus~~

(2) the excess business loss deduction disallowed under IC 6-3-1-3.5(a)(29) and IC 6-3-1-3.5(f)(14); and

~~(2)~~ **(3)** for taxable years beginning after December 31, ~~2017,~~ **2020,** a loss for a taxable year disallowed because of Section 461(l) of the Internal Revenue Code, without any modifications under subsection (d).

(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)(26),~~ **IC 6-3-1-3.5(a)(33);**

(E) IC 6-3-1-3.5(f)(11); and

(F) ~~IC 6-3-1-3.5(f)(13).~~ **IC 6-3-1-3.5(f)(16).**

(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 sum of** the taxpayer's federal adjusted gross income (as defined in Section 62 of the Internal Revenue Code) **if the taxpayer is an individual, or federal taxable income (as defined in Section 63 of the Internal Revenue Code) if the taxpayer is a trust or an estate** for the taxable year in which the Indiana net operating loss is determined **and the modifications otherwise required for federal net operating losses for the taxable year by Section 172(d) of the Internal Revenue Code. A modification that reduces a federal net operating loss shall be treated as a positive number for purposes of this subdivision, and a modification that increases a federal net operating loss shall be treated as a negative number for purposes of this subdivision.**

(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), **but not in excess of the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryover year determined without regard to this section.**

(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) 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 74. IC 6-3-2-2.6, AS AMENDED BY P.L.234-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021

(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 sum of:**

(1) 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) **and, for a nonresident individual, reduced by any deductions from Indiana sources allowable in determining the federal net operating loss for the taxable year, but not allowable in determining federal adjusted gross income;** ~~plus~~

(2) the excess business loss deduction disallowed under IC 6-3-1-3.5(a)(29) and IC 6-3-1-3.5(f)(14) and incurred from Indiana sources; and

~~(2)~~ **(3)** for taxable years beginning after December 31, ~~2017~~, **2020,** the portion of the loss for a taxable year disallowed because of Section 461(l) of the Internal Revenue Code and incurred from Indiana sources, without any modifications under subsection (d). Any net operating loss under this subdivision shall be computed in a manner consistent with the computation of adjusted gross income under IC 6-3.

(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)(26);~~ **IC 6-3-1-3.5(a)(33);**
(E) IC 6-3-1-3.5(b)(14);
(F) ~~IC 6-3-1-3.5(b)(17);~~ **IC 6-3-1-3.5(b)(19);**
(G) IC 6-3-1-3.5(d)(13);
(H) ~~IC 6-3-1-3.5(d)(16);~~ **IC 6-3-1-3.5(d)(18);**
(I) IC 6-3-1-3.5(e)(13);
(J) ~~IC 6-3-1-3.5(e)(16);~~ **IC 6-3-1-3.5(e)(18);**
(K) IC 6-3-1-3.5(f)(11); and
(L) ~~IC 6-3-1-3.5(f)(13).~~ **IC 6-3-1-3.5(f)(16).**

(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 **sum of:**

(A) either:

(i) the taxpayer's federal taxable income (as defined in Section 63 of the Internal Revenue Code), if the taxpayer is a corporation, **nonresident estate, or nonresident trust;** or ~~when the applicable modifications required by IC 6-3-1-3.5 as set forth in subdivision (1) exceed~~

(ii) the taxpayer's federal adjusted gross income (as defined by Section 62 of the Internal Revenue Code), if the taxpayer is a nonresident ~~person,~~ **individual;**

for the taxable year in which the Indiana net operating loss is determined; **and**

(B) the modifications otherwise required for federal net operating losses for the taxable year of the Indiana net operating loss under Section 172(d) of the Internal Revenue Code or Section 512(b) of the Internal Revenue Code. A modification that reduces a federal net operating loss shall be treated as a positive number for purposes of this subdivision, and a modification that increases a federal net operating loss shall be treated as a negative number for purposes of this subdivision.

(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), **but not in excess of the taxpayer's adjusted gross income (as defined in IC 6-3-1-3.5) in the carryover year determined without regard to the deduction allowable under this section.**

(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) 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, this section shall be applied by 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 75. IC 6-3-2-10, AS AMENDED BY P.L.182-2009(ss), SECTION 196, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 10. ~~(a) An individual who received unemployment compensation, as defined in subsection (c), during the taxable year is entitled to a deduction from the individual's adjusted gross income for that taxable year in the amount determined using the following formula:~~

~~STEP ONE: Determine the greater of zero (0) or the difference between:~~

~~(A) the sum of:~~

~~(i) the federal adjusted gross income of the individual (or the individual and the individual's spouse, in the case of a joint return), as defined in Section 62 of the Internal Revenue Code; plus~~

~~(ii) the amount of unemployment compensation excluded from federal gross income, as defined in Section 61 of the Internal Revenue Code, under Section 85(c) of the Internal Revenue Code; minus~~

~~(B) the base amount as defined in subsection (b).~~

~~STEP TWO: Determine the greater of zero (0) or the difference between:~~

~~(A) the individual's unemployment compensation for the taxable year; minus~~

~~(B) one-half (1/2) of the amount determined under STEP ONE.~~

~~(b) As used in this section, "base amount" means:~~

~~(1) twelve thousand dollars ($12,000) in all cases not covered by subdivision (2) or (3);~~

~~(2) eighteen thousand dollars ($18,000) in the case of an individual who files a joint return for the taxable year; or~~

~~(3) zero (0), in the case of an individual who:~~

~~(A) is married at the close of the taxable year, as determined under Section 143 of the Internal Revenue Code;~~

~~(B) does not file a joint return for the taxable year; and~~

~~(C) does not live apart from the individual's spouse at all times during the taxable year.~~

~~(c) As used in this section, "unemployment compensation" means the amount of unemployment compensation that is included in the individual's federal gross income under Section 85 of the Internal Revenue Code.~~ **(a) For purposes of this section, "excess adjusted gross income" means the greater of zero (0) or one-half (1/2) of:**

(1) the individual's adjusted gross income or the combined adjusted gross income of the individual and the individual's spouse, if the individual files a joint return with the individual's spouse, as determined under Section 62 of the Internal Revenue Code; plus

(2) any unemployment compensation excluded from federal gross income under Section 85(c) of the Internal Revenue Code; minus

(3) the following amount:

(A) Eighteen thousand dollars ($18,000) for an individual who files a joint tax return with the individual's spouse.

(B) Zero dollars ($0) if the individual:

(i) is married at the close of the taxable year, as determined under Section 7703 of the Internal Revenue Code;

(ii) does not file a joint return for the taxable year; and

(iii) does not live apart from the individual's spouse at all times during the taxable year.

(C) Twelve thousand dollars ($12,000) for an individual not described in clause (A) or (B).

(b) "Eligible unemployment compensation" means unemployment compensation received by an individual and included in the individual's federal gross income under Section 85 of the Internal Revenue Code plus any unemployment compensation received by the individual excluded from federal gross income under Section 85(c) of the Internal Revenue Code. The term does not include amounts not taxable under this article as a result of 45 U.S.C. 352.

(c) An individual is entitled to a deduction against the individual's adjusted gross income in an amount equal to the greater of zero (0) or the remainder of:

(1) eligible unemployment compensation; minus

(2) excess adjusted gross income.

(d) For an individual and an individual's spouse described in subsection (a)(3)(A):

(1) the deduction under subsection (c) shall be computed based on the combined eligible unemployment compensation of the individual and the individual's spouse; and

(2) this subsection and subsection (c) shall not be construed to permit more than one (1) deduction under this section.

SECTION 76. IC 6-3.1-24-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: **Sec. 2.5. As used in this chapter, "qualified Indiana investment fund" means any private fund that meets the definition of a venture capital fund in 17 CFR 275.203(l)-1 and that is certified by the Indiana economic development corporation as provided in section 7.5 of this chapter.**

SECTION 77. IC 6-3.1-24-3, AS AMENDED BY P.L.193-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 3. As used in this chapter, "qualified investment capital" means debt or equity capital that is provided to a qualified Indiana business **or a qualified Indiana investment fund** after December 31, 2003. However, the term does not include debt that:

(1) is provided by a financial institution (as defined in IC 5-13-4-10) after May 15, 2005; and

(2) is secured by a valid mortgage, security agreement, or other agreement or document that establishes a collateral or security position for the financial institution that is senior to all collateral or security interests of other taxpayers that provide debt or equity capital to the qualified Indiana business.

SECTION 78. IC 6-3.1-24-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: **Sec. 4.5. (a) As used in this chapter, "substantial presence" means:**

(1) maintaining a company headquarters in Indiana; or

(2) maintaining at least seventy-five percent (75%) of a company's total payroll in Indiana.

(b) Notwithstanding subsection (a), a company receiving qualified investment capital from a qualified Indiana investment fund shall be considered to have substantial presence in Indiana if the company commits to relocate:

(1) its headquarters; or

(2) seventy-five percent (75%) of its total payroll;

to Indiana within one (1) year of receiving qualified investment capital from a qualified Indiana investment fund.

SECTION 79. IC 6-3.1-24-6, AS AMENDED BY P.L.4-2005, SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 6. A taxpayer that:

(1) provides qualified investment capital to a qualified Indiana business **or a qualified Indiana investment fund;** and

(2) fulfills the requirements of the Indiana economic development corporation under section 12.5 of this chapter;

is entitled to a credit against the ~~person's~~ **taxpayer's** state tax liability in a taxable year equal to the amount specified in section ~~10~~ **8 or 8.5** of this chapter, **whichever is applicable.**

SECTION 80. IC 6-3.1-24-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: **Sec. 7.5. (a) The Indiana economic development corporation may certify that an investment fund is a qualified Indiana investment fund if the corporation determines that the fund meets the definition in section 2.5 of this chapter and the requirements in subsection (b).**

(b) The Indiana economic development corporation may only certify a fund as a qualified Indiana investment fund if the fund makes investments according to a policy that:

(1) requires eligible companies to be primarily focused on the commercialization of research and development, technology transfer, or application of new technology; and

(2) prioritizes investments in companies that:

(A) have received a grant, loan, or other investment funds provided by the Indiana twenty-first century research and technology fund established by IC 5-28-16-2; or

(B) maintain a substantial presence in Indiana.

(c) An investment fund must apply to be certified as a qualified Indiana investment fund on a form prescribed by the Indiana economic development corporation.

(d) If an investment fund is certified as a qualified Indiana investment fund under this section, the Indiana economic development corporation shall provide a copy of the certification to the investors in the qualified Indiana investment fund for inclusion in tax filings.

SECTION 81. IC 6-3.1-24-8, AS AMENDED BY P.L.172-2011, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 8. (a) A certification provided under section 7 of this chapter must include notice to the investors of the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to the qualified Indiana business.

(b) For a calendar year ending before January 1, 2011, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of:

(1) the total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%); or

(2) five hundred thousand dollars ($500,000).

(c) For a calendar year beginning after December 31, 2010, **and ending before January 1, 2022,** the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of the following:

(1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty percent (20%).

(2) One million dollars ($1,000,000).

(d) For a calendar year beginning after December 31, 2021, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business equals the lesser of the following:

(1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by twenty-five percent (25%).

(2) One million dollars ($1,000,000).

(e) Notwithstanding subsection (d), for a calendar year beginning after December 31, 2021, the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a particular qualified Indiana business, if the qualified Indiana business is a minority business enterprise or a women's business enterprise, equals the lesser of the following:

(1) The total amount of qualified investment capital provided to the qualified Indiana business in the calendar year, multiplied by thirty percent (30%).

(2) One million five hundred thousand dollars ($1,500,000).

SECTION 82. IC 6-3.1-24-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: **Sec. 8.5. (a) A certification provided under section 7.5 of this chapter must include notice to investors of the maximum amount of tax credits available under this chapter for the provision of qualified investment capital to the qualified Indiana investment fund.**

(b) The maximum amount of tax credits available under this chapter for the provision of qualified investment capital to a qualified Indiana investment fund equals the lesser of the following:

(1) The total amount of qualified investment capital provided to the qualified Indiana investment fund in the calendar year, multiplied by twenty percent (20%).

(2) Five million dollars ($5,000,000).

SECTION 83. IC 6-3.1-24-9 IS REPEALED [EFFECTIVE JANUARY 1, 2022]. ~~Sec. 9. The total amount of tax credits that may be approved by the corporation under this chapter in a particular calendar year for qualified investment capital provided during that calendar year may not exceed twelve million five hundred thousand dollars ($12,500,000). An amount of an unused credit carried over by a taxpayer from a previous calendar year may not be considered in determining the amount of proposed investments that the Indiana economic development corporation may certify under this chapter.~~

SECTION 84. IC 6-3.1-24-10 IS REPEALED [EFFECTIVE JANUARY 1, 2022]. ~~Sec. 10. Subject to sections 8 and 13 of this chapter, the amount of the credit to which a taxpayer is entitled under section 6 this chapter equals the product of:~~

~~(1) twenty percent (20%); multiplied by~~

~~(2) the amount of the qualified investment capital provided to a qualified Indiana business by the taxpayer in the taxable year.~~

SECTION 85. IC 6-3.1-24-12, AS AMENDED BY P.L.158-2019, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 12. (a) If the amount of the credit determined under section ~~10~~ **8 or 8.5** of this chapter for a taxpayer in a taxable year exceeds the taxpayer's state tax liability for that taxable year, the taxpayer may carry the excess credit over for a period not to exceed the taxpayer's following five (5) taxable years. The amount of the credit carryover from a taxable year shall be reduced to the extent that the carryover is used by the taxpayer to obtain a credit under this chapter for any subsequent taxable year. A taxpayer is not entitled to a carryback or a refund of any unused credit amount.

(b) If the corporation certifies a credit for an investment that is made after June 30, 2020, and before July 1, 2029, the taxpayer may assign all or part of the credit to which the taxpayer is entitled under this chapter, subject to the limitations set forth in subsection (c).

(c) The following apply to the assignment of a credit under this chapter:

(1) A taxpayer may not assign all or part of a credit or credits to a particular person in amounts that are less than ten thousand dollars ($10,000).

(2) Before a credit may be assigned, the taxpayer must notify the corporation of the assignment of the credit in the manner prescribed by the corporation.

(3) An assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and assignee's state tax returns for the year in which the assignment is made, in the manner prescribed by the department.

(4) Once a particular credit or credits are assigned, the assignee may not assign all or part of the credit or credits to another person.

(5) A taxpayer may not receive value in connection with an assignment under this section that exceeds the value of that part of the credit assigned.

(d) The corporation shall collect and compile data on the assignments of tax credits under this chapter and determine the effectiveness of each assignment in getting projects completed. The corporation shall report its findings under this subsection to the legislative council in an electronic format under IC 5-14-6 before November 1, 2022. This subsection expires January 1, 2023.

SECTION 86. IC 6-3.1-24-12.5, AS AMENDED BY P.L.193-2005, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: Sec. 12.5. (a) A taxpayer wishing to obtain a credit under this chapter must

apply to the Indiana economic development corporation for a certification that the taxpayer's proposed investment plan would qualify for a credit under this chapter.

(b) The application required under subsection (a) must include:

(1) the name and address of the taxpayer;

(2) the name and address of each proposed recipient of the taxpayer's proposed investment;

(3) the amount of the proposed investment;

(4) a copy of the certification issued under section 7 **or 7.5** of this chapter that the proposed recipient is a qualified Indiana business **or qualified Indiana investment fund, whichever is applicable;** and

(5) any other information required by the Indiana economic development corporation.

(c) If the Indiana economic development corporation determines that

~~(1)~~ the proposed investment would qualify the taxpayer for a credit under this chapter, ~~and~~

~~(2) the amount of the proposed investment would not result in the total amount of tax credits certified for the calendar year exceeding twelve million five hundred thousand dollars ($12,500,000);~~

the corporation ~~shall~~ **may** certify the taxpayer's proposed investment plan.

(d) To receive a credit under this chapter, the taxpayer must provide qualified investment capital to a qualified Indiana business **or qualified Indiana investment fund, whichever is applicable,** according to the taxpayer's certified investment plan within two (2) years after the date on which the Indiana economic development corporation certifies the investment plan.

(e) Upon making the investment required under subsection (d), the taxpayer shall provide proof of the investment to the Indiana economic development corporation.

(f) Upon receiving proof of a taxpayer's investment under subsection (e), the Indiana economic development corporation shall issue the taxpayer a certificate indicating that the taxpayer has fulfilled the requirements of the corporation and that the taxpayer is entitled to a credit under this chapter.

(g) Notwithstanding subsection (f), if a taxpayer is issued a certificate by the Indiana economic development corporation for an investment made in a qualified Indiana investment fund, a taxpayer may not claim the credit as provided in section 13 of this chapter before July 1, 2023.

~~(g)~~ **(h)** A taxpayer forfeits the right to a tax credit attributable to an investment certified under subsection (c) if the taxpayer fails to make the proposed investment within the period required under subsection (d).

SECTION 87. IC 6-3.1-24-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2022]: **Sec. 15. (a) Before January 1, 2022, the total amount of credits that may be awarded by the Indiana economic development corporation under this chapter for investment plans certified as provided in section 12.5 of this chapter that propose investing qualified investment capital in a particular qualified Indiana business during a particular calendar year is twelve million five hundred thousand dollars ($12,500,000).**

(b) After December 31, 2021, the total amount of credits that may be awarded by the Indiana economic development corporation under this chapter for investment plans certified as provided in section 12.5 of this chapter that propose investing qualified investment capital in a particular qualified Indiana business or qualified Indiana investment fund during a particular calendar year is twenty million dollars ($20,000,000), provided that not more than seven million five hundred thousand dollars ($7,500,000) may be awarded for proposed investments of qualified investment capital in a qualified Indiana investment fund.

SECTION 88. IC 6-3.1-26-15, AS AMENDED BY P.L.122-2016, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Subject to subsection (d) **and (g),** a taxpayer may carry forward an unused credit for the number of years determined by the corporation, not to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the taxpayer makes the qualified investment.

(b) The amount that a taxpayer may carry forward to a particular taxable year under this section equals the unused part of a tax credit allowed under this chapter.

(c) A taxpayer may:

(1) claim a tax credit under this chapter for a qualified investment; and

(2) carry forward a remainder for one (1) or more different qualified investments;

in the same taxable year.

(d) This subsection applies only to a taxpayer that:

(1) is not a pass through entity;

(2) proposes at least five hundred million dollars ($500,000,000) in total investment over a five (5) year period; and

(3) enters into a written agreement with the corporation under this subsection before January 1, 2017, and agrees to claim tax credits under this chapter for not more than one hundred seventy million dollars ($170,000,000) of qualified investment that is made as part of the investment proposed as described in subdivision (2).

If a tax credit awarded under this chapter exceeds a taxpayer's state income tax liability for the taxable year, notwithstanding subsection (a), the corporation may accelerate to that taxable year the excess amount of the tax credit that could otherwise be carried forward under subsection (a). The excess amount of the tax credit accelerated under this subsection shall be discounted as determined under a written agreement entered into by the taxpayer and the corporation. The discounted amount of the excess tax credit accelerated under this subsection as determined by the corporation may be remitted to the taxpayer as provided in the written agreement between the corporation and the taxpayer. Subject to subsection (f), the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars ($170,000,000). The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2025.

(e) A written agreement under subsection (d) may contain a provision for payment of liquidated damages:

(1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and taxpayer under this chapter; and

(2) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2025.

(f) The total aggregated amount of tax credits that the corporation may discount under subsection (d) and section 16(d) of this chapter in a state fiscal year may not exceed seventeen million dollars ($17,000,000), as determined before the discount is applied. This subsection expires December 31, 2025.

(g) This subsection applies only to a taxpayer that:

(1) is not a pass through entity;

(2) proposes at least two hundred fifty million dollars ($250,000,000) in total investment over a five (5) year period; and

(3) enters into a written agreement with the corporation under this subsection before July 1, 2022, and agrees to claim tax credits under this chapter for not more than one hundred seventy million dollars ($170,000,000) of qualified investment that is made as part of the investment proposed as described in subdivision (2).

If a tax credit awarded under this chapter exceeds a taxpayer's state income tax liability for the taxable year, notwithstanding subsection (a), the corporation may accelerate to that taxable year the excess amount of the tax credit that could otherwise be carried forward under subsection (a). The excess amount of the tax credit accelerated under this subsection shall be discounted as determined under a written agreement entered into by the taxpayer and the corporation. The discounted amount of the excess tax credit accelerated under this subsection as determined by the corporation may be remitted to the taxpayer as provided in the written agreement between the corporation and the taxpayer. Subject to subsection (i), the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars ($170,000,000). The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2031.

(h) A written agreement under subsection (g) may contain a provision for payment of liquidated damages:

(1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and taxpayer under this chapter; and

(2) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2031.

(i) The total aggregated amount of tax credits that the corporation may discount under subsection (g) and section 16(g) of this chapter in a state fiscal year may not exceed seventeen million dollars ($17,000,000), as determined before the discount is applied. This subsection expires December 31, 2031.

SECTION 89. IC 6-3.1-26-16, AS AMENDED BY P.L.122-2016, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) If a pass through entity does not have state tax liability against which the tax credit may be applied, a shareholder, member, or partner of the pass through entity is entitled to a tax credit equal to:

(1) the tax credit determined for the pass through entity for the taxable year; multiplied by

(2) the percentage of the pass through entity's distributive income to which the shareholder, member, or partner is entitled.

(b) Subject to subsection (d) **and (g),** a shareholder, member, or partner of a pass through entity that is entitled to a tax credit under this section may carry forward an unused credit for the number of years determined by the corporation, not to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the pass through entity makes the qualified investment.

(c) The amount that a shareholder, member, or partner may carry forward to a particular taxable year under this section equals the unused part of a tax credit allowed under this chapter to which the shareholder, member, or partner is entitled.

(d) This subsection applies only to a pass through entity that:

(1) proposes at least five hundred million dollars ($500,000,000) in total investment over a five (5) year period; and

(2) enters into a written agreement with the corporation under this subsection before January 1, 2017, and the shareholders, members, or partners of the pass through entity agree to claim tax credits under this chapter for not more than one hundred seventy million dollars ($170,000,000) of qualified investment that is made as part of the investment proposed as described in subdivision (1).

Notwithstanding subsection (b), the corporation may accelerate to the current taxable year the excess tax credit amount that could otherwise be carried forward by all shareholders, members, or partners of a pass through entity under subsection (b). The excess amount of the tax credit accelerated under this subsection shall be discounted as determined under a written agreement entered into by the pass through entity and the corporation. Subject to subsection (f), the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars ($170,000,000). The discounted amount of the excess tax credit accelerated under this subsection as determined by the corporation may be remitted to the shareholders, members, or partners of the pass through entity as provided in the written agreement between the corporation and the pass through entity. The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2025.

(e) A written agreement under subsection (d) may contain a provision for payment of liquidated damages:

(1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and pass through entity under this chapter;

(2) that are personally guaranteed by the shareholders, members, or partners of the pass through entity; and

(3) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2025.

(f) The total aggregated amount of tax credits that the corporation may discount under subsection (d) and section 15(d) of this chapter in a state fiscal year may not exceed seventeen million dollars ($17,000,000), as determined before the discount is applied. This subsection expires December 31, 2025.

(g) This subsection applies only to a pass through entity that:

(1) proposes at least two hundred fifty million dollars ($250,000,000) in total investment over a five (5) year period; and

(2) enters into a written agreement with the corporation under this subsection before July 1, 2022, and the shareholders, members, or partners of the pass through entity agree to claim tax credits under this chapter for not more than one hundred seventy million dollars ($170,000,000) of qualified investment that is made as part of the investment proposed as described in subdivision (1).

Notwithstanding subsection (b), the corporation may accelerate to the current taxable year the excess tax credit amount that could otherwise be carried forward by all shareholders, members, or partners of a pass through entity under subsection (b). The excess amount of the tax credit accelerated under this subsection shall be discounted as determined under a written agreement entered into by the pass through entity and the corporation. Subject to subsection (i), the total amount of qualified investments for which tax credits may be accelerated under this subsection may not exceed one hundred seventy million dollars ($170,000,000). The discounted amount of the excess tax credit accelerated under this subsection as determined by the corporation may be remitted to the shareholders, members, or partners of the pass through entity as provided in the written agreement between the corporation and the pass through entity. The requirement for an agreement under section 21(11) of this chapter does not apply to this subsection. This subsection expires December 31, 2031.

(h) A written agreement under subsection (g) may contain a provision for payment of liquidated damages:

(1) to the corporation for failure to comply with the conditions set forth in this chapter and the agreement entered into by the corporation and pass through entity under this chapter;

(2) that are personally guaranteed by the shareholders, members, or partners of the pass through entity; and

(3) that are in addition to an assessment made by the department for noncompliance under section 23 of this chapter.

This subsection expires December 31, 2031.

(i) The total aggregated amount of tax credits that the corporation may discount under subsection (g) and section 15(g) of this chapter in a state fiscal year may not exceed seventeen million dollars ($17,000,000), as determined before the discount is applied. This subsection expires December 31, 2031.

SECTION 90. IC 6-3.1-30.5-13, AS AMENDED BY P.L.108-2019, SECTION 123, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 13. (a) The total amount of tax credits awarded under this chapter may not exceed nine million five hundred thousand dollars ($9,500,000) in the state fiscal year beginning July 1, 2016, and ending June 30, 2017.

(b) The total amount of tax credits awarded under this chapter in a state fiscal year may not exceed the following:

(1) Twelve million five hundred thousand dollars ($12,500,000) for the state fiscal year beginning July 1, 2017, and ending June 30, 2018.

(2) Fourteen million dollars ($14,000,000) for the state fiscal year beginning July 1, 2018, and ending June 30, 2019.

(3) Fifteen million dollars ($15,000,000) for the state fiscal year beginning July 1, 2019, and ending June 30, 2020.

(4) Sixteen million five hundred thousand dollars ($16,500,000) for ~~each~~ **the** state fiscal year:

(1) beginning ~~after June 30, 2020.~~ **July 1, 2020, and ending June 30, 2021; and**

(2) beginning after July 1, 2023, and each state fiscal year thereafter.

(5) Seventeen million five hundred thousand dollars ($17,500,000) for the state fiscal year beginning July 1, 2021, and ending June 30, 2022.

(6) Eighteen million five hundred thousand dollars ($18,500,000) for the state fiscal year beginning July 1, 2022, and ending June 30, 2023.

SECTION 91. IC 6-3.1-35.8 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 35.8. Foster Care Support Tax Credit

Sec. 1. (a) As used in this chapter, "foster care" means living in a place licensed under IC 31-27.

(b) As used in this chapter, "person" means an individual, a corporation, a limited liability company, a partnership, or another legal entity.

(c) As used in this chapter, "qualifying foster care organization" means an organization that meets the following qualifications:

(1) The organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

(2) The organization provides:

(A) foster care prevention services and programs as required by 42 U.S.C. 671; or

(B) direct assistance to individuals in the foster care system.

(3) The organization spends at least fifty percent (50%) of its available revenue on qualified services to Indiana residents.

(4) The organization affirms that it will continue spending at least fifty percent (50%) of its available revenue on qualified services to Indiana residents.

(5) The organization provides ongoing qualified services to at least two hundred (200) Indiana residents.

(d) As used in this chapter, "state fiscal year" means a twelve (12) month period beginning on July 1 and ending on June 30.

(e) As used in this chapter, "state tax liability" means the taxpayer's total tax liability that is incurred under:

(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax); and

(2) IC 6-5.5 (the financial institutions tax);

as computed after the application of the credits that, under IC 6-3.1-1-2, are to be applied before the credit provided by this chapter.

(f) As used in this chapter, "tax credit" means a deduction from any tax otherwise due under IC 6-3 or IC 6-5.5.

Sec. 2. A person who makes a monetary contribution to a qualifying foster care organization shall receive a tax credit as provided in section 3 of this chapter.

Sec. 3. (a) Subject to the limitations provided in subsection (b) and sections 5 and 6 of this chapter, the department shall grant a tax credit against any state tax liability due equal to fifty percent (50%) of the amount of the monetary contribution by a person to a qualifying foster care organization that is approved by the department of child services under section 4(c) of this chapter.

(b) The tax credit which a taxpayer receives under this chapter may not exceed ten thousand dollars ($10,000) for any taxable year of the taxpayer.

(c) If a person that is:

(1) exempt from adjusted gross income tax (IC 6-3-1 through IC 6-3-7) under IC 6-3-2-2.8(2); or

(2) a partnership;

does not have any tax liability against which the credit provided by this section may be applied, a shareholder or a partner of the business firm is entitled to a credit against the shareholder's or partner's liability under the adjusted gross income tax.

(d) The amount of the tax credit provided by this section under subsection (c) is equal to:

(1) the tax credit determined for the business firm for the taxable year under subsection (a); multiplied by

(2) the percentage of the business firm's distributive income to which the shareholder or the partner is entitled.

The tax credit provided by this section is in addition to any credit to which a shareholder or partner is otherwise entitled under this chapter. However, a business firm and a shareholder or partner of that business firm may not claim a credit under this chapter for the same monetary contribution to a qualifying foster care organization.

Sec. 4. (a) Any business firm or person that desires to claim a tax credit as provided in this chapter shall file with the department, in the form that the department may prescribe, an application stating the amount of the contribution or investment that it proposes to make that would qualify for a tax credit, and the amount sought to be claimed as a credit.

(b) The department shall promptly notify an applicant whether, or the extent to which, the tax credit is allowable in the state fiscal year in which the application is filed, as provided in section 5 of this chapter. If the credit is allowable in that state fiscal year, the applicant shall within thirty (30) days after receipt of the notice file with the department a statement, in the form and accompanied by the proof of payment as the department may prescribe, setting forth that the amount to be claimed as a credit under this chapter has been paid to a qualifying foster care organization for an approved program or purpose, or permanently set aside in a special account to be used solely for an approved program or purpose.

(c) The department may disallow any credit claimed under this chapter for which the statement or proof of payment is not filed within the thirty (30) day period. An

organization must apply to the department of child services for approval as a qualifying foster care organization for purposes of this chapter. The department of child services shall approve each organization applicant that is a qualifying foster care organization as defined in section 1(c) of this chapter and provide a list of each approved organization annually to the department before July 1 of each year.

Sec. 5. (a) The amount of tax credits allowed under this chapter may not exceed two million dollars ($2,000,000) in the state fiscal year beginning July 1, 2021, through June 30, 2025.

(b) The department shall record the time of filing of each application for allowance of a tax credit required under section 4 of this chapter and shall approve the applications, if they otherwise qualify for a tax credit under this chapter, in the chronological order in which the applications are filed in the state fiscal year.

(c) When the total tax credits approved under this section equal the maximum amount allowable in any state fiscal year, no application thereafter filed for that same fiscal year shall be approved. However, if any applicant for whom a credit has been approved fails to file the statement of proof of payment required under section 4 of this chapter, an amount equal to the credit previously allowed or set aside for the applicant may be allowed to any subsequent applicant in the year. In addition, the department may, if the applicant so requests, approve a credit application, in whole or in part, with respect to the next succeeding state fiscal year.

Sec. 6. A tax credit shall be allowable under this chapter only for the taxable year of the taxpayer in which the contribution qualifying for the credit is paid. A taxpayer is not entitled to a refund of any unused credit.

Sec. 7. This chapter applies to taxable years beginning after December 31, 2021.

Sec. 8. This chapter expires July 1, 2025.

SECTION 92. IC 6-3.6-7-24, AS AMENDED BY P.L.10-2019, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 24. (a) This section applies only to a county that is a member of a regional development authority under IC 36-7.6.

(b) The adopting body for the county may impose a tax rate on the adjusted gross income tax of local taxpayers that is not greater than:

(1) in the case of a county described in IC 36-7.6-4-2(c)(2), twenty-five thousandths of one percent (0.025%); or

(2) in the case of any other county to which this section applies, ~~five-hundredths~~ **five-tenths** of one percent ~~(0.05%).~~ **(0.50%). The tax rate under this subdivision plus the tax rate imposed under IC 6-3.6-6 may not exceed the tax rate specified in IC 6-3.6-6-2.**

(c) The revenue from a tax under this section may be used only for the purpose of transferring the revenue in the regional development authority under IC 36-7.6.

SECTION 93. IC 6-3.6-9-1, AS AMENDED BY P.L.126-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1. (a) ~~A trust account within the state general fund shall be established for each county that imposes a tax. Any revenue derived from the imposition of the tax by a county shall be deposited in that county's trust account in the state general fund. The county's trust account shall be maintained by the budget agency for each county without consideration for the county's allocation of tax revenue among the purposes authorized by this article.~~ **The budget agency shall maintain an accounting for each county imposing a tax based on annual returns filed by or for county taxpayers. Any undistributed amounts so accounted for shall be held in reserve for the respective counties separate from the state general fund.**

(b) ~~Any income earned on money held in a trust account under subsection (a) becomes a part of that trust account.~~ **Undistributed amounts shall be invested by the treasurer of state and the income earned shall be credited to the counties based on each county's undistributed amount.**

~~(c) Any revenue remaining in a trust account established under subsection (a) at the end of a fiscal year does not revert to the state general fund.~~

SECTION 94. IC 6-3.6-9-4, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. Revenue derived from the imposition of the tax shall, in the manner prescribed by this chapter, be distributed to the county that imposed it. The amount that is to be distributed to a county during an ensuing calendar year equals the amount of tax revenue that the budget agency determines has been:

(1) received from that county for a taxable year ending in a calendar year preceding the calendar year in which the determination is made; and

(2) reported on an annual return or amended return processed by the department in the state fiscal year ending before July 1, **or for a federal income tax deadline set after July 1, a date set by the department for a period of not more than sixty (60) days beyond the federal deadline,** of the calendar year in which the determination is made;

as adjusted for refunds of tax made in the state fiscal year.

SECTION 95. IC 6-3.6-9-4.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 4.1. The budget agency shall adjust the amounts determined under section 4 of this chapter for the credits claimed against local income taxes under IC 6-3.6-8-6 and IC 6-3.1-19. The adjustments made by the budget agency may be phased-in over several fiscal years until the credits are fully accounted for.**

SECTION 96. IC 6-3.6-9-19 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 19. Before October 1, 2023, and October 1 of each year thereafter, the state department of revenue shall provide to each county a report for the fiscal year ending in the calendar year of the report. The report shall contain at least the following information:**

(1) The number of returns filed by single, joint, and married filing separate status.

(2) The number of returns filled by full-year and filers who are not full-year residents.

(3) The amounts billed to county taxpayers for underpayment of tax during the fiscal year.

(4) The amounts collected from county taxpayers for amounts billed prior to the end of the state fiscal year ending in the calendar year of the report.

(5) The amounts reported on the individual lines of the annual returns filed by or for county taxpayers during the fiscal year ending in the calendar year of the report.

If the amounts reported on one (1) or more individual returns can reasonably identify the return information of one (1) or more county taxpayers or can reasonably result in a disclosure not permitted under Section 6103 of the Internal Revenue Code, the department may redact those amounts and such other amounts necessary to prevent the disclosure of the return information of such county taxpayers.

SECTION 97. IC 6-3.6-11-6, AS AMENDED BY P.L.189-2018, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) This section applies to Lake County, LaPorte County, Porter County, and any municipality in those counties that is a member of the northwest Indiana regional development authority (IC 36-7.5)

for purposes of categorizations, allocations, and distributions of additional revenue that is allocated each year for economic development purposes under IC 6-3.6-6-9.

(b) This subsection applies only to Lake County. The county or a city described in IC 36-7.5-2-3(b) may use additional revenue that is allocated each year for economic development purposes under IC 6-3.6-6-9 for making transfers required by IC 36-7.5-4-2 or to provide rail project funding under IC 36-7.5-4.5. The additional revenue allocated for economic development and used to make the transfers required by IC 36-7.5-4-2 or to provide rail project funding shall be paid by the treasurer of state to the treasurer of the northwest Indiana regional development authority before certified distributions are made to the county or any cities or towns in the county. The county or a city or town in the county may use additional revenue that is allocated each year for economic development purposes under IC 6-3.6-6-9 to provide homestead credits in the county, city, or town. The following apply to homestead credits provided under this subsection:

(1) The county, city, or town fiscal body must adopt an ordinance authorizing the homestead credits. The ordinance must specify the amount of additional revenue that will be used to provide homestead credits in the following year.

(2) The county, city, or town fiscal body that adopts an ordinance under this subsection must forward a copy of the ordinance to the county auditor and the department of local government finance not more than thirty (30) days after the ordinance is adopted.

(3) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(4) The homestead credits shall be treated for all purposes as property tax levies.

(5) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(6) The auditor of state shall determine the homestead credit percentage for a particular year based on the amount of additional revenue that will be used under this subsection to provide homestead credits in that year.

(c) This subsection applies only to LaPorte County as follows:

(1) This subsection applies if:

(A) the county fiscal body has adopted an ordinance under ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** providing that the county is joining the northwest Indiana regional development authority; and

(B) the fiscal body of the city described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** has adopted an ordinance under ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** providing that the city is joining the development authority.

(2) Additional revenue that is allocated each year for economic development purposes under IC 6-3.6-6-9 may be used by a county or a city described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** for making transfers required by IC 36-7.5-4-2. In addition, if the allocation of additional revenue for economic development purposes under IC 6-3.6-6-9 is increased in the county, the first three million five hundred thousand dollars ($3,500,000) of the tax revenue that results each year from the allocation increase shall be used by the county only to make the county's transfer required by IC 36-7.5-4-2 and shall be paid by the treasurer of state to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2 before certified distributions are made to the county or any cities or towns in the county.

(3) All of the additional revenue allocated for economic development purposes under IC 6-3.6-6-9 that results each year from an allocation increase described in subdivision (2) and that is in excess of the first three million five hundred thousand dollars ($3,500,000) must be used by the county and cities and towns in the county for homestead credits under this subsection. The following apply to homestead credits provided under this subsection:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The auditor of state shall determine the homestead credit percentage for a particular year based on the amount of additional revenue that will be used under this subdivision to provide homestead credits in that year.

(d) This subsection applies only to Porter County. The additional revenue designated each year for economic development purposes under IC 6-3.6-6 shall be allocated and used as follows:

(1) First, the revenue attributable to an income tax rate of twenty-five hundredths percent (0.25%) shall be allocated to the county and cities and towns as provided in IC 6-3.6-6-9.

(2) Second, the next three million five hundred thousand dollars ($3,500,000) of the revenue shall be used for the county or for eligible municipalities (as defined in IC 36-7.5-1-11.3) in the county, to make transfers as provided in and required under IC 36-7.5-4-2. The additional revenue used to make the transfers as provided in IC 36-7.5-4-2 shall be paid by the treasurer of state to the treasurer of the northwest Indiana regional development authority before certified distributions are made to the county or any taxing unit in the county. If Porter County ceases to be a member of the northwest Indiana regional development authority under IC 36-7.5 but two (2) or more municipalities in the county have become members of the northwest Indiana regional development authority as authorized by ~~IC 36-7.5-2-3(i),~~ **IC 36-7.5-2-3(h),** the treasurer of state shall continue to transfer this amount to the treasurer of the northwest Indiana regional development authority under IC 36-7.5-4-2.

(3) Third, except as provided in IC 36-7.5-3-5, all of the revenue each year that is in excess of the amounts described in subdivisions (1) and (2) must be used by the county and cities and towns in the county for homestead credits. The following apply to homestead credits provided under this subdivision:

(A) The homestead credits must be applied uniformly to provide a homestead credit for homesteads in the county, city, or town.

(B) The homestead credits shall be treated for all purposes as property tax levies.

(C) The homestead credits shall be applied to the net property taxes due on the homestead after the application of all other assessed value deductions or property tax deductions and credits that apply to the amount owed under IC 6-1.1.

(D) The auditor of state shall determine the homestead credit percentage for a particular year based on the amount of additional revenue that will be used under this subdivision to provide homestead credits in that year.

(e) A transfer made on behalf of a city, town, or county

under this section after December 31, 2018, is to be considered a payment for services provided to residents by a rail project as those services are rendered.

(f) A pledge by the northwest Indiana regional development authority of transferred revenue under this section to the payment of bonds, leases, or obligations under this article or IC 5-1.3:

(1) constitutes the obligations of the northwest Indiana regional development authority; and

(2) does not constitute an indebtedness of:

(A) a county or municipality described in this section; or

(B) the state;

within the meaning or application of any constitutional or statutory provision or limitation.

(g) Neither the transfer of revenue nor the pledge of revenue transferred under this section is an impairment of contract within the meaning or application of any constitutional provision or limitation because of the following:

(1) The statutes governing local income taxes, including the transferred revenue, have been the subject of legislation annually since 1973, and during that time the statutes have been revised, amended, expanded, limited, and recodified dozens of times.

(2) Owners of bonds, leases, or other obligations to which local income tax revenues have been pledged recognize that the regulation of local income taxes has been extensive and consistent.

(3) All bonds, leases, or other obligations, due to their essential contractual nature, are subject to relevant state and federal law that is enacted after the date of a contract.

(4) The state has a legitimate interest in assisting the northwest Indiana regional development authority in financing rail projects (as defined in IC 36-7.5-1-13.5).

(h) All proceedings had and actions described in this section are valid pledges under IC 5-1-14-4 as of the date of those pledges or actions and are hereby legalized and declared valid if taken before March 15, 2018.

SECTION 98. IC 6-5.5-1-2, AS AMENDED BY P.L.234-2019, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021 (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 the sum of:

(i) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in item (ii); and

(ii) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017, the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code, and the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service. The amount of deductions allowable for an item of property under this item may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(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.

(K) Add an amount equal to the remainder of:

(i) the amount allowable as a deduction under Section 274(n) of the Internal Revenue Code; minus

(ii) the amount otherwise allowable as a deduction under Section 274(n) of the Internal Revenue Code, if Section 274(n)(2)(D) of the

Internal Revenue Code was not in effect for amounts paid or incurred after December 31, 2020.

(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 the sum of:

(i) twenty-five thousand dollars ($25,000) to the extent deductions under Section 179 of the Internal Revenue Code were not elected as provided in item (ii); and

(ii) for taxable years beginning after December 31, 2017, the deductions elected under Section 179 of the Internal Revenue Code on property acquired in an exchange if the exchange would have been eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code in effect on January 1, 2017, the exchange is not eligible for nonrecognition of gain or loss under Section 1031 of the Internal Revenue Code, and the taxpayer made an election to take deductions under Section 179 of the Internal Revenue Code with regard to the acquired property in the year that the property was placed into service. The amount of deductions allowable for an item of property under this item may not exceed the amount of adjusted gross income realized on the property that would have been deferred under the Internal Revenue Code in effect on January 1, 2017.

(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.

(H) The amount that would have been excluded from gross income but for the enactment of Section 118(b)(2) of the Internal Revenue Code for taxable years ending after December 22, 2017.

(I) For taxable years ending after March 12, 2020, an amount equal to the deduction disallowed pursuant to:

(i) Section 2301(e) of the CARES Act (Public Law 116-136), as modified by Sections 206 and 207 of the Taxpayer Certainty and Disaster Relief Tax Act (Division EE of Public Law 116-260); and

(ii) Section 3134(e) of the Internal Revenue Code.

(3) Make the following adjustments:

(A) Subtract the amount of any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code.

(B) Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year.

For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(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 adjusted as follows:

(1) 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.

(2) Make the following adjustments:

(A) Subtract the amount of any interest expense paid or accrued in the current taxable year but not deducted as a result of the limitation imposed under Section 163(j)(1) of the Internal Revenue Code.

(B) Add any interest expense paid or accrued in a previous taxable year but allowed as a deduction under Section 163 of the Internal Revenue Code in the current taxable year.

For purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under Section 163 of the Internal Revenue Code if the limitation under Section 163(j)(1) of the Internal Revenue Code did not exist.

(3) Multiply the amount determined after the adjustments in subdivisions (1) and (2) by the quotient of:

(A) 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

(B) 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 99. IC 6-5.5-1-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. "Internal Revenue Code" has the meaning set forth in IC 6-3-1-11. **For purposes of IC 6-5.5, a reference to "article" in IC 6-3-1-11 is considered to also mean a reference in IC 6-5.5.**

SECTION 100. IC 6-6-13-15, AS AMENDED BY P.L.218-2017, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 15. The department shall transfer aviation fuel excise taxes collected under this chapter to the treasurer of state for deposit **as follows:**

(1) Before July 1, 2017, in the state general fund. ~~and~~

(2) After June 30, 2017, **and before July 1, 2021,** as follows:

(A) Fifty percent (50%) in the state general fund.

(B) Fifty percent (50%) in the airport development grant fund established by IC 8-21-11-4.

(3) After June 30, 2021, in the airport development grant fund established by IC 8-21-11-4.

SECTION 101. IC 6-7-2-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 0.5. As used in this chapter, "closed system cartridge" means a sealed, prefilled, and disposable container of consumable material in which the container is inserted directly into a vapor product, and is not intended to be opened or accessible through customary or reasonably foreseeable handling or use.**

SECTION 102. IC 6-7-2-0.7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 0.7. As used in this chapter, "consumable material" means any liquid solution or other material used in a closed system container that is depleted as the vapor product is used.**

SECTION 103. IC 6-7-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 2. As used in this chapter, "distributor" means a person who:

(1) manufactures, sells, barters, exchanges, or distributes ~~tobacco~~ **taxable** products in Indiana to retail dealers for the purpose of resale;

(2) ~~purchases tobacco products~~ **purchases taxable products** directly from a manufacturer ~~of tobacco products;~~ **of taxable products;** or

(3) purchases for resale ~~tobacco~~ **taxable** products from a wholesaler, jobber, or distributor outside of Indiana who is not a distributor holding a license issued under this chapter.

SECTION 104. IC 6-7-2-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 3.5. As used in this chapter, "taxable product" means tobacco products or closed system cartridges, or both.**

SECTION 105. IC 6-7-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 4. As used in this chapter, "retail dealer" means a person engaged in the business of selling ~~tobacco~~ **taxable** products to ultimate consumers.

SECTION 106. IC 6-7-2-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 5.5. As used in this chapter, "vapor product" has the meaning set forth in IC 6-7-4-8.**

SECTION 107. IC 6-7-2-7, AS AMENDED BY P.L.205-2013, SECTION 129, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 7. (a) A tax is imposed on the distribution of tobacco products in Indiana at the rate of:

(1) twenty-four percent (24%) of the wholesale price of tobacco products other than moist snuff; or

(2) for moist snuff, forty cents ($0.40) per ounce, and a proportionate tax at the same rate on all fractional parts of an ounce. If the tax calculated for a fractional part of an ounce carried to the third decimal place results in the numeral in the third decimal place being greater than four (4), the amount of the tax shall be rounded to the next additional cent.

(b) The distributor of the tobacco products, including a person that sells tobacco products through an Internet web site, is liable for the tax imposed under subsection (a). The tax is imposed at the time the distributor:

(1) brings or causes tobacco products to be brought into Indiana for distribution;

(2) manufactures tobacco products in Indiana for distribution; or

(3) transports tobacco products to retail dealers in Indiana for resale by those retail dealers.

(c) The Indiana general assembly finds that the tax rate on smokeless tobacco should reflect the relative risk between such products and cigarettes.

(d) A consumer who purchases untaxed tobacco products from a distributor or retailer, including through an Internet web site, a catalog, or other similar means, is liable for the tax imposed under subsection (a).

SECTION 108. IC 6-7-2-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 7.5. (a) A tax is imposed on the distribution of closed system cartridges in Indiana at the rate of twenty-five percent (25%) of the wholesale price of the closed system cartridge.**

(b) The distributor of closed system cartridges, including a person that sells closed system cartridges through an Internet web site, is liable for the tax imposed under subsection (a). The tax is imposed at the time the distributor:

(1) brings or causes closed system cartridges to be brought into Indiana for distribution;

(2) manufactures closed system cartridges in Indiana for distribution; or

(3) transports closed system cartridges to retail dealers in Indiana for resale by those retail dealers.

(c) A consumer who purchases untaxed closed system cartridges from a distributor or retailer, including closed system cartridges purchased through an Internet web site, a catalog, or other similar means, is liable for the tax imposed under subsection (a).

SECTION 109. IC 6-7-2-8, AS AMENDED BY P.L.205-2013, SECTION 130, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 8. (a) A distributor, including a person that sells ~~tobacco products~~ **taxable products** through an Internet web site, must obtain a license under this section before it distributes ~~tobacco products~~ **taxable products** in Indiana. The department shall issue licenses to applicants that qualify under this section. A license issued under this section is valid for one (1) year unless revoked or suspended by the department and is not transferable.

(b) An applicant for a license under this section must submit proof to the department of the appointment of an agent for service of process in Indiana if the applicant is:

(1) an individual whose principal place of residence is outside Indiana; or

(2) a person, other than an individual, that has its principal place of business outside Indiana.

(c) To obtain or renew a license under this section, a person must:

(1) submit, for each location where it intends to distribute ~~tobacco~~ **taxable** products, an application that includes all information required by the department;

(2) pay a fee of twenty-five dollars ($25) at the time of application; and

(3) at the time of application, post a bond, issued by a surety company approved by the department, in an amount not less than one thousand dollars ($1,000) and conditioned on the applicant's compliance with this chapter.

(d) If business is transacted at two (2) or more places by one (1) distributor, a separate license must be obtained for each place of business.

(e) Each license must be numbered, show the name and address of the distributor, and be posted in a conspicuous place at the place of business for which it is issued.

(f) If the department determines that a bond provided by a licensee is inadequate, the department may require a new bond in the amount necessary to fully protect the state.

SECTION 110. IC 6-7-2-12, AS AMENDED BY P.L.166-2014, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 12. Before the fifteenth day of each month, each distributor liable for ~~the~~ **a** tax imposed by this chapter shall:

(1) file a return with the department that includes all information required by the department including, but not limited to:

(A) name of distributor;

(B) address of distributor;

(C) license number of distributor;

(D) invoice date;

(E) invoice number;

(F) name and address of person from whom ~~tobacco~~ **taxable** products were purchased or name and address of person to whom ~~tobacco~~ **taxable** products were sold;

(G) the wholesale price for tobacco products other than moist snuff; ~~and~~

(H) for moist snuff, the weight of the moist snuff; and

(I) for closed system cartridges, the wholesale price **of closed system cartridges sold; and**

(2) pay the ~~tax~~ **taxes** for which it is liable under this chapter for the preceding month minus the amount specified in section 13 of this chapter.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

SECTION 111. IC 6-7-2-13, AS AMENDED BY P.L.191-2016, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 13. A distributor that files a complete return and pays the ~~tax~~ **taxes** due within the time specified in section 12 of this chapter is entitled to deduct and retain from the tax a collection allowance of seven-thousandths (0.007) of the amount due. If a distributor files an incomplete report, the department may reduce the collection allowance by an amount that does not exceed the lesser of:

(1) ten percent (10%) of the collection allowance; or

(2) fifty dollars ($50).

SECTION 112. IC 6-7-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 14. The department shall credit or refund to a distributor the ~~tax~~ **taxes** paid under this chapter on ~~tobacco~~ **taxable** products that are:

(1) shipped outside Indiana;

(2) returned to the manufacturer; or

(3) destroyed by the distributor in the presence of an employee or agent of the department.

SECTION 113. IC 6-7-2-14.5, AS ADDED BY P.L.211-2007, SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 14.5. (a) In determining the amount of ~~tax~~ **taxes** imposed by this chapter that a distributor must remit under section 12 of this chapter, the distributor shall, subject to subsections (c) and (d), deduct from the distributor's wholesale income subject to the tax imposed by this chapter that is derived from wholesale transactions made during a particular reporting period an amount equal to the distributor's receivables that:

(1) resulted from wholesale transactions on which the distributor has previously paid the ~~tax~~ **taxes** imposed by this chapter to the department; and

(2) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code during the particular reporting period.

(b) If a distributor deducts a receivable under subsection (a) and subsequently collects all or part of that receivable, the distributor shall, subject to subsection (d)(5), include the amount collected as part of the distributor's wholesale income subject to the tax imposed by this chapter for the particular reporting period in which the distributor makes the collection.

(c) As used in this subsection, "affiliated group" means any combination of the following:

(1) An affiliated group within 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%)) or a relationship described in Section 267(b)(11) of the Internal Revenue Code.

(2) Two (2) or more partnerships (as defined in IC 6-3-1-19), including limited liability companies and limited liability partnerships, that have the same degree of mutual ownership as an affiliated group described in subdivision (1), as determined under the rules adopted by the department.

The right to a deduction under this section is not assignable to an individual or entity that is not part of the same affiliated group as the assignor.

(d) The following provisions apply to a deduction for a receivable treated as uncollectible debt under subsection (a):

(1) The deduction does not include interest.

(2) The amount of the deduction shall be determined in the manner provided by Section 166 of the Internal Revenue Code for bad debts but shall be adjusted to exclude:

(A) financing charges or interest;

(B) uncollectible amounts on property that remain in the possession of the distributor until the full purchase price is paid;

(C) expenses incurred in attempting to collect any debt; and

(D) repossessed property.

(3) The deduction shall be claimed on the return for the period during which the receivable is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subdivision, a claimant who is not required to file federal income tax returns may deduct an uncollectible receivable on a return filed for the period in which the receivable is written off as uncollectible in the claimant's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the claimant were required to file a federal income tax return.

(4) If the amount of uncollectible receivables claimed as a deduction by a distributor for a particular reporting period exceeds the amount of the distributor's taxable wholesale sales for that reporting period, the distributor may file a refund claim under IC 6-8.1-9. However, the deadline for the refund claim shall be measured from the due date of the return for the reporting period on which

the deduction for the uncollectible receivables could first be claimed.

(5) For purposes of reporting a payment received on a previously claimed uncollectible receivable, any payments made on a debt or account shall be applied first proportionally to the taxable wholesale price of the property and the part of the receivable attributable to the tax imposed by this chapter, and secondly to interest, service charges, and any other charges.

SECTION 114. IC 6-7-2-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 15. Every manufacturer, importer, broker, or shipper of ~~tobacco~~ **taxable** products must register with the department before it sells or otherwise distributes ~~tobacco~~ **taxable** products to distributors.

SECTION 115. IC 6-7-2-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 16. Every manufacturer, importer, broker, or shipper of ~~tobacco~~ **taxable** products that sells or otherwise distributes ~~tobacco~~ **taxable** products to distributors shall, before the fifteenth day of each month, submit proof to the department of all of its sales or other distributions to distributors in the preceding month.

SECTION 116. IC 6-7-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 18. A person who distributes ~~tobacco~~ **taxable** products without a license issued under this chapter commits a Class B misdemeanor.

SECTION 117. IC 6-7-2-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 19. A manufacturer of ~~tobacco~~ **taxable** products who does not comply with the requirements of section 15 or 16 of this chapter commits a Class B misdemeanor.

SECTION 118. IC 6-7-2-21, AS AMENDED BY P.L.158-2013, SECTION 103, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 21. A distributor who knowingly:

(1) acts as a distributor without a license;

(2) makes a false statement in a report under this chapter; or

(3) does not pay ~~the~~ **a** tax for which the distributor is liable under this chapter;

commits a Class B misdemeanor. However, the offense is a Level 6 felony if it is committed with intent to evade the tax imposed by this chapter or to defraud the state.

SECTION 119. IC 6-7-4 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]:

Chapter 4. Electronic Cigarette Tax

Sec. 1. As used in this chapter, "closed system cartridge" has the meaning set forth in IC 6-7-2-0.5.

Sec. 2. As used in this chapter, "consumable material" means any liquid solution or other material used in an open system container that is depleted as the vapor product is used. The term does not include closed system cartridges (as defined in IC 6-7-2-0.5).

Sec. 3. As used in this chapter, "department" means the department of state revenue and includes its employees and agents.

Sec. 4. As used in this chapter, "gross retail income" has the meaning set forth in IC 6-2.5-1-5.

Sec. 5. As used in this chapter, "open system container" means all containers of consumable material for intended use in a vapor product and for which the container is intended to be refillable. The term does not include closed system cartridges (as defined in IC 6-7-2-0.5).

Sec. 6. As used in this chapter, "person" has the meaning set forth in IC 6-7-1-4.

Sec. 7. As used in this chapter, "retail dealer" means a person engaged in the selling of consumable material, vapor products, or both to ultimate consumers.

Sec. 8. (a) Except as provided in subsection (b), as used in this chapter, "vapor product" means any of the following:

(1) A device, such as an electronic cigarette, that employs a mechanical heating element, battery, or electronic circuit, regardless of shape or size, that can be used to produce vapor from consumable material that may or may not be sold with the device.

(2) Any open system container of a consumable material in a solution or other form that is intended to be used with or in a device described in subdivision (1).

(3) Disposable vapor product devices that are attached to a closed system cartridge and intended for single use.

(b) The term "vapor product" does not include closed system cartridges (as defined in IC 6-7-2-0.5).

Sec. 9. (a) An excise tax, known as the electronic cigarette tax, is imposed on the retail sale of consumable material and vapor products in Indiana.

(b) The electronic cigarette tax equals fifteen percent (15%) of the gross retail income received by the retail dealer for the sale.

(c) The person who acquires consumable material or vapor products in a retail transaction is liable for the tax on the transaction, and, except as otherwise incorporated in this chapter, shall pay the tax to the retail dealer as a separate added amount to the consideration in the transaction. A retail dealer that either:

(1) has a physical presence in Indiana, as described in IC 6-2.5-2-1(c); or

(2) meets one (1) or both of the thresholds in IC 6-2.5-2-1(d);

shall collect and remit the tax as an agent for the state.

(d) If the tax is not collected by the retail dealer, the consumer is responsible to remit the tax to the department. A retail dealer that is required to collect and remit tax under this chapter is jointly and severally liable for uncollected tax absent proof of exemption or payment by the purchaser.

(e) Before the fifteenth day of each month, each retail dealer liable for the collection and remittance of the tax imposed by this chapter shall:

(1) file a return with the department that includes all information required by the department including, but not limited to:

(A) the name of the retail dealer;

(B) the address of the retail dealer; and

(C) the certificate number of the retail dealer's electronic cigarette retail dealer's certificate; and

(2) pay the tax for which it is liable under this chapter for the preceding month.

All returns required to be filed and taxes required to be paid under this chapter must be made in an electronic format prescribed by the department.

(f) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration apply to the imposition and administration of the tax imposed under this section, except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter.

(g) A marketplace facilitator (as defined in IC 6-2.5-1-21.9) who is considered a retail merchant under IC 6-2.5-4-18 for a transaction to which this chapter applies shall collect and remit electronic cigarette taxes imposed on the retail transaction.

Sec. 10. (a) It is unlawful for any retail dealer to sell consumable material or vapor products in Indiana unless the retail dealer has a valid electronic cigarette retail dealer's certificate issued by the department.

(b) The department shall issue certificates to applicants that qualify under this section. A certificate issued under this section is valid for one (1) year unless revoked or suspended by the department and is not transferable. An electronic cigarette retail dealer's certificate may be revoked or suspended by the department in the same manner, for the same reasons, and is subject to the same procedures as for

the revocation or suspension of a retail merchant's certificate under IC 6-2.5-8-7. If a retail dealer's retail merchant's certificate under IC 6-2.5-8 expires or is revoked by the department, an electronic cigarette retail dealer's certificate issued to the retail dealer under this subsection shall automatically be revoked without notice otherwise required under IC 6-2.5-8.

(c) An applicant for a certificate under this section must submit proof to the department of the appointment of an agent for service of process in Indiana if the applicant is:

(1) an individual whose principal place of residence is outside Indiana; or

(2) a person, other than an individual, that has its principal place of business outside Indiana.

(d) To obtain or renew a certificate under this section, a person must:

(1) submit, for each location where it intends to distribute consumable material or vapor products, an application that includes all information required by the department;

(2) pay a fee of twenty-five dollars ($25) at the time of application; and

(3) at the time of application, post a bond, issued by a surety company approved by the department, in an amount not less than one thousand dollars ($1,000) and conditioned on the applicant's compliance with this chapter.

(e) If business is transacted at two (2) or more places by one (1) retail dealer, a separate certificate must be obtained for each place of business.

(f) Each certificate must be numbered, show the name and address of the retail dealer, and be posted in a conspicuous place at the place of business for which it is issued.

(g) If the department determines that a bond provided by a certificate is inadequate, the department may require a new bond in the amount necessary to fully protect the state.

Sec. 11. A retail dealer that sells consumable material or vapor products in Indiana without having obtained an electronic cigarette retail dealer's certificate, or after the retail dealer's certificate has been revoked or suspended by the department, commits a Class A misdemeanor.

Sec. 12. An individual who:

(1) is an individual retail dealer or an employee, an officer, or a member of a corporate or partnership retail dealer; and

(2) has a duty to remit electronic cigarette taxes to the department;

holds those taxes in trust for the state and is personally liable for the payment of those taxes, plus any penalties and interest attributable to those taxes, to the state. If the individual knowingly fails to collect or remit those taxes to the state, the individual commits a Level 6 felony.

Sec. 13. All revenue from the tax imposed by this chapter must be deposited in the state general fund.

Sec. 14. The department may adopt rules under IC 4-22-2 necessary to enforce this chapter, including emergency rules under IC 4-22-2-37.1.

SECTION 120. IC 6-8.1-1-1, AS AMENDED BY P.L.156-2020, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1. "Listed taxes" or "taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the 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 heavy equipment rental excise tax (IC 6-6-15); the vehicle sharing excise tax (IC 6-6-16); the cigarette tax (IC 6-7-1); **the closed system cartridge tax (IC 6-7-2-7.5); the electronic cigarette tax (IC 6-7-4);** 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 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.

SECTION 121. IC 6-8.1-3-16, AS AMENDED BY P.L.234-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 16. (a) The department shall prepare a list of all outstanding tax warrants for listed taxes each month. The list shall identify each taxpayer liable for a warrant by name, address, amount of tax, and either Social Security number or employer identification number. Unless the department renews the warrant, the department shall exclude from the list a warrant issued more than ten (10) years before the date of the list. The department shall certify a copy of the list to the bureau of motor vehicles.

(b) The department shall prescribe and furnish tax release forms for use by tax collecting officials. A tax collecting official who collects taxes in satisfaction of an outstanding warrant shall issue to the taxpayers named on the warrant a tax release stating that the tax has been paid. The department may also issue a tax release:

(1) to a taxpayer who has made arrangements satisfactory to the department for the payment of the tax; or

(2) by action of the commissioner under IC 6-8.1-8-2(k).

(c) The department may not issue or renew:

(1) a certificate under IC 6-2.5-8 **or IC 6-7-4;**

(2) a license under IC 6-6-1.1 or IC 6-6-2.5; or

(3) a permit under IC 6-6-4.1;

to a taxpayer whose name appears on the most recent monthly warrant list, unless that taxpayer pays the tax, makes arrangements satisfactory to the department for the payment of the tax, or a release is issued under IC 6-8.1-8-2(k).

(d) The bureau of motor vehicles shall, before issuing the title to a motor vehicle under IC 9-17, determine whether the purchaser's or assignee's name is on the most recent monthly warrant list. If the purchaser's or assignee's name is on the list, the bureau shall enter as a lien on the title the name of the state as the lienholder unless the bureau has received notice from the commissioner under IC 6-8.1-8-2(k). The tax lien on the title:

(1) is subordinate to a perfected security interest (as defined and perfected in accordance with IC 26-1-9.1); and

(2) shall otherwise be treated in the same manner as other title liens.

(e) The commissioner is the custodian of all titles for which the state is the sole lienholder under this section. Upon receipt of the title by the department, the commissioner shall notify the owner of the department's receipt of the title.

(f) The department shall reimburse the bureau of motor vehicles for all costs incurred in carrying out this section.

(g) Notwithstanding IC 6-8.1-8, a person who is authorized

to collect taxes, interest, or penalties on behalf of the department under IC 6-3 or IC 6-3.6 may not, except as provided in subsection (h) or (i), receive a fee for collecting the taxes, interest, or penalties if:

(1) the taxpayer pays the taxes, interest, or penalties as consideration for the release of a lien placed under subsection (d) on a motor vehicle title; or

(2) the taxpayer has been denied a certificate or license under subsection (c) within sixty (60) days before the date the taxes, interest, or penalties are collected.

(h) In the case of a sheriff, subsection (g) does not apply if:

(1) the sheriff collects the taxes, interest, or penalties within sixty (60) days after the date the sheriff receives the tax warrant; or

(2) the sheriff collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(i) In the case of a person other than a sheriff:

(1) subsection (g)(2) does not apply if the person collects the taxes, interests, or penalties within sixty (60) days after the date the commissioner employs the person to make the collection; and

(2) subsection (g)(1) does not apply if the person collects the taxes, interest, or penalties through the sale or redemption, in a court proceeding, of a motor vehicle that has a lien placed on its title under subsection (d).

(j) IC 5-14-3-4, IC 6-8.1-7-1, and any other law exempting information from disclosure by the department do not apply to this subsection. The department shall prepare a list of retail merchants whose registered retail merchant certificate has not been renewed under IC 6-2.5-8-1(h) or whose registered retail merchant certificate has been revoked under IC 6-2.5-8-7 **or whose electronic cigarette retail dealer's certificate has been revoked or suspended under IC 6-7-4-10.** The list compiled under this subsection must identify each retail merchant by name (including any name under which the retail merchant is doing business), address, and county. The department shall publish the list compiled under this subsection on the department's Internet web site (as operated under IC 4-13.1-2) and make the list available for public inspection and copying under IC 5-14-3. The department or an agent, employee, or officer of the department is immune from liability for the publication of information under this subsection.

SECTION 122. IC 6-8.1-3-25, AS AMENDED BY P.L.10-2019, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. Notwithstanding any other law, the department shall deposit the amounts collected under a tax amnesty program carried out under section 17 of this chapter after June 30, 2015, as follows:

(1) County income tax collected under IC 6-3.5-1.1, IC 6-3.5-6, or IC 6-3.5-7 (all repealed January 1, 2017) shall be distributed to counties in the same manner as otherwise provided by the appropriate chapter of the Indiana Code.

(2) Eight percent (8%) of inheritance tax collected for resident decedents shall be distributed to counties in the manner provided under IC 6-4.1-9-6.

(3) County innkeeper's tax collected shall be deposited as required by IC 6-9.

(4) County and municipal food and beverage tax collected shall be deposited as required by IC 6-9.

(5) County admissions taxes collected shall be deposited as required by IC 6-9-13 and IC 6-9-28.

(6) Aircraft license excise tax collected shall be deposited as required by IC 6-6-6.5-21.

(7) Auto rental excise tax collected shall be deposited as required by IC 6-6-9-11.

(8) Supplemental auto rental excise tax shall be deposited as otherwise required by the appropriate chapter of the Indiana Code.

(9) Financial institutions tax collected shall be deposited as required by IC 6-5.5-8-2.

(10) After making the deposits required under subdivisions (1) through (9), the first eighty-four million dollars ($84,000,000) collected must be deposited into the Indiana regional cities development fund established by IC 5-28-38-2 **(before its repeal).**

(11) After making the deposits required under subdivisions (1) through (10), the next six million dollars ($6,000,000) collected shall be transferred to the Indiana department of transportation to reimburse the Indiana department of transportation for money expended by the Indiana department of transportation under IC 8-23-2-18.5 (before its expiration) for the operation of the Hoosier State Rail Line. However, the total amount transferred under this subdivision to the Indiana department of transportation may not exceed the lesser of:

(A) six million dollars ($6,000,000); or

(B) the total amount expended by the Indiana department of transportation under IC 8-23-2-18.5 (before its expiration) for the operation of the Hoosier State Rail Line after June 30, 2015, and before July 1, 2017.

(12) After making the deposits required under subdivisions (1) through (11), the next forty-two million dollars ($42,000,000) collected must be deposited into the Indiana regional cities development fund established by IC 5-28-38-2 **(before its repeal).** The amount deposited under this subdivision is appropriated to the Indiana economic development corporation for the purposes of the Indiana regional cities development fund.

(13) After making the deposits required under subdivisions (1) through (12), the next twenty-nine million eight hundred seventy thousand dollars ($29,870,000) shall be transferred as follows:

(A) Eight million seven hundred thousand dollars ($8,700,000) to the Indiana public retirement system for credit to the Indiana public employees' retirement fund established by IC 5-10.3-2-1.

(B) Twenty million seven hundred thousand dollars ($20,700,000) to the Indiana public retirement system for credit to the pre-1996 account of the Indiana state teachers' retirement fund established by IC 5-10.4-2-1.

(C) Seventy thousand dollars ($70,000) to the Indiana public retirement system for credit to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan established by IC 5-10-5.5-2.

(D) Two hundred thousand dollars ($200,000) to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police pre-1987 benefit system.

(E) Two hundred thousand dollars ($200,000) to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police 1987 benefit system.

The amounts transferred under this subdivision shall be used to pay costs that must be paid for any thirteenth check payments or similar supplemental check payments that are enacted by the general assembly and made to the members and beneficiaries of a public pension plan under HEA 1161-2016. The amounts transferred under this subdivision are appropriated for the purposes of this subdivision.

(14) After making the deposits required under subdivisions (1) through (13), the next ten million dollars ($10,000,000) shall be deposited into the next generation Hoosier educators scholarship fund established by IC 21-12-16-3.

(15) Any remaining amounts collected must be deposited into the state general fund.

SECTION 123. IC 6-8.1-4-1.6, AS AMENDED BY

P.L.220-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 1.6. Subject to the discretion of the commissioner as set forth in section 1 of this chapter, the commissioner shall establish within the department a special tax division. The division shall do the following:

(1) Administer and enforce the following:
(A) Gasoline tax (IC 6-6-1.1).
(B) Special fuel tax (IC 6-6-2.5).
(C) Motor carrier fuel tax (IC 6-6-4.1).
(D) Cigarette tax (IC 6-7-1).
(E) Tobacco products tax **and closed system cartridge tax** (IC 6-7-2).
(F) Alcoholic beverage tax (IC 7.1-4).
(G) Petroleum severance tax (IC 6-8-1).
(H) Any other tax the commissioner designates.

(2) Upon the commissioner's request, conduct studies of the department's operations and recommend whatever changes seem advisable.

(3) Annually audit a statistical sampling of the returns filed for the taxes administered by the division.

(4) Annually audit a statistical sampling of registrants with the bureau of motor vehicles, international registration plan division.

(5) Review federal tax returns and other data that may be helpful in performing the division's function.

(6) Furnish, at the commissioner's request, information that the commissioner requires.

(7) Conduct audits requested by the commissioner or the commissioner's designee.

(8) Administer the statutes providing for motor carrier regulation (IC 8-2.1).

SECTION 124. IC 6-9-24-9, AS AMENDED BY P.L.172-2011, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) If the tax is imposed by a municipality under this chapter, the tax terminates January 1, ~~2022.~~ **2023.**

(b) This chapter expires July 1, ~~2022.~~ **2023.**

SECTION 125. IC 7.1-4-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. The department shall deposit:

(1) four cents ($0.04) of the beer excise tax rate collected on each gallon of beer or flavored malt beverage;

(2) one dollar ($1) of the liquor excise tax rate collected on each gallon of liquor;

(3) ~~twenty cents ($0.20)~~ **twenty-five cents ($0.25)** of the wine excise tax rate collected on each gallon of wine;

(4) the entire amount of malt excise tax collected; and

(5) the entire amount of hard cider excise tax collected;

daily with the treasurer of state and not later than the fifth day of the following month shall cover them into the general fund of the state for distribution as provided in this chapter.

SECTION 126. IC 7.1-4-9-4, AS AMENDED BY P.L.224-2005, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. ~~Thirty-seven percent (37%)~~ **Twenty-two percent (22%)** of the money in the excise fund shall be deposited in the state general fund on the first day of June and the first day of December of each year.

SECTION 127. IC 7.1-4-9-7.5, AS ADDED BY P.L.224-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7.5. ~~Thirty percent (30%)~~ **Forty-five percent (45%)** of the money in the excise fund shall be deposited in the enforcement and administration fund under IC 7.1-4-10 on the first day of June and the first day of December of each year.

SECTION 128. IC 7.1-4-11-5 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 5. The department shall deposit in the wine grape market development fund created under IC 7.1-4-13 five cents ($0.05) of the wine excise tax rate collected on each gallon of wine under IC 7.1-4-4.~~

SECTION 129. IC 8-15.5-1-2, AS AMENDED BY P.L.9-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) This article contains full and complete authority for public-private agreements between the authority, a private entity, and, where applicable, a governmental entity. Except as provided in this article, no law, procedure, proceeding, publication, notice, consent, approval, order, or act by the authority or any other officer, department, agency, or instrumentality of the state or any political subdivision is required for the authority to enter into a public-private agreement with a private entity under this article, or for a project that is the subject of a public-private agreement to be constructed, acquired, maintained, repaired, operated, financed, transferred, or conveyed.

(b) Before the authority or the department may issue a request for proposals for or enter into a public-private agreement under this article that would authorize an operator to impose ~~tolls~~ **user fees** for the operation of motor vehicles on all or part of a toll road project, the general assembly must adopt a statute authorizing the imposition of ~~tolls.~~ **user fees.** However, during the period beginning July 1, 2011, and ending June 30, ~~2021, and notwithstanding subsection (c),~~ **2023,** the general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement to authorize an operator to impose ~~tolls~~ **user fees** for the operation of motor vehicles on all or part of the following projects:

(1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69 other than a part described in subdivision (4).

(2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.

(3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in northwestern Indiana with an interstate highway in Illinois.

(4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

However, neither the authority nor the department may issue a request for proposals for a public-private agreement under this article that would authorize an operator to impose ~~tolls~~ **user fees** unless the budget committee has reviewed the request for proposals.

(c) ~~Before~~ **Except as provided in subsection (b), before** the authority or an operator may carry out any of the following activities under this article, the general assembly must enact a statute authorizing that activity:

(1) Imposing ~~tolls~~ **user fees** on motor vehicles for use of Interstate Highway 69.

(2) Imposing ~~tolls~~ **user fees** on motor vehicles for use of a nontolled highway, roadway, or other facility in existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes, and state routes.

(d) The general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement for a freeway project.

(e) The authority may enter into a public-private agreement for a facility project if the general assembly, by statute, authorizes the authority to enter into a public-private agreement for the facility project.

(f) As permitted by subsection (e), the general assembly authorizes the authority to enter into public-private agreements for a state park inn and related improvements in an existing state park located in a county with a population of more than two hundred thousand (200,000) and less than three hundred thousand (300,000).

SECTION 130. IC 8-15.5-6-3, AS AMENDED BY

P.L.205-2013, SECTION 158, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. The operator or any contractor or subcontractor of the operator engaged in the construction of a project is subject to:

(1) the provisions of 25 IAC 5 concerning equal opportunities for minority business enterprises and women's business enterprises to participate in procurement and contracting processes **or as required by federal law;** and

(2) the provisions that may be established by the authority in a public-private agreement with respect to awarding contracts to Indiana businesses (as defined in IC 5-22-15-20.5).

SECTION 131. IC 8-15.7-1-5, AS AMENDED BY P.L.94-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This article contains full and complete authority for agreements and leases with private entities to carry out the activities described in this article. Except as provided in this article, no procedure, proceeding, publication, notice, consent, approval, order, or act by the authority, the department, or any other state or local agency or official is required **for the department** to enter into ~~an~~ **a public-private** agreement ~~or lease,~~ **with a private entity under this article for a project to be constructed, maintained, repaired, or operated,** and no law to the contrary affects, limits, or diminishes the authority for agreements and leases with private entities, except as provided by this article. However, this article may not be construed to:

(1) limit the power of the authority, the department, or a private entity to enter an agreement; or

(2) impose any procedural or substantive requirements on the authority, the department, or a private entity;

concerning a project (as defined by IC 8-15.5-2-7) carried out under IC 8-15.5.

(b) Notwithstanding any other law, **and except as provided in subsection (d),** before the department, the authority, or an operator may ~~carry out any of the following activities under this article, the general assembly must enact a statute authorizing that activity:~~ **enter into public-private agreements that impose user fees on motor vehicles for use of:**

~~(1) Subject to subsection (d), and after June 30, 2011, issuing a request for proposals for, or entering into, a public-private agreement concerning a project.~~

~~(2) Imposing user fees on motor vehicles for use of Interstate Highway 69.~~

(1) Interstate Highway 69; or

(2) nontolled highways, roadways, or other facilities in existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes, and state routes;

the general assembly must enact a statute authorizing that activity.

(c) Notwithstanding ~~subsection (b) or~~ any other law, the department or the authority may enter into a public-private agreement concerning a project consisting of a passenger or freight railroad system described in IC 8-15.7-2-14(a)(4). Such an agreement is subject to review and appropriation by the general assembly. However, this subsection does not prohibit the department from:

(1) conducting preliminary studies that the department considers necessary to determine the feasibility of such a project; or

(2) issuing a request for qualifications or a request for proposals, or both, under IC 8-15.7-4 for such a project.

(d) ~~Notwithstanding subsection (b),~~ During the period beginning July 1, 2011, and ending June 30, ~~2021,~~ **2023,** the general assembly is not required to enact a statute authorizing the department, the authority, or an operator to issue a request for proposals for, or enter into, a public-private agreement **that imposes user fees for the operation of motor vehicles** for the following projects:

(1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69 other than a part described in subdivision (4).

(2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.

(3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in northwestern Indiana with an interstate highway in Illinois.

(4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

(e) The following apply:

(1) The authority shall be a party to any public-private agreement entered into pursuant to this article that requires payments to be made to an operator after the operator receives final payment for construction.

(2) The authority may issue bonds or refunding bonds under IC 5-1.2-4 to provide funds for any amounts identified under this article but is not required to comply with IC 8-9.5-8-10.

SECTION 132. IC 8-23-3-8, AS AMENDED BY P.L.153-2014, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) The public mass transportation fund is established for the purpose of promoting and developing public mass transportation in Indiana. The fund shall be administered by the department.

(b) The treasurer of state may invest the money in the fund in the same manner as other public funds may be invested.

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

(d) This subsection applies to a calendar year beginning after December 31 of a calendar year in which an eligible county (as defined by IC 8-25-1-4) begins to carry out a public transportation project approved under IC 8-25. The distribution formula established by the department is subject to ~~annual review by the budget committee and~~ approval by the budget director to ensure that a public mass transportation system located in a county other than an eligible county is not adversely affected by a public transportation project carried out under IC 8-25.

SECTION 133. IC 8-23-7-22, AS AMENDED BY P.L.94-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) Subject to subsection (b), the department may, after issuing an order and receiving the governor's approval, determine that a state highway should become a tollway. After the order becomes effective, the department shall maintain and operate the tollway and levy and collect tolls as provided in IC 8-15-3 or enter into a public-private agreement with an operator with respect to the tollway under IC 8-15.7. Before issuing an order under this section, the department shall submit to the governor a plan to bring the tollway to the current design standards of the department for new state highways within a specified period. The specified period may not exceed five (5) years.

(b) Before the governor, the department, or an operator may carry out any of the following activities under this section, the general assembly must enact a statute authorizing that activity:

(1) Determine that a highway that is in existence or under construction on July 1, 2011, should become a tollway.

(2) Impose tolls on motor vehicles for use of Interstate Highway 69.

(c) Notwithstanding subsection (b), during the period beginning July 1, 2011, and ending June 30, ~~2021,~~ **2023,** the general assembly is not required to enact a statute authorizing the governor, the department, or an operator to determine that all or part of the following projects should become a tollway:

(1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69

other than a part described in subdivision (4).

(2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.

(3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in northwestern Indiana with an interstate highway in Illinois.

(4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

SECTION 134. IC 8-23-30-2, AS ADDED BY P.L.146-2016, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The local road and bridge matching grant fund is established to provide matching grants to local units for eligible projects.

(b) The department shall administer the fund.

(c) The fund consists of the following:

(1) Appropriations by the general assembly.

(2) Interest deposited in the fund under subsection (d).

(3) Money deposited in or transferred to the fund from any other source.

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(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 is continuously appropriated for the purpose of the fund.

(g) Money in the fund may not be transferred, assigned, or otherwise removed from the fund by the state board of finance, the budget agency, or any other agency until after budget committee review, except that the department may distribute funds to a local unit that has been approved for a grant under this chapter without budget committee review.

SECTION 135. IC 10-11-10 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 10. Internet Crimes Against Children Fund

Sec. 1. As used in this chapter, "fund" refers to the Internet crimes against children fund established by section 2 of this chapter.

Sec. 2. (a) The Internet crimes against children fund is established.

(b) The fund consists of appropriations from the general assembly.

(c) The fund may be used only for the purposes described in sections 3 and 4 of this chapter.

(d) The fund shall be administered by the department.

(e) The expenses of administering the fund shall be paid from money in the fund.

Sec. 3. The department shall use money in the fund to pay for costs incurred by the department for training and purchasing equipment for the investigation of offenses:

(1) that involve the use of the Internet; and

(2) in which a child is the alleged victim.

Sec. 4. (a) The department shall use not more than fifty percent (50%) of the money deposited in the fund during a state fiscal year to award grants to county, city, and town law enforcement agencies that agree to use the money to investigate Internet crimes against children in accordance with United States Department of Justice Internet Crimes Against Children Operational and Investigative Standards.

(b) The department shall establish:

(1) the amounts of grants awarded under this section; and

(2) criteria used to award grants under this section, which may include any of the following:

(A) The geographic location and population of the jurisdiction of a law enforcement agency.

(B) The number of reports of Internet crimes against children within the jurisdiction of a law enforcement agency.

(C) The past and current participation of a law enforcement agency in the department's Internet crimes against children task force.

(c) A county, city, or town law enforcement agency that wishes to receive a grant from the fund under this section must file a written application for the grant:

(1) on a form; and

(2) in the manner;

prescribed by the department.

SECTION 136. IC 10-14-3-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) **Except as provided in IC 4-12-18,** if the federal government or an agency or officer of the federal government offers the state or through the state a political subdivision, services, equipment, supplies, materials, or funds under a gift, grant, or loan for purposes of emergency management:

(1) the state, acting through the governor; or

(2) the political subdivision, acting with the consent of the governor and through its executive;

may accept the offer.

(b) Upon the acceptance in subsection (a), the governor or the executive of the political subdivision may authorize an officer of the state or of the political subdivision to receive the services, equipment, supplies, materials, or funds:

(1) on behalf of the state or the political subdivision; and

(2) subject to the terms of the offer and the rules of the agency making the offer.

(c) If a person, firm, limited liability company, or corporation offers to the state or a political subdivision services, equipment, supplies, materials, or funds under gift, grant, or loan for purposes of emergency management:

(1) the state, acting through the governor; or

(2) the political subdivision, acting through its executive;

may accept the offer.

(d) Upon the acceptance in subsection (c), the governor or the executive of the political subdivision may authorize an officer of the state or of the political subdivision to receive the services, equipment, supplies, materials, or funds:

(1) on behalf of the state or the political subdivision; and

(2) subject to the terms of the offer.

(e) A person, firm, limited liability company, or corporation owning or controlling real estate or other premises that voluntarily and without compensation grants a license or privilege or otherwise permits the designation or use of the whole or any part of the real estate or premises to shelter persons during an actual or impending national security, natural, or manmade emergency or disaster or a drill for any of those situations, together with successors in interest, is not civilly liable by reason of:

(1) the condition of the real estate or premises; or

(2) the conduct of persons engaged in directing or seeking shelter;

for negligently causing the death of or injury to any person on or about the real estate or premises or for loss of or damage to the property of any person during the emergency or disaster or during a drill.

SECTION 137. IC 12-15-1.3-18, AS ADDED BY P.L.217-2017, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 18. (a) The definitions set forth in 460 IAC 6-3 as of ~~January 1, 2017,~~ **January 1, 2021,** apply to the terms that are used in this section.

(b) As used in this section, "benefits" means allowances and services provided by employers to employees as compensation that is in addition to salary and wages, including but not limited to paid time off, health insurance, life insurance, worker's compensation, and qualifying pensions.

~~(b)~~ **(c)** The office of the secretary shall increase the reimbursement rate for services if the services are provided as follows:

(1) The services are provided to an individual who receives services under a Medicaid waiver under the federal home and community based services program.

(2) The individual is authorized under the Medicaid waiver described in subdivision (1) to receive any of the following services:

(A) Adult day services.

(B) Prevocational services.

(C) Residential habilitation and support.

(D) Respite.

(E) ~~Supported employment and~~ Extended services as defined in the family supports Medicaid waiver **and the community integration habilitation Medicaid waiver.**

(F) ~~Community habilitation and participation services.~~ **Day habilitation, as defined in the family supports Medicaid waiver and the community integration habilitation Medicaid waiver.**

(G) Workplace assistance, as defined in the family supports Medicaid waiver and the community integration habilitation Medicaid waiver.

~~(H) Facility habilitation.~~

~~(I)~~ **(H)** Residential habilitation and support (RHS daily).

~~(J)~~ **(I)** Transportation services.

~~(K)~~ **(J)** Participant assistance and care, as defined in the family supports Medicaid waiver.

~~(L)~~ **(K)** Facility based support, as defined in the family supports Medicaid waiver and the community integration habilitation Medicaid waiver.

(3) The services are delivered to the individual by a direct care staff.

~~(c)~~ **(d)** The amount of the increase in the reimbursement rate described in subsection ~~(b)~~ **(c)** for a state fiscal year beginning July 1, ~~2017,~~ **2021, or upon approval of CMS,** or thereafter is the reimbursement rate in effect as of June 30, ~~2017,~~ **2019,** for the services listed in subsection ~~(b)(2)~~ **(c)(2)** multiplied by ~~five percent (5%).~~ **fourteen percent (14%).**

~~(d)~~ **(e)** An authorized service provider shall use at least ~~seventy-five percent (75%)~~ **ninety-five percent (95%)** of the amount of the increase in the reimbursement rate to **pay payroll tax liabilities and to** increase the wages **and benefits** paid to direct care staff **in comparison to payroll tax liabilities, wages, and benefits paid to direct care staff as of the provider's most recent fiscal year ended on or before December 31, 2019,** who:

(1) are employed by the authorized service provider to provide services in Indiana; ~~and~~

(2) provide support services listed in subsection ~~(b)(2).~~ **(c)(2); and**

(3) are paid on an hourly basis.

~~(e)~~ **(f)** If a provider does not use at least ~~seventy-five percent (75%)~~ **ninety-five percent (95%)** of the increase to **pay payroll tax liabilities and to** increase wages **and benefits** paid to direct care staff, the office shall recoup part or all of the increase in the reimbursement rate that the provider receives as provided in subsection ~~(g).~~ **(h).**

~~(f)~~ **(g)** An authorized service provider providing services in Indiana shall provide written and electronic notification of its plan to **pay payroll tax liabilities and to** increase wages **and benefits** to:

(1) direct care staff **described in subsection (e) who are** employed by the provider; and

(2) the office of the secretary;

within thirty (30) days after the office implements an increase in reimbursement rates.

~~(g)~~ **(h)** The office may recoup the difference between ~~seventy-five percent (75%)~~ **ninety-five percent (95%)** of the amount received by a provider as a result of increased reimbursement rates and the amount of the increase that is actually used by the provider to **pay payroll tax liabilities and to** pay an increase in wages **and benefits** to direct care staff. The remaining ~~twenty-five percent (25%)~~ **five percent (5%)** may be retained by the provider to cover ~~the other employer related costs of providing direct care services, including payroll taxes, benefits, and paid time for nondirect services such as paid time off and training.~~ **administrative and overhead costs.**

~~(h)~~ **(i)** Providers shall maintain all books, documents, papers, accounting records, and other evidence required to support the reporting of payroll information for **payment of payroll tax liabilities and for** increased wages **and benefits** to direct care staff. Wages are defined as total compensation, **including paid time off and training,** less overtime and shift differential for direct care staff providing services to individuals receiving the services described in subsection ~~(b)(2)~~ **(c)(2)** as reported on the provider's payroll records. Providers shall make these materials available at their respective offices at all reasonable times and for three (3) years from the date of final payment for the services listed in subsection ~~(b)(2)~~ **(c)(2)** for inspection by the state or its authorized designees. Providers shall furnish copies at no cost to the state if requested.

~~(i)~~ **(j)** The office or its designee may recoup all or a part of the amount paid using the increased reimbursement rates based upon an audit or review of the supporting documentation required to be maintained under subsection ~~(h)~~ **(i)** if the provider cannot provide adequate documentation to support the **payment of payroll tax liabilities and the payment of** increased wages **and benefits** to direct care staff.

~~(j)~~ **(k)** If required, the office shall file Medicaid waiver amendments for the family supports Medicaid waiver and the community integration and habilitation Medicaid waiver related to rate increases and Medicaid waiver caps only on or before ~~September 30, 2017,~~ **October 1, 2021,** with the earliest possible effective date allowed by the federal Centers for Medicare and Medicaid Services. If the federal Centers for Medicare and Medicaid Services ~~deny~~ **denies** the Medicaid waiver amendments, the office may modify the waiver amendment request. If a waiver amendment is not approved, rate increases may not be granted under this section.

~~(k)~~ **(l)** This section may not be construed as creating an employment relationship of any kind between office staff and direct care staff of an authorized service provider.

SECTION 138. IC 12-15-5-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 17.5. (a) The office shall report on its progress on the development of a risk based managed care program or capitated managed care program for Medicaid recipients who are eligible to participate in the Medicare program (42 U.S.C. 1395 et seq.) and receive nursing facility services to the interim study committee on public health, behavioral health, and human services before November 1, 2021.**

(b) Not later than February 1, 2022, the office shall report the following information and analysis to the legislative council and budget committee (in an electronic format under IC 5-14-6) regarding the implementation of a risk based managed care program or capitated managed care program for Medicaid recipients who are eligible to participate in the Medicare program (42 U.S.C. 1395 et seq.) and receive nursing facility services, as follows:

(1) The projected utilization of home and community based services and institutional services for the four (4) years following implementation, and including, but not limited to, information on:

(A) provider network adequacy;

(B) family caregiver programming; and

(C) costs and funding sources associated with creating and maintaining adequate provider

networks and family caregiving programming.

(2) How administrative processes, including service approval and billing processes, between managed care entities and providers of services will be addressed or streamlined in a risk based managed care program or capitated managed care program, with specific discussion of uniform provider credentialing, the potential of a single claims processing portal, and prior authorization processes.

(3) Projected total spending for a risk based managed care program or capitated managed care program for the four (4) years following implementation. Such information shall include the identification of and impact on each source of state matching funds and overall impact on the state general fund.

(4) The expected financial impacts of a risk based managed care program or capitated managed care program on the available amounts and use of the nursing facility quality assessment fee and supplemental payments to nursing facilities that are owned and operated by a governmental entity. Such information shall include an analysis on whether either of these funding streams will be diverted for uses other than the uses prior to implementation of a risk based managed care program or capitated managed care program and the effects on access to acute and post-acute care services due to the expected financial impacts.

(c) A request for proposal for the procurement of a Medicaid program to enroll a Medicaid recipient who is eligible to participate in the Medicare program (42 U.S.C. 1395 et seq.) and receives nursing facility services in a risk based managed care program or capitated managed care program may not be issued until the request for proposal has been reviewed by the budget committee.

SECTION 139. IC 12-15-5-18.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 18.2. The office of the secretary may apply to the United States Department of Health and Human Services for the following concerning the mobile integrated healthcare program:**

(1) A waiver to implement the program.

(2) Federal funding through Section 9813 of the American Rescue Plan Act of 2021 (P.L. 117-2) for the programs set forth in IC 16-31-12.

However, if federal funding ceases to be available, then no additional state funding for the mobile integrated healthcare program shall be allocated to the program after that date.

SECTION 140. IC 12-15-14-8, AS ADDED BY P.L.224-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. ~~(a) The office shall use the RUG-IV, 48-Group model for payment of nursing facility services.~~

~~(b)~~ **(a)** Beginning July 1, 2018, the office may implement an end of therapy reclassification methodology in the RUG-IV, 48-Group model for payment of nursing facility services.

~~(c)~~ **(b)** Before the office changes a health facility service reimbursement that results in a reduction in reimbursement, the office shall provide public notice of at least one (1) year. The public notice under this subsection:

(1) is not a rulemaking action or part of the administrative rulemaking process under IC 4-22; and

(2) must include the fiscal impact of the proposed reimbursement change.

SECTION 141. IC 12-16-17-1, AS ADDED BY P.L.146-2008, SECTION 391, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. The office of the secretary of family and social services shall annually transfer ~~forty million dollars ($40,000,000)~~ **thirty-eight million dollars ($38,000,000)** to a hospital corporation established under IC 16-22-8 from the state general fund for the purposes of the hospital corporation.

SECTION 142. IC 12-17.2-7.2-11, AS AMENDED BY P.L.184-2017, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. Except as provided under ~~IC 20-51-1-4.3(3)(E),~~ **IC 20-51-1-4.3(4)(E),** the receipt of a grant under the pilot program does not qualify, nor have an effect on the qualification or eligibility, of a child for a choice scholarship under IC 20-51-4.

SECTION 143. IC 12-17.2-7.5-4, AS ADDED BY P.L.184-2017, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) After completing the review under section 3 of this chapter, the office may develop and implement a reimbursement program to reimburse costs that are incurred by a parent or guardian of a child to provide in-home early education services to the child.

(b) If the office develops and implements a reimbursement program under subsection (a), the office ~~shall~~ **may not** give preference to a child located in a county that does not have a child care provider that meets the standards of quality recognized by **a** Level 3 or Level 4 Paths to QUALITY program rating located in the county.

(c) The office may develop reimbursement rates for the reimbursement of in-home early education services.

(d) Reimbursement by the office under this section may be funded from any of the following sources:

(1) Federal grants.

(2) State appropriations.

(3) Money from a political subdivision (as defined in IC 36-1-2-13).

(4) Money from the prekindergarten pilot program fund established by IC 12-17.2-7.2-13.5.

SECTION 144. IC 12-23-19-4, AS AMENDED BY HEA 1127-2021, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) As used in this section, "account" refers to the mental health and addiction forensic treatment services account established by subsection (b).

(b) The mental health and addiction forensic treatment services account is established for the purpose of providing grants and vouchers and for leveraging federal funds for the provision of mental health and addiction forensic treatment services. The account shall be administered by the division. The division may use money in the account only to fund grants and vouchers under this chapter that are provided to the following:

(1) Community corrections programs.

(2) Court administered programs.

(3) Probation and diversion programs.

(4) Community mental health centers.

(5) Certified or licensed mental health or addiction providers.

(6) Recovery community organizations certified by the division or its designee.

(7) Recovery residences certified by the division or its designee.

(c) The account consists of:

(1) appropriations made by the general assembly;

(2) grants; and

(3) gifts and bequests.

(d) The expenses of administering the account shall be paid from money in the account.

(e) The treasurer of state shall invest the money in the account not currently needed to meet the obligations of the account in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the account.

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

~~(g)~~ **(f)** Money deposited in the account may be used as the required state match under the Medicaid program.

SECTION 145. IC 13-19-3-3, AS AMENDED BY SEA 271-2021, SECTION 9, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) As used in this section, "coal combustion residuals" means fly ash, bottom ash, boiler slag, and flue gas desulfurization materials generated from burning coal for the purpose of generating electricity by electric utilities and independent power producers.

(b) As used in this section, "federal CCR rule" refers to 40 CFR 257, Subpart D, the federal standards for the disposal of coal combustion residuals in landfills and surface impoundments.

(c) The board may adopt rules under section 1(1) of this chapter that are consistent with the regulations of the United States Environmental Protection Agency concerning standards for the disposal of coal combustion residuals in landfills and surface impoundments, as set forth in the federal CCR rule.

(d) The department shall do the following:

(1) Establish a state permit program under Section 2301 of the federal Water Infrastructure Improvements for the Nation Act (42 U.S.C. 6945(d)) for the implementation in Indiana of the federal CCR rule.

(2) Submit to the administrator of the United States Environmental Protection Agency under 42 U.S.C. 6945(d)(1)(A) evidence of the state permit program.

(3) Take other necessary or appropriate actions to obtain approval of the state permit program.

(e) Not later than May 15, 2021, the department shall notify the United States Environmental Protection Agency of its intention to establish a state permit program described in subsection (d)(1) and to seek approval of the state permit program under 42 U.S.C. 6945(d)(1).

(f) Under IC 4-22-2 and IC 13-14-9:

(1) the department shall initiate rulemaking for the establishment of the state permit program not more than sixty (60) days after the effective date of the SECTION of Senate Enrolled Act 271-2021 amending this section; and

(2) the board shall adopt a final rule for the establishment of the state permit program not more than sixteen (16) months after initiation of the rulemaking under subdivision (1).

(g) The state permit program established under this section must not establish requirements for any surface impoundment of coal combustion residuals unless and until the state permit program is approved by the administrator of the United States Environmental Protection Agency under 42 U.S.C. 6945(d)(1).

(h) The definitions set forth in Section 257.53 of the federal CCR rule, as in effect January 1, 2021, apply throughout subsection (i).

(i) The department shall charge the following fees under the state permit program established under this section:

(1) An initial one (1) time permit fee of twenty thousand five hundred dollars ($20,500) for each surface impoundment of coal combustion residuals regulated under the state permit program.

(2) An annual fee of twenty thousand five hundred dollars ($20,500) for each surface impoundment of coal combustion residuals regulated under the state permit program that has not completed closure in accordance with Section 257.102 of the federal CCR rule. The duty to pay the fee established by this subdivision does not apply on an annual basis until three hundred sixty-five (365) days after the initial one (1) time permit fee established by subdivision (1) has been assessed.

(3) An annual fee of ten thousand dollars ($10,000) for each surface impoundment of coal combustion residuals regulated under the state permit program that has been closed and for which post-closure care has been initiated and is still required in accordance with Section 257.104 of the federal CCR rule. The duty to pay the fee established by this subdivision does not apply on an annual basis until three hundred sixty-five (365) days after the initial one (1) time permit fee established by subdivision (1) has been assessed.

Fees collected under this subsection shall be deposited in the CCR program fund established by section 3.2 of this chapter.

~~(h)~~ **(j)** Not later than July 1, 2027, and before the end of each succeeding period of five (5) years, the board shall review the:

(1) costs to the department of operating the state permit program established under this section; **and**

(2) revenue from the fees charged under subsection (i); as provided in IC 13-16-1-4. If the board determines that the revenue described in subdivision (2) is inadequate or excessive in relation to the costs described in subdivision (1), the board shall, under IC 13-16-1-2, change the amount of one (1) or more of the fees established under subsection (i).

~~(i)~~ **(k)** Upon the effective date that the board adopts rules to implement the federal CCR rule **and subject to subsection (i),** annual fees for CCR landfills that were previously regulated as restricted waste sites shall be deposited in the CCR program fund established by section 3.2 of this chapter.

SECTION 146. IC 16-21-10-21, AS AMENDED BY P.L.108-2019, SECTION 203, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. This chapter expires June 30, ~~2021.~~ **2023.**

SECTION 147. IC 16-28-15-14, AS AMENDED BY P.L.108-2019, SECTION 204, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. This chapter expires June 30, ~~2021.~~ **2023.**

SECTION 148. IC 20-18-2-22, AS AMENDED BY P.L.217-2017, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 22. (a) "Teacher" means a professional person whose position in a school corporation requires certain educational preparation and licensing and whose primary responsibility is the instruction of students.

(b) **Except as provided in subsection (d),** for purposes of IC 20-28, the term includes the following:

(1) A superintendent who holds a license under IC 20-28-5.

(2) A principal.

(3) A teacher.

(4) A librarian.

(5) A school counselor.

(6) A school psychologist.

(c) For purposes of IC 20-43-10-3.5, the term means a professional person whose position with a:

(1) school corporation;

(2) special education cooperative established under IC 20-35-5;

(3) cooperative career and technical education program;

(4) special education program established by an interlocal agreement under IC 36-1-7;

(5) joint program agreement established under IC 20-26-10; or

(6) charter school;

requires a license (as defined in IC 20-28-1-7) and whose primary responsibility is the instruction of students in the classroom or virtual classroom.

(d) "Teacher" for purposes of IC 20-28-9-26, IC 20-28-9-27, and IC 20-28-9-28, means a classroom teacher licensed under IC 20-28-5 who provides instruction to students for at least fifty percent (50%) of the teacher's work day.

SECTION 149. IC 20-20-12-1, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. The department shall administer the advanced placement program established by ~~IC 20-36-3-4(a).~~ **IC 20-36-3-4.**

SECTION 150. IC 20-24-7-13, AS AMENDED BY P.L.159-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 13. (a) After June 30, 2019, a virtual charter school may only apply for authorization with any statewide authorizer in accordance with

the authorizer's guidelines. After June 30, 2019, a virtual charter school that has a charter on June 30, 2019, may renew a charter only with a statewide authorizer. An authorizer described in IC 20-24-1-2.5(1) and IC 20-24-1-2.5(3) is not considered a statewide authorizer.

(b) For each state fiscal year, a virtual charter school is entitled to receive funding in a month from the state in an amount equal to:

(1) the quotient of:

(A) the school's basic tuition support determined under ~~IC 20-43-6-3(c);~~ **IC 20-43-6-3;** divided by

(B) twelve (12); plus

(2) the total of any:

(A) special education grants under IC 20-43-7;

(B) career and technical education grants under IC 20-43-8; and

(C) honor grants under IC 20-43-10;

to which the virtual charter school is entitled for the month.

For each state fiscal year, a virtual charter school's special education grants under IC 20-43-7 shall be calculated in the same manner as special education grants are calculated for other school corporations.

(c) The state board shall adopt rules under IC 4-22-2 to govern the operation of virtual charter schools.

(d) Each authorizer of a virtual charter school shall establish requirements or guidelines for virtual charter schools authorized by the authorizer that include the following:

(1) Minimum requirements for the mandatory annual onboarding process and orientation required under IC 20-24-5-4.5, which shall include a requirement that a virtual charter school must provide to a parent of a student:

(A) the student engagement and attendance requirements or policies of the virtual charter school; and

(B) notice that a person who knowingly or intentionally deprives a dependent of education commits a violation under IC 35-46-1-4.

(2) Requirements relating to tracking and monitoring student participation and attendance.

(3) Ongoing student engagement and counseling policy requirements.

(4) Employee policy requirements, including professional development requirements.

(e) The department, with the approval of the state board, shall before December 1 of each year submit an annual report to the budget committee concerning the program under this section.

(f) Each school year, at least sixty percent (60%) of the students who are enrolled in virtual charter schools under this section for the first time must have been included in the state's fall count of ADM conducted in the previous school year.

(g) Each virtual charter school shall report annually to the department concerning the following, on a schedule determined by the department:

(1) Classroom size.

(2) The ratio of teachers per classroom.

(3) The number of student-teacher meetings conducted in person or by video conference.

(4) Any other information determined by the department.

The department shall provide this information annually to the state board and the legislative council in an electronic format under IC 5-14-6.

(h) A virtual charter school shall adopt a student engagement policy. A student who regularly fails to participate in courses may be withdrawn from enrollment under policies adopted by the virtual charter school. The policies adopted by the virtual charter school must ensure that:

(1) adequate notice of the withdrawal is provided to the parent and the student; and

(2) an opportunity is provided, before the withdrawal of the student by the virtual charter school, for the student or the parent to demonstrate that failure to participate in the course is due to an event that would be considered an excused absence under IC 20-33-2.

(i) A student who is withdrawn from enrollment for failure to participate in courses pursuant to the school's student engagement policy may not reenroll in that same virtual charter school for the school year in which the student is withdrawn.

(j) An authorizer shall review and monitor whether a virtual charter school that is authorized by the authorizer complies with the requirements described in subsections (h) and (i).

SECTION 151. IC 20-24-7-13.5, AS AMENDED BY P.L.108-2019, SECTION 210, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 13.5. (a) This section applies to the following charter schools:

(1) The Excel Centers for Adult Learners.

(2) The Christel House DORS centers.

(3) The Gary Middle College charter schools.

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

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

(2) six thousand seven hundred fifty dollars ($6,750) beginning July 1, 2017.

(c) However, in the case of the charter school described in subsection (a)(3), the funding under this section applies only for those students who are twenty-two (22) years of age and older. In addition, the total number of students (expressed as full-time equivalents) of all adult learners in charter schools covered by this section may not exceed the following:

~~(1) For the 2018-2019 state fiscal year:~~

~~(A) For the Christel House DORS centers, eight hundred twenty-five (825) adult learner students.~~

~~(B) For the Gary Middle College charter schools, two hundred (200) adult learner students.~~

~~(C) For the Excel Centers for Adult Learners, four thousand seven hundred (4,700) adult learner students.~~

~~(2)~~ **(1)** For the ~~2019-2020~~ **2021-2022** state fiscal year:

(A) For the Christel House DORS centers, eight hundred twenty-five (825) adult learner students.

(B) For the Gary Middle College charter schools, two hundred fifty (250) adult learner students.

(C) For the Excel Centers for Adult Learners, four thousand nine hundred (4,900) adult learner students.

~~(3)~~ **(2)** For the ~~2020-2021~~ **2022-2023** state fiscal year:

(A) For the Christel House DORS centers, eight hundred twenty-five (825) adult learner students.

(B) For the Gary Middle College charter schools, two hundred fifty (250) adult learner students.

(C) For the Excel Centers for Adult Learners, four thousand nine hundred (4,900) adult learner students.

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

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

(f) A charter school that receives funding as provided in this section must report the following information annually to the state board and (in an electronic format under IC 5-14-6) to the legislative council, on a schedule specified by the state board:

(1) The number of adult learners enrolled in the charter school during the preceding year.

(2) The demographics of the adult learners enrolled in the

charter school during the preceding year (in a format requested by the state board).

(3) The graduation rates of the adult learners enrolled in the charter school during the preceding year.

(4) The outcomes for adult learners enrolled in the charter school, as of graduation and as of two (2) years after graduation. A charter school must include information concerning students' job placement outcomes, information concerning students' matriculation into higher education, and any other information concerning outcomes required by the state board.

(g) This section expires June 30, ~~2021.~~ **2023.**

SECTION 152. IC 20-24-13-6, AS AMENDED BY P.L.108-2019, SECTION 211, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. The annual grant amount for a school for a state fiscal year is **the following:**

(1) **For the state fiscal year beginning July 1, 2021:**

(A) ~~seven hundred fifty dollars ($750);~~ **one thousand dollars ($1,000);** multiplied by

~~(2)~~ **(B)** the number of eligible pupils who are counted in the current ADM of the school.

(2) For the state fiscal year beginning July 1, 2022, and each state fiscal year thereafter:

(A) one thousand two hundred fifty dollars ($1,250); multiplied by

(B) the number of eligible pupils who are counted in the current ADM of the school.

SECTION 153. IC 20-25.7-5-2, AS AMENDED BY P.L.156-2020, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 2. (a) The board may enter into an agreement with an organizer to reconstitute an eligible school as a participating innovation network charter school or to establish a participating innovation network charter school at a location selected by the board within the boundary of the school corporation. Notwithstanding IC 20-26-7.1, a participating innovation network charter school may be established within a vacant school building.

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

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

(2) The amount of state funding, including tuition support (if the participating innovation network charter school is treated in the same manner as a school operated by the school corporation under subsection (d)(2)), and money levied as property taxes that will be distributed by the school corporation to the organizer.

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

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

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

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

(2) the department shall treat the participating innovation network charter school in the same manner as a school operated by the school corporation when calculating the total amount of state funding to be distributed to the school corporation unless subsection (e) applies; and

(3) if requested by a participating innovation network charter school that reconstitutes an eligible school, the department may use student growth as the state board's exclusive means to determine the innovation network charter school's category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years. Beginning with the 2019-2020 school year, the department may not use student growth as the state board's exclusive means to determine an innovation network charter school's category or designation of school improvement. This subdivision expires July 1, 2023.

(e) If a participating innovation network school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school shall be treated as a charter school for purposes of determining tuition support. This subsection expires June 30, ~~2021.~~ **2023.**

SECTION 154. IC 20-28-9-26 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 26. (a) For each school year beginning after June 30, 2022, if a school corporation determines that the school corporation cannot establish a minimum salary of forty thousand dollars ($40,000) for each full-time teacher, the school corporation shall submit a report to the department explaining the school corporation's inability to meet the minimum threshold requirement.**

(b) A report submitted under this section must include an explanation of the financial challenges, with detailed data, that preclude the school corporation from meeting the minimum salary threshold required under subsection (a). The report must also describe the cost saving measures taken by the school corporation in attempting to meet the minimum salary threshold required under subsection (a).

SECTION 155. IC 20-28-9-27 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 27. (a) As used in this section, "funding floor" means the amount a school corporation expended for teacher salaries during a particular state fiscal year.**

(b) Subject to subsections (c) and (d), if the amount of state tuition support distributed to a school corporation for a particular state fiscal year is greater than the amount of state tuition support distributed to the school corporation for the preceding state fiscal year, the school corporation may not expend an amount for full-time teacher salaries during the particular state fiscal year that is less than the funding floor for the preceding state fiscal year.

(c) For purposes of this subsection, stipends paid using teacher appreciation grants under IC 20-43-10-3.5 are not considered. If a school corporation has awarded stipends to a majority of the school corporation's teachers in each of the two (2) preceding consecutive state fiscal years, an amount equal to the lesser of the total amount of stipends awarded in each of those state fiscal years shall be added to the school corporation's funding floor for the preceding state fiscal year described under subsection (b).

(d) A school corporation may apply for a waiver from the department of the prohibition under subsection (b). The department may grant a waiver to a school corporation if the school corporation's enrollment for the school year during that particular state fiscal year is less than the enrollment in the school year during the preceding state fiscal year.

SECTION 156. IC 20-28-9-28 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 28. (a) For each school year in a state fiscal year beginning after June 30, 2021, a school corporation shall expend an amount for full-time teacher salaries that is not less than an amount equal to forty-five percent (45%) of the state tuition support distributed to the school corporation during the state fiscal**

year.

(b) If a school corporation determines that the school corporation cannot comply with the requirement under subsection (a) for a particular school year, the school corporation shall apply for a waiver from the department.

(c) The waiver application must include an explanation of the financial challenges, with detailed data, that preclude the school corporation from meeting the requirement under subsection (a) and describe the cost saving measures taken by the school corporation in attempting to meet the requirement in subsection (a). The waiver may also include an explanation of an innovative or efficient approach in delivering instruction that is responsible for the school corporation being unable to meet the requirement under subsection (a).

(d) If, after review, the department determines that the school corporation has exhausted all reasonable efforts in attempting to meet the requirement in subsection (a), the department may grant the school corporation a one (1) year exception from the requirement.

(e) A school corporation that receives a waiver under this section shall work with the department to develop a plan to identify additional cost saving measures and any other steps that may be taken to allow the school corporation to meet the requirement under subsection (a).

(f) A school corporation may not receive more than three (3) waivers under this section.

SECTION 157. IC 20-36-3-4, AS ADDED BY P.L.1-2005, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. ~~(a)~~ The advanced placement program is established to encourage students to pursue advanced courses, particularly in math and science. The program shall be administered by the department.

~~(b) Unexpended money appropriated to the department to implement the program at the end of a state fiscal year does not revert to the state general fund.~~

SECTION 158. IC 20-43-1-1, AS AMENDED BY P.L.108-2019, SECTION 214, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 1. This article expires June 30, ~~2021.~~ **2023.**

SECTION 159. IC 20-43-1-34 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 34. Beginning with the 2021-2022 school year, "virtual instruction" means instruction that is provided in an interactive learning environment created through technology in which the student is separated from a teacher by time or space, or both.**

SECTION 160. IC 20-43-3-8, AS AMENDED BY P.L.108-2019, SECTION 221, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 8. A school corporation's foundation amount is the following:

~~(1) Five thousand five hundred forty-eight dollars ($5,548) for the state fiscal year beginning July 1, 2019.~~

~~(2) Five thousand seven hundred three dollars ($5,703) for the state fiscal year beginning July 1, 2020.~~

(1) Five thousand nine hundred ninety-five dollars ($5,995) for the state fiscal year beginning July 1, 2021.

(2) Six thousand two hundred thirty-five dollars ($6,235) for the state fiscal year beginning July 1, 2022.

SECTION 161. IC 20-43-4-1, AS AMENDED BY P.L.146-2008, SECTION 487, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) An individual is an eligible pupil if the individual is a pupil enrolled in a school corporation and:

(1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;

(2) subject to subdivision ~~(5),~~ **(6),** the school corporation has the responsibility to pay transfer tuition under IC 20-26-11 because the pupil is:

(A) transferred for education to another school corporation; or

(B) placed in an out-of-state institution or facility by or with the consent of the department of child services;

(3) the pupil is enrolled in a school corporation as a transfer student under IC 20-26-11-6 or entitled to be counted for ADM purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;

(4) the pupil is twenty-two (22) years of age or less;

~~(4)~~ **(5)** the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-26-11; or

~~(5)~~ **(6)** all of the following apply:

(A) The school corporation is a transferee corporation.

(B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or ~~(4).~~ **(5).**

(C) The transferee corporation's attendance area includes a state licensed private or public health care facility or child care facility where the pupil was placed:

(i) by or with the consent of the department of child services;

(ii) by a court order;

(iii) by a child placing agency licensed by the department of child services;

(iv) by a parent or guardian under IC 20-26-11-8; or

(v) by or with the consent of the department under IC 20-35-6-2.

(b) For purposes of a career and technical education grant, an eligible pupil includes a student enrolled in a charter school.

SECTION 162. IC 20-43-4-2, AS AMENDED BY P.L.217-2017, SECTION 121, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) A school corporation's ADM is the number of eligible pupils enrolled in:

(1) the school corporation; or

(2) a transferee corporation;

on the day fixed in September by the state board for a count of students under section 3 of this chapter and as subsequently adjusted not later than the date specified under the rules adopted by the state board. The state board may adjust the school's count of eligible pupils if the state board determines that the count is unrepresentative of the school corporation's enrollment. In addition, a school corporation may petition the state board to make an adjusted count of students enrolled in the school corporation if the corporation has reason to believe that the count is unrepresentative of the school corporation's enrollment. In addition, a school corporation shall determine the number of eligible pupils enrolled in:

(1) the school corporation; or

(2) a transferee corporation;

on the day fixed in February by the state board for a spring count of students ~~to be used only for informational purposes under this article.~~ **under section 3 of this chapter and as subsequently adjusted under this chapter or under rules adopted by the state board.** ~~Except as specifically provided by law, the spring count shall not be used for determining school funding under this article.~~

(b) Each school corporation shall, before April 1 of each year, provide to the department an estimate of the school corporation's ADM that will result from the count of eligible pupils in the following September. The department may update and adjust the estimate as determined appropriate by the department. In each odd-numbered year, the department shall provide the updated and adjusted estimate of the school corporation's ADM to the legislative services agency before April 10 of that year.

(c) A new charter school shall submit an enrollment estimate to the department before April 1 of the year the new charter school will be open for enrollment. The department shall use the

new charter school's enrollment estimate as the basis for the new charter school's distribution beginning in July and until actual ADM is available, subject to section 9 of this chapter. However, if the new charter school's enrollment estimate is greater than eighty percent (80%) of the new charter school's authorized enrollment cap, the department may use that enrollment estimate if the department has requested and reviewed other enrollment data that support that enrollment estimate. However, if the enrollment data requested and reviewed by the department does not support the enrollment estimate submitted by the new charter school, the department shall determine the estimated ADM based on the enrollment data requested and reviewed by the department. In each odd-numbered year, the department shall provide the new charter school's estimated ADM to the legislative services agency before April 10 of that year.

SECTION 163. IC 20-43-4-6.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 6.5. (a) Subject to subsection (b), for purposes of determining basic tuition support for a school corporation under IC 20-43-6-3, the department shall review the daily attendance of each student to determine whether, of the instructional services that the student receives from a school corporation, at least fifty percent (50%) is virtual instruction. The department shall review the daily attendance of a student under this subsection as follows:**

(1) For purposes of the fall count of ADM, the department shall review the attendance for each student on each school day from the school corporation's first day of school until the day fixed in September by the state board under section 3 of this chapter.

(2) For purposes of the spring count of ADM, the department shall review the attendance for each student on each school day from the first day after the date described in subdivision (1) until the date fixed in February by the state board under section 3 of this chapter.

(b) In reviewing daily attendance under this section, the department shall take into consideration whether a student transferred to the school corporation during the dates described in subsection (a)(1) and (a)(2) that the department reviews daily attendance.

SECTION 164. IC 20-43-6-3, AS AMENDED BY P.L.108-2019, SECTION 225, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 3. (a) A school corporation's basic tuition support for a state fiscal year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that does not have any students in the school corporation's current ADM for the year for whom, of the instructional services that the students receive from the school corporation, at least fifty percent (50%) is virtual instruction. The school corporation's basic tuition support for a state fiscal year is equal to the result using the following formula:

STEP ONE: Multiply the foundation amount by the school corporation's current ADM.

STEP TWO: Multiply the school corporation's complexity index by

~~(A) for the state fiscal year beginning July 1, 2019, three thousand six hundred fifty dollars ($3,650); and~~

~~(B) for the state fiscal year beginning July 1, 2020, three thousand six hundred seventy-five dollars ($3,675).~~ **three thousand seven hundred seventy-five dollars ($3,775).**

STEP THREE: Multiply the STEP TWO amount by the school corporation's current ADM.

~~STEP FOUR: This STEP applies only to a school corporation that has at least eighteen percent (18%) of its ADM eligible for the English language learners program and that experienced a percentage decrease of at least forty-five percent (45%) in the school corporation's complexity index for the school year ending in 2017 compared to the school corporation's complexity index for the current school year. For such a school corporation determine the result of:~~

~~(A) the school corporation's current ADM; multiplied by~~

~~(B) one hundred twenty-eight dollars ($128).~~

~~STEP FIVE: Determine the result of:~~

~~(A) the STEP ONE amount; plus~~

~~(B) the STEP THREE amount; plus~~

~~(C) the STEP FOUR amount, if applicable.~~

(c) This subsection applies to a school corporation that has students in the school corporation's current ADM for the year for whom, of the instructional services that the students receive from the school corporation, at least fifty percent (50%) is virtual instruction. The school corporation's basic tuition support for a state fiscal year is equal to the result using the following formula:

STEP ONE: Determine the total number of students in the school corporation's current ADM for the year for whom, of the instructional services that the students receive from the school corporation, at least fifty percent (50%) is virtual instruction.

STEP TWO: Determine the result of the school corporation's current ADM for the year minus the STEP ONE amount.

STEP THREE: Determine the result of:

(A) the foundation amount; multiplied by

(B) the STEP TWO amount.

STEP FOUR: Determine the result of:

(A) the STEP ONE amount; multiplied by

(B) eighty-five percent (85%) of the foundation amount.

STEP FIVE: Multiply the school corporation's complexity index by

~~(A) for the state fiscal year beginning July 1, 2019, three thousand six hundred fifty dollars ($3,650); and~~

~~(B) for the state fiscal year beginning July 1, 2020, three thousand six hundred seventy-five dollars ($3,675).~~ **three thousand seven hundred seventy-five dollars ($3,775).**

STEP SIX: Multiply the STEP FIVE amount by the school corporation's current ADM.

~~STEP SEVEN: This STEP applies only to a school corporation that has at least eighteen percent (18%) of its ADM eligible for the English language learners program and that experienced a percentage decrease of at least forty-five percent (45%) in the school corporation's complexity index for the school year ending in 2017 compared to the school corporation's complexity index for the current school year. For such a school corporation determine the result of:~~

~~(A) the school corporation's current ADM; multiplied by~~

~~(B) one hundred twenty-eight dollars ($128).~~

~~STEP EIGHT: Determine the result of:~~

~~(A) the STEP THREE amount; plus~~

~~(B) the STEP FOUR amount; plus~~

~~(C) the STEP SIX amount; plus~~

~~(D) the STEP SEVEN amount, if applicable.~~

SECTION 165. IC 20-43-7-6, AS AMENDED BY P.L.108-2019, SECTION 226, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 6. A school corporation's special education grant for a state fiscal year is equal to the sum of the following:

(1) The nonduplicated count of pupils in programs for severe disabilities multiplied by ~~nine thousand one hundred fifty-six dollars ($9,156).~~ **the following:**

(A) Nine thousand six hundred fourteen dollars

($9,614) for the state fiscal year beginning July 1, 2021.

(B) Ten thousand five hundred seventy-five dollars ($10,575) for the state fiscal year beginning July 1, 2022.

(2) The nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by ~~two thousand three hundred dollars ($2,300).~~ **the following:**

(A) Two thousand four hundred fifteen dollars ($2,415) for the state fiscal year beginning July 1, 2021.

(B) Two thousand six hundred fifty-seven dollars ($2,657) for the state fiscal year beginning July 1, 2022.

(3) The duplicated count of pupils in programs for communication disorders multiplied by five hundred dollars ($500).

(4) The cumulative count of pupils in homebound programs multiplied by five hundred dollars ($500).

(5) The nonduplicated count of pupils in special preschool education programs multiplied by the following:

~~(A) Two thousand eight hundred seventy-five dollars ($2,875) for the state fiscal year beginning July 1, 2019.~~

~~(B) Three thousand dollars ($3,000) for the state fiscal year beginning July 1, 2020.~~

(A) Three thousand one hundred fifty dollars ($3,150) for the state fiscal year beginning July 1, 2021.

(B) Three thousand four hundred sixty-five dollars ($3,465) for the state fiscal year beginning July 1, 2022.

SECTION 166. IC 20-43-8-15, AS AMENDED BY P.L.154-2020, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 15. ~~(a) This subsection applies to the state fiscal year beginning July 1, 2019. A school corporation's career and technical education enrollment grant for a state fiscal year is the sum of the amounts determined under the following STEPS:~~

~~STEP ONE: Determine for each career and technical education program provided by the school corporation:~~

~~(A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3) credits); multiplied by~~

~~(B) the number of pupils enrolled in the program; multiplied by~~

~~(C) the following applicable amount:~~

~~(i) Six hundred eighty dollars ($680) for a career and technical education program designated by the department of workforce development as a high value program under section 7.5 of this chapter.~~

~~(ii) Four hundred dollars ($400) for a career and technical education program designated by the department of workforce development as a moderate value program under section 7.5 of this chapter.~~

~~(iii) Two hundred dollars ($200) for a career and technical education program designated by the department of workforce development as a less than moderate value program under section 7.5 of this chapter.~~

~~STEP TWO: Determine the number of pupils enrolled in an apprenticeship program, a cooperative education program, a foundational career and technical education course, or a work based learning course designated under section 7.5 of this chapter multiplied by one hundred fifty dollars ($150).~~

~~STEP THREE: Determine the number of pupils enrolled in an introductory program designated under section 7.5 of this chapter multiplied by three hundred dollars ($300).~~

~~STEP FOUR: Determine the number of pupils who travel from the school in which they are currently enrolled to another school to participate in a career and technical education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars ($150).~~

~~(b)~~ This ~~subsection~~ **section** applies to state fiscal years beginning after June 30, ~~2020.~~ **2021.** A school corporation's career and technical education enrollment grant for a state fiscal year is the sum of the amounts determined under the following STEPS:

STEP ONE: Determine for each career and technical education program provided by the school corporation:

(A) the number of credit hours of the program (one (1) credit, two (2) credits, or three (3) credits); multiplied by

(B) the number of pupils enrolled in the program; multiplied by

(C) the following applicable amount:

(i) Six hundred eighty dollars ($680) for a career and technical education program designated by the department of workforce development as a high value level 1 program under section 7.5 of this chapter.

(ii) One thousand twenty dollars ($1,020) for a career and technical education program designated by the department of workforce development as a high value level 2 program under section 7.5 of this chapter.

(iii) Four hundred dollars ($400) for a career and technical education program designated by the department of workforce development as a moderate value level 1 program under section 7.5 of this chapter.

(iv) Six hundred dollars ($600) for a career and technical education program designated by the department of workforce development as a moderate value level 2 program under section 7.5 of this chapter.

(v) Two hundred dollars ($200) for a career and technical education program designated by the department of workforce development as a less than moderate value level 1 program under section 7.5 of this chapter.

(vi) Three hundred dollars ($300) for a career and technical education program designated by the department of workforce development as a less than moderate value level 2 program under section 7.5 of this chapter.

STEP TWO: Determine the number of pupils enrolled in an apprenticeship program or a work based learning program designated under section 7.5 of this chapter multiplied by five hundred dollars ($500).

STEP THREE: Determine the number of pupils enrolled in an introductory program designated under section 7.5 of this chapter multiplied by three hundred dollars ($300).

STEP FOUR: Determine the number of pupils enrolled in a planning for college and career course under section 7.5 of this chapter at the school corporation that is approved by the department of workforce development multiplied by one hundred fifty dollars ($150).

STEP FIVE: Determine the number of pupils who travel from the school in which they are currently enrolled to another school to participate in a career and technical education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars ($150).

SECTION 167. IC 20-43-10-3.5, AS AMENDED BY P.L.108-2019, SECTION 231, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 3.5. (a) As used in this section, "school" means a school corporation, charter school, and a virtual charter school.

(b) Subject to the requirements of this section, a school

qualifies for a teacher appreciation grant as provided in this section for a state fiscal year if one (1) or more licensed teachers:

(1) employed in the classroom by the school; or

(2) directly providing virtual education;

were rated as effective or as highly effective, using the most recently completed teacher ratings.

(c) A school may not receive a teacher appreciation grant under this section unless:

(1) the school has in the state fiscal year in which the teacher appreciation grants are made under this section:

(A) adopted an annual policy concerning the distribution of teacher appreciation grants; and

(B) submitted the policy to the department for approval; and

(2) the department has approved the policy.

The department shall specify the date by which a policy described in subdivision (1) must be submitted to the department.

(d) The amount of a teacher appreciation grant for a qualifying school corporation or virtual charter school is equal to:

(1) thirty-seven dollars and fifty-cents ($37.50); multiplied by

(2) the school's current ADM.

However, the grant amount for a virtual charter school may not exceed the statewide average grant amount.

(e) The following apply to the distribution of teacher appreciation grants:

(1) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year exceeds the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to schools shall be proportionately reduced so that the total reduction equals the amount of the excess. The amount of the reduction for a particular school is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the teacher appreciation grant that the school would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed as teacher appreciation grants to all schools if a reduction were not made under this section.

(2) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year is less than the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to schools for that particular state fiscal year shall be proportionately increased so that the total amount to be distributed equals the amount of the appropriation for that particular state fiscal year.

(f) The annual teacher appreciation grant to which a school is entitled for a state fiscal year shall be distributed to the school before December 5 of that state fiscal year.

(g) The following apply to a school's policy under subsection (c) concerning the distribution of teacher appreciation grants:

(1) The governing body shall differentiate between a teacher rated as a highly effective teacher and a teacher rated as an effective teacher. The policy must provide that the amount of a stipend awarded to a teacher rated as a highly effective teacher must be at least twenty-five percent (25%) more than the amount of a stipend awarded to a teacher rated as an effective teacher.

(2) The governing body of a school may differentiate between school buildings.

(3) A stipend to an individual teacher in a particular year is not subject to collective bargaining, but is discussable, and is in addition to the minimum salary or increases in salary set under IC 20-28-9-1.5. The governing body may provide that an amount not exceeding fifty percent (50%) of the amount of a stipend to an individual teacher in a particular state fiscal year becomes a permanent part of and increases the base salary of the teacher receiving the stipend for school years beginning after the state fiscal year in which the stipend is received. The addition to base salary is not subject to collective bargaining, but is discussable.

(h) A teacher appreciation grant received by a school shall be allocated among and used only to pay cash stipends to all licensed teachers employed in the classroom who are rated as effective or as highly effective and employed by the school as of December 1. A school may allocate up to twenty percent (20%) of the grant received by the school to provide a supplemental award to teachers with less than five (5) years of service who are rated as effective or as highly effective. The supplemental award is in addition to the award made from the part of the grant that is allocated to all eligible teachers.

(i) The lead school corporation or interlocal cooperative administering a cooperative or other special education program or administering a career and technical education program, including programs managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award teacher appreciation grant stipends to and carry out the other responsibilities of an employing school corporation under this section for the teachers in the special education program or career and technical education program.

(j) A school shall distribute all stipends from a teacher appreciation grant to individual teachers within twenty (20) business days of the date the department distributes the teacher appreciation grant to the school. Any part of the teacher appreciation grant not distributed as stipends to teachers before February must be returned to the department on the earlier of the date set by the department or June 30 of that state fiscal year.

(k) The department, after review by the budget committee, may waive the December 5 deadline under subsection (f) to distribute an annual teacher appreciation grant to the school under this section for that state fiscal year and approve an extension of that deadline to a later date within that state fiscal year, if the department determines that a waiver and extension of the deadline are in the public interest.

(l) The state board may adopt rules under IC 4-22-2, including emergency rules in the manner provided in IC 4-22-2-37.1, as necessary to implement this section.

(m) This section expires June 30, ~~2021.~~ **2023.**

SECTION 168. IC 20-43-13-4, AS AMENDED BY P.L.108-2019, SECTION 233, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: Sec. 4. (a) Except as provided in ~~subsection (c),~~ **subsections (c) and (d),** the complexity index is the percentage of the school corporation's students who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:

(1) ~~2019;~~ **2021;** or

(2) the first year of operation of the school corporation.

(b) For a conversion charter school, the percentage determined under this section is the percentage of the sponsor school corporation.

~~(c) If a school corporation's complexity index is less than the school corporation's complexity index for the preceding state fiscal year, the school corporation's complexity index for the state fiscal year is the greater of:~~

~~(1) the school corporation's complexity index for the state fiscal year; or~~

~~(2) the school corporation's complexity index for the preceding state fiscal year minus twenty-five thousandths (0.025).~~

~~(d) For a participating innovation network charter school, the percentage determined under this section is the greater of the percentage for the:~~

~~(1) participating innovation network charter school; or~~
~~(2) school corporation with which the participating innovation network charter school has contracted.~~

(c) Except as provided in subsection (d), the complexity index for a school corporation that has entered into an agreement with one (1) or more charter schools to participate as an innovation network charter school under IC 20-25.7-5 for a state fiscal year is equal to the result using the following formula:

STEP ONE: Determine:

(A) the school corporation's enrollment; minus

(B) the enrollment of each participating innovation network charter school.

STEP TWO: Determine the number of students in the school corporation who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in 2021, not including students enrolled in each participating innovation network charter school.

STEP THREE: Divide the result of STEP TWO by the result of STEP ONE.

STEP FOUR: Determine the enrollment of each participating innovation network charter school.

STEP FIVE: Determine the number of students in each participating innovation network charter school who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:

(A) 2021; or

(B) the first year of operation of the participating innovation network charter school.

STEP SIX: Divide the result of STEP FIVE by the result of STEP FOUR.

STEP SEVEN: For each participating innovation network charter school, determine the greater of:

(A) the result of STEP THREE; or

(B) the result of STEP SIX.

STEP EIGHT: For each participating innovation network charter school, multiply the result of STEP SEVEN by the result of STEP FOUR.

STEP NINE: Determine the sum of:

(A) the result of STEP TWO; plus

(B) the results of STEP EIGHT, for each participating innovation network charter school.

STEP TEN: Determine the sum of:

(A) the result of STEP ONE; plus

(B) the results of STEP FOUR for each participating innovation network charter school.

STEP ELEVEN: Divide the STEP NINE result by the STEP TEN result.

(d) If the complexity index of a participating innovation network charter school that was established before January 1, 2016, is, for the current school year, greater than the complexity index for the school corporation with which the innovation network charter school has contracted, the complexity index of the participating innovation network charter school is determined as described in IC 20-25.7-5-2(e).

SECTION 169. IC 20-48-1-9, AS AMENDED BY HEA 1271-2021, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 9. (a) If the governing body of a school corporation finds and declares that an emergency exists to borrow money with which to pay current expenses from a particular fund before the receipt of revenues from taxes levied or state tuition support distributions for the fund, the governing body may issue warrants in anticipation of the receipt of the revenues.

(b) The principal of warrants issued under subsection (a) is payable solely from the fund for which the taxes are levied or from the school corporation's education fund in the case of anticipated state tuition support distributions. However, the interest on the warrants may be paid from the debt service fund, from the operations fund, or the education fund in the case of anticipated state tuition support distributions. A governing body may not increase the debt service fund levy to pay for the interest on the warrants unless

~~(1) the warrants have been issued; and~~
~~(2) the school corporation has received the proceeds from the warrants.~~

the warrants have been authorized by the governing body in a resolution adopted at a public meeting in the year immediately preceding the year in which the warrants will be issued.

(c) The amount of principal of temporary loans maturing on or before June 30 for any fund may not exceed eighty percent (80%) of the amount of taxes and state tuition support distributions estimated to be collected or received for and distributed to the fund at the June settlement.

(d) The amount of principal of temporary loans maturing after June 30 and on or before December 31 may not exceed eighty percent (80%) of the amount of taxes and state tuition support distributions estimated to be collected or received for and distributed to the fund at the December settlement.

(e) The county auditor or the auditor's deputy shall determine the estimated amount of taxes and state tuition support distributions to be collected or received and distributed. The warrants evidencing a loan in anticipation of tax revenue or state tuition support distributions may not be delivered to the purchaser of the warrant and payment may not be made on the warrant before January 1 of the year the loan is to be repaid. However, the proceedings necessary for the loan may be held and carried out before January 1 and before the approval. The loan may be made even though a part of the last preceding June or December settlement has not been received.

(f) Proceedings for the issuance and sale of warrants for more than one (1) fund may be combined. Separate warrants for each fund must be issued, and each warrant must state on the face of the warrant the fund from which the warrant's principal is payable. An action to contest the validity of a warrant may not be brought later than fifteen (15) days after the first publication of notice of sale.

(g) An issue of tax or state tuition support anticipation warrants may not be made if the total of all tax or state tuition support anticipation warrants exceeds twenty thousand dollars ($20,000) until the issuance is advertised for sale, bids are received, and an award is made by the governing body as required for the sale of bonds, except that the publication of notice of the sale is not necessary:

(1) outside the county; or

(2) more than ten (10) days before the date of sale.

SECTION 170. IC 20-49-9-14 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 14. (a) The organizer of a charter school is the fiscal agent for the charter school and has exclusive control of the funds received by the charter school and all financial matters pertaining to the charter school. For purposes of this chapter, all references to a school or a charter school, including, but not limited to, the obligation to repay an advance, incorporate the organizer of the charter school.**

(b) With formal approval from the charter school's governing body, a charter school that has received an advance under this chapter may submit an application to the treasurer of state to renegotiate the terms of an advance. The application process established by the treasurer of state shall include information that permits the treasurer of state to determine whether amending the original terms of the advance will increase the likelihood that the outstanding

advance balance, including accrued interest, will be paid in full.

(c) In making its determination, the treasurer of state may consider the following factors:

(1) whether the outstanding advance balance is free from obligation to or encumberment from any other lawful instrument, program, proceeding, or financial instrument;

(2) whether the annual per-student cost of the outstanding advance balance exceeds the average annual per-student cost of all outstanding advance balances;

(3) whether the annual per-student cost of the outstanding advance balance as a percentage of the basic tuition support received for the student exceeds five percent (5%);

(4) whether the annual per-student cost of the outstanding advance balance has increased over the last two (2) years; and

(5) any other factors determined relevant by the treasurer of state.

(d) If, after review of the information required under subsection (b) and consideration of the factors listed in subsection (c), the treasurer of state determines that renegotiating the original terms of the advance will increase the likelihood that the outstanding advance balance, including accrued interest, will be paid in full, the treasurer of state shall approve the school's request.

(e) If the treasurer of state approves a charter school's request, the charter school's governing body shall enter into a new agreement with the treasurer of state for repayment of the outstanding advance balance. The following apply:

(1) The new agreement must:

(A) include a provision providing that the treasurer of state may withhold from funds due to the charter school to which the advance is made until the advance is paid; and

(B) include any other provisions determined necessary by the treasurer of state to facilitate repayment.

(2) The new agreement may:

(A) set a new term for the advance that does not exceed twenty-five (25) years from the date the original advance was made; and

(B) set a new interest rate for the remaining term of the advance which may be no lower than one percent (1%) and no higher than two percent (2%) per annum.

(f) An application to amend the terms of an advance or amendment of the terms of an advance do not constitute a finding regarding the school's financial condition other than with respect to the repayment of an advance made under this chapter.

SECTION 171. IC 20-51-1-4.3, AS AMENDED BY P.L.184-2017, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4.3. "Eligible choice scholarship student" refers to an individual who:

(1) has legal settlement in Indiana;

(2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7; ~~and~~

(3) is a member of a household with an annual income of not more than three hundred percent (300%) of the amount required for the individual to qualify for the federal free or reduced price lunch program; and

~~(3)~~ **(4)** meets at least one (1) of the following conditions:

~~(A) The individual is:~~

~~(i) a student with a disability who requires special education and for whom an individualized education program has been developed under IC 20-35 or a service plan developed under 511 IAC 7-34; and~~

~~(ii) a member of a household with an annual income of not more than two hundred percent (200%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.~~

~~(B) The individual is:~~

~~(i) an individual who, because of the school corporation's residency requirement, would be required to attend a specific public school within a school corporation that has been placed in the lowest category or designation of school improvement under IC 20-31-8-4 (has been assigned an "F" grade); and~~

~~(ii) except as provided in IC 20-51-4-2.5, is a member of a household with an annual income of not more than one hundred fifty percent (150%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.~~

~~An individual to whom this clause applies is not required to attend the public school before becoming eligible for a choice scholarship, and may not be required to return to the public school if the public school is placed in a higher category or designation under IC 20-31-8-4.~~

~~(C) Except as provided in IC 20-51-4-2.5, the individual is a member of a household with an annual income of not more than one hundred fifty percent (150%) of the amount required for the individual to qualify for the federal free or reduced price lunch program and the individual was enrolled in kindergarten through grade 12, in a public school, including a charter school, in Indiana for at least two (2) semesters immediately preceding the first semester for which the individual receives a choice scholarship under IC 20-51-4.~~

~~(D) The individual or a sibling of the individual who, except as provided in IC 20-51-4-2.5, is a member of a household with an annual income of not more than one hundred fifty percent (150%) of the amount required for the individual to qualify for the federal free or reduced price lunch program and satisfies either of the following:~~

~~(i) The individual or a sibling of the individual received before July 1, 2013, a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4 in a preceding school year, including a school year that does not immediately precede a school year in which the individual receives a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4.~~

~~(ii) The individual or a sibling of the individual receives for the first time after June 30, 2013, a scholarship of at least five hundred dollars ($500) from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4 in a preceding school year, including a school year that does not immediately precede a school year in which the individual receives a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4.~~

~~(E) Subject to IC 20-51-4-2.7, the individual:~~

~~(i) received an early education grant under IC 12-17.2-7.2;~~

~~(ii) used the grant described in item (i) to attend a prekindergarten program at an eligible school;~~

~~(iii) continues to meet the income eligibility requirements the individual was required to meet to receive an early education grant under IC 12-17.2-7.2; and~~

~~(iv) continues to attend the eligible school at which the individual attended a prekindergarten program as~~

~~described in item (ii).~~

(A) The individual is a student with a disability who requires special education and for whom an individualized education program has been developed under IC 20-35 or a service plan developed under 511 IAC 7-34.

(B) The individual is an individual who, because of the school corporation's residency requirement, would be required to attend a specific public school within a school corporation that has been placed in the lowest category or designation of school improvement under IC 20-31-8-4 (has been assigned an "F" grade). An individual to whom this clause applies is not required to attend the public school before becoming eligible for a choice scholarship, and may not be required to return to the public school if the public school is placed in a higher category or designation under IC 20-31-8-4.

(C) The individual was enrolled in kindergarten through grade 12, in a public school, including a charter school, in Indiana for at least two (2) semesters immediately preceding the first semester for which the individual receives a choice scholarship under IC 20-51-4.

(D) The individual or a sibling of the individual who, either received before July 1, 2013, a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4 in a preceding school year, including a school year that does not immediately precede a school year in which the individual receives a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4; or receives for the first time after June 30, 2013, a scholarship of at least five hundred dollars ($500) from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4 in a preceding school year, including a school year that does not immediately precede a school year in which the individual receives a scholarship from a scholarship granting organization under IC 20-51-3 or a choice scholarship under IC 20-51-4.

(E) Subject to IC 20-51-4-2.7, the individual received an early education grant under IC 12-17.2-7.2, used the grant to attend a prekindergarten program at an eligible school, and continues to attend the eligible school at which the individual attended a prekindergarten program as described in this clause.

(F) The individual is in foster care.

SECTION 172. IC 20-51-1-5, AS AMENDED BY P.L.211-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. "Eligible student" refers to an individual who:

(1) has legal settlement in Indiana;

(2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7;

(3) either has been or is currently enrolled in a participating school; and

(4) is a member of a household with an annual income of not more than ~~two~~ h~~undred~~ ~~percent (200%)~~ **three hundred percent (300%)** of the amount required for the individual to qualify for the federal free or reduced price lunch program.

SECTION 173. IC 20-51-1-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 5.5. "Parent", for purposes of IC 20-51-4, includes the foster parent of an eligible choice scholarship student.**

SECTION 174. IC 20-51-4-2, AS AMENDED BY P.L.211-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) ~~Subject to subsection (b),~~ **Except as provided in subsection (b),** an eligible choice scholarship student is entitled to a choice scholarship under this chapter for each school year ~~beginning after June 30, 2011,~~ that the eligible choice scholarship student enrolls in an eligible school.

~~(b) The department may not award more than:~~

~~(1) seven thousand five hundred (7,500) choice scholarships for the school year beginning July 1, 2011, and ending June 30, 2012; and~~

~~(2) fifteen thousand (15,000) choice scholarships for the school year beginning July 1, 2012, and ending June 30, 2013.~~

~~The department shall establish the standards used to allocate choice scholarships among eligible choice scholarship students.~~

(b) An eligible choice scholarship student is not entitled to a choice scholarship under this chapter for a particular year if the eligible choice scholarship student receives an annual grant amount under IC 20-51.4-4-2 under the Indiana education scholarship account program for the same school year.

SECTION 175. IC 20-51-4-2.5 IS REPEALED [EFFECTIVE JULY 1, 2021]. ~~Sec. 2.5. Notwithstanding IC 20-51-1-4.3(3)(B), IC 20-51-1-4.3(3)(C), or IC 20-51-1-4.3(3)(D)(ii), an individual who initially meets the income requirements under IC 20-51-1-4.3(3)(B), IC 20-51-1-4.3(3)(C), or IC 20-51-1-4.3(3)(D)(ii) and is a member of a household whose income subsequently increases is considered to meet the income requirements for as long as the individual is enrolled in an eligible school and is a member of a household with an annual income of not more than two hundred percent (200%) of the amount required for the individual to qualify for the federal free or reduced price lunch program.~~

SECTION 176. IC 20-51-4-2.7, AS ADDED BY P.L.184-2017, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2.7. An eligible choice scholarship student described in ~~IC 20-51-1-4.3(3)(E)~~ **IC 20-51-1-4.3(4)(E)** may only use a choice scholarship awarded to the eligible choice scholarship student under this chapter to attend an eligible school at which the individual used an early education grant under IC 12-17.2-7.2 to attend a prekindergarten program unless the eligible choice scholarship student otherwise qualifies for a choice scholarship under ~~IC 20-51-1-4.3(3)(A)~~ **IC 20-51-1-4.3(4)(A)** through ~~IC 20-51-1-4.3(3)(D)~~ **IC 20-51-1-4.3(4)(D) or IC 20-51-1-4.3(4)(F)** and this chapter.

SECTION 177. IC 20-51-4-4, AS AMENDED BY P.L.108-2019, SECTION 234, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) The amount an eligible choice scholarship student is entitled to receive under this chapter for a school year is equal to the following:

(1) The ~~least~~ **lesser** of the following:

(A) The sum of the tuition **or** transfer tuition and fees required for enrollment or attendance of the eligible choice scholarship student at the eligible school selected by the eligible choice scholarship student for a school year that the eligible choice scholarship student (or the parent of the eligible choice scholarship student) would otherwise be obligated to pay to the eligible school.

(B) **For the state fiscal year beginning July 1, 2021, and each state fiscal year thereafter,** an amount equal to

~~(i)~~ ninety percent (90%) of the state tuition support amount determined under section 5 of this chapter. ~~if the eligible choice scholarship student is a member of a household with an annual income of~~

~~not more than the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program;~~

~~(ii) seventy percent (70%) of the state tuition support amount determined under section 5 of this chapter if the eligible choice scholarship student is a member of a household with an annual income of, in the case of an individual not described in section 2.5 of this chapter or item (i), not more than one hundred twenty-five percent (125%) of the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program; and~~

~~(iii) fifty percent (50%) of the state tuition support amount determined under section 5 of this chapter if the eligible choice scholarship student is a member of a household with an annual income of, in the case of an individual not described in section 2.5 of this chapter or item (i) or (ii), not more than one hundred fifty percent (150%) of the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program or, in the case of an individual described in section 2.5 of this chapter, not more than two hundred percent (200%) of the amount required for the eligible choice scholarship student to qualify for the federal free or reduced price lunch program.~~

(2) In addition **to the amount described in subdivision (1),** if the eligible choice scholarship student has been identified as eligible for special education services under IC 20-35 and the eligible school provides the necessary special education or related services to the eligible choice scholarship student, any amount that a school corporation would receive under IC 20-43-7 for the eligible choice scholarship student if the eligible choice scholarship student attended the school corporation. However, if an eligible choice scholarship student changes schools during the school year after the December 1 count under IC 20-43-7-1 of eligible pupils enrolled in special education programs and the eligible choice scholarship student enrolls in a different eligible school, any choice scholarship amounts paid to the eligible choice scholarship student for the remainder of the school year after the eligible choice scholarship student enrolls in the different eligible school shall not include amounts that a school corporation would receive under IC 20-43-7 for the eligible choice scholarship student if the eligible choice scholarship student attended the school corporation.

(b) The amount an eligible choice scholarship student is entitled to receive under this chapter if the eligible student applies for the choice scholarship under section 7(e) of this chapter shall be reduced on a prorated basis in the manner prescribed in section 6 of this chapter.

SECTION 178. IC 20-51-4-5, AS AMENDED BY P.L.106-2016, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. The state tuition support amount to be used in section 4(a)(1)(B) of this chapter for an eligible choice scholarship student is the amount determined under the last STEP of the following formula:

STEP ONE: Determine the school corporation in which the eligible choice scholarship student has legal settlement.

STEP TWO: Determine the amount of state tuition support that the school corporation identified under STEP ONE is eligible to receive under IC 20-43 for the state fiscal year in which the current school year begins, ~~excluding~~ **including the basic tuition support amount made under IC 20-43-6 and grants made under IC 20-43-10-2. However, the amount does not include** amounts provided for special education grants under IC 20-43-7 and career and technical education grants under IC 20-43-8.

STEP THREE: Determine the result of:

(A) the STEP TWO amount; divided by

(B) the current ADM (as defined in IC 20-43-1-10) for the school corporation identified under STEP ONE for the state fiscal year used in STEP TWO.

SECTION 179. IC 20-51-4-10, AS AMENDED BY P.L.106-2016, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. The department shall distribute choice scholarships at least once each semester, or at equivalent intervals. The department may distribute the choice scholarship to the eligible choice scholarship student (or the parent of the eligible choice scholarship student) for the purpose of paying the educational costs described in section ~~4(1)(A) of this chapter (before July 1, 2017) or in~~ section 4(a)(1)(A) of this chapter. ~~(after June 30, 2017).~~ For the distribution to be valid, the eligible choice scholarship student (or the parent of the eligible choice scholarship student) and the eligible school providing educational services to the eligible choice scholarship student must annually sign a form, prescribed by the department to endorse distributions for the particular school year. If:

(1) an eligible choice scholarship student who is receiving a choice scholarship for a school year changes schools during the school year after signing the form to endorse distributions for that school year; and

(2) the eligible choice scholarship student enrolls in a different eligible school that has not signed the form to endorse distributions for that school year;

the eligible choice scholarship student (or the parent of the eligible choice scholarship student) and the eligible school must sign the form prescribed by the department to endorse distributions for the particular school year.

SECTION 180. IC 20-51.4 IS ADDED TO THE INDIANA CODE AS A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

ARTICLE 51.4. INDIANA EDUCATION SCHOLARSHIP ACCOUNT PROGRAM

Chapter 1. Applicability

Sec. 1. This article applies after June 30, 2021.

Chapter 2. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Account" refers to an Indiana education scholarship account established by an eligible student's parent or an emancipated (as described in IC 20-26-11-4) eligible student under IC 20-51.4-4-1.

Sec. 3. "Annual grant amount" refers to the annual grant amount deposited into the eligible student's account under IC 20-51.4-4-2.

Sec. 4. "Eligible student" refers to an individual who:

(1) has legal settlement in Indiana;

(2) is at least five (5) years of age and less than twenty-two (22) years of age on the date in the school year specified in IC 20-33-2-7;

(3) is a student with a disability at the time the account is established who requires special education and for whom:

(A) an individualized education program;

(B) a service plan developed under 511 IAC 7-34; or

(C) a choice special education plan developed under 511 IAC 7-49;

has been developed; and

(4) meets the annual income qualification requirement for a choice scholarship student under IC 20-51-1.

Sec. 5. "Fund" refers to the Indiana education scholarship account program fund established by IC 20-51.4-4-3.

Sec. 6. "Participating entity" refers to an individual or entity authorized by the treasurer of state to participate in the program under IC 20-51.4-5-2.

Sec. 7. "Program" refers to the Indiana education scholarship account program established by IC 20-51.4-3-1.

Sec. 8. "Public school" refers to a school maintained by a school corporation or a charter school.

Sec. 9. (a) "Qualified expenses" refers to the following expenses provided by a participating entity related to the education of an eligible student for which scholarship money in an account may be used:

(1) Tuition and fees at a qualified school, public school, or other participating entity.

(2) Fees for:

(A) national norm referenced or criterion referenced examinations;

(B) advanced placement examinations, Cambridge International courses, International Baccalaureate courses, or College-Level Examination Program (CLEP) examinations; or

(C) statewide assessments associated with industry recognized credentials.

(3) Educational services for an eligible student who is a student with a disability.

(4) Payments associated with the use of paraprofessional or educational aides.

(5) Services contracted for and provided by a school corporation, charter school, magnet school, or qualified school, including:

(A) individual classes;

(B) extracurricular activities or programs; or

(C) additional programs, resources, or staffing defined in the student's education plan.

(6) Occupational therapy for a student with a disability, provided in accordance with the eligible student's individualized education program developed under IC 20-35 or service plan developed under 511 IAC 7-34.

(7) Subject to IC 20-51.4-4-7, fees for transportation paid to a fee-for-service transportation provider for the eligible student to travel to and from an approved special education service provider.

(8) Tuition and fees to attend training programs and camps that have a focus on:

(A) vocational skills;

(B) academic skills;

(C) life skills;

(D) independence; or

(E) soft job skills that are character traits and interpersonal skills that characterize a person's relationships with other people.

(9) Additional services and therapies prescribed by the eligible student's treating physician in accordance with generally accepted standards of care to improve outcomes for the student in addition to any services currently being provided by the school, insurance, or the Medicaid program.

(10) Fees for the management of the account, as described in IC 20-51.4-3-2(c).

(b) This subsection does not apply to subsection (a)(3), (a)(6), (a)(7), or (a)(8). The term includes only services that are provided in person. The term does not include any virtual or distance learning services.

Sec. 10. "Qualified school" refers to a nonpublic school accredited by either the state board or a national or regional accreditation agency that is recognized by the state board:

(1) to which an eligible student is required to pay tuition to attend; and

(2) that agrees to enroll an eligible student.

Chapter 3. Administration of Indiana Education Scholarship Accounts

Sec. 1. The Indiana education scholarship account program is established to provide grants to a parent of an eligible student or an emancipated eligible student under IC 20-51.4-4 after June 30, 2022.

Sec. 2. (a) The program shall be administered by the treasurer of state in consultation with the state board and the department.

(b) The treasurer of state may contract with one (1) or more entities to maintain and manage accounts established under IC 20-51.4-4-1 after issuing a request for proposal under IC 5-22-9. Each entity shall:

(1) meet qualification requirements established by the treasurer of state; and

(2) comply with generally accepted accounting principles.

(c) The treasurer of state shall establish reasonable fees for entities described in subsection (b) participating in the program based upon market rates.

Sec. 3. (a) The program is subject to annual audit by an independent public accounting firm retained by the treasurer of state.

(b) The treasurer of state shall promptly transmit copies of each annual audit to the governor and, in an electronic format under IC 5-14-6, the general assembly. Upon request, the treasurer of state shall make copies of the audit available to the public.

Sec. 4. (a) After June 30, 2023, the treasurer of state shall administer an annual survey of parents of eligible students and emancipated eligible students who maintain an account under IC 20-51.4-4-1. The survey must request information:

(1) regarding when the account was established and the number of grants received;

(2) relating to relative satisfaction with the program; and

(3) regarding opinions on any topics, items, or issues that the treasurer of state determines may improve the effectiveness of the program or the education experience of the eligible student or the eligible student's family.

(b) Not later than November 1, 2023, and each November 1 thereafter, the treasurer of state shall annually provide a summary of the survey administered under subsection (a) to the governor and, in an electronic format under IC 5-14-6, the legislative council.

Sec. 5. The treasurer of state shall provide online services and capabilities including, but not limited to, the following:

(1) A method for parents to submit an application agreement described in IC 20-51.4-4-1(a).

(2) A method for a participating entity to submit the intent of the participating entity to participate in the program.

(3) A method for parents to identify and select participating entities participating in the program.

(4) A method for parents and participating entities to initiate and receive payments from an eligible student's account.

(5) A method for parents to rate the parent's experience with a participating entity and the ability for other parents of eligible students to see the rating.

(6) Methods that are intuitive and allow for contributions to be easily made to an eligible student's account.

(7) Resources the family of an eligible student can access to learn about advocacy groups available to provide information and resources to the eligible student's family.

Sec. 6. (a) The department shall provide services that offer objective advice upon request to parents of an eligible student or an emancipated eligible student relating to services that can help meet the eligible student's or emancipated eligible student's particular needs.

(b) The department may contract with a third party provider to provide the services described in subsection (a).

Sec. 7. For each school year, the treasurer of state shall determine, based on the amount of funds available for the program, the number of grants that the treasurer of state

will award under the program. The number of applications approved and the number of grants awarded under this article by the treasurer of state for the school year may not exceed the number determined by the treasurer of state under this section.

Chapter 4. Account Program Fund and Accounts

Sec. 1. (a) After June 30, 2022, a parent of an eligible student or an emancipated eligible student may establish an Indiana education scholarship account for the eligible student by entering into a written agreement with the treasurer of state on a form prepared by the treasurer of state. The treasurer of state shall establish a date by which an application to establish an account for the 2022-2023 school year must be submitted. However, for a school year beginning after July 1, 2022, applications must be submitted for an eligible student not later than April 1 for the immediately following school year. The account of an eligible student shall be made in the name of the eligible student. The treasurer of state shall make the agreement available on the Internet web site of the treasurer of state. To be eligible, a parent of an eligible student or an emancipated eligible student wishing to participate in the program must agree that:

(1) a grant deposited in the eligible student's account under section 2 of this chapter and any interest that may accrue in the account will be used only for the eligible student's qualified expenses;

(2) money in the account when the account is terminated reverts to the state general fund;

(3) the parent of the eligible student or the emancipated eligible student will use part of the money in the account:

(A) for the eligible student's study in the subject of reading, grammar, mathematics, social studies, or science; or

(B) for use in accordance with the eligible student's:

(i) individualized education program;

(ii) service plan developed under 511 IAC 7-34;

(iii) choice special education plan developed under 511 IAC 7-49; or

(iv) plan developed under Section 504 of the federal Rehabilitation Act of 1973, 29 U.S.C. 794;

(4) the eligible student will not be enrolled in a school that receives tuition support under IC 20-43; and

(5) the eligible student will take the statewide assessment, as applicable based on the eligible student's grade level, as provided under IC 20-32-5.1, or the assessment specified in the eligible student's:

(A) individualized education program developed under IC 20-35;

(B) service plan developed under 511 IAC 7-34;

(C) choice special education plan developed under 511 IAC 7-49; or

(D) plan developed under Section 504 of the federal Rehabilitation Act of 1973, 29 U.S.C. 794.

(b) A parent of an eligible student may enter into a separate agreement under subsection (a) for each child of the parent. However, not more than one (1) account may be established for each eligible student.

(c) The account must be established under subsection (a) by a parent of an eligible student or an emancipated eligible student for a school year on or before a date established by the treasurer of state, which must be at least thirty (30) days before the fall ADM count date established by the state board under IC 20-43-4-3. A parent of an eligible student or an emancipated eligible student may not enter into an agreement under this section or maintain an account under this chapter if the eligible student receives a choice scholarship under IC 20-51-4 for the same school year. An eligible student may not receive a grant under section 2 of this chapter if the eligible student is currently included in a school corporation's ADM count under IC 20-43-4.

(d) Except as provided in subsections (e) and (f), an agreement made under this section is valid for one (1) school year while the eligible student is in kindergarten through grade 12 and may be renewed annually. Upon graduation or receipt of a certificate of completion under the eligible student's individualized education program, the eligible student's account is terminated.

(e) An agreement entered into under this section terminates automatically for an eligible student if:

(1) the eligible student no longer resides in Indiana while the eligible student is eligible to receive grants under section 2 of this chapter; or

(2) the account is not renewed within three hundred ninety-five (395) days after the date the account was either established or last renewed.

If an account is terminated under this section, money in the eligible student's account, including any interest accrued, reverts to the state general fund.

(f) An agreement made under this section for an eligible student while the eligible student is in kindergarten through grade 12 may be terminated before the end of the school year if the parent of the eligible student or the emancipated eligible student notifies the treasurer of state in a manner specified by the treasurer of state.

(g) A distribution made to an account under section 3 of this chapter is considered tax exempt as long as the distribution is used for a qualified expense. The amount is subtracted from the definition of adjusted federal gross income under IC 6-3-1-3.5 to the extent the distribution used for the qualified expense is included in the taxpayer's adjusted federal gross income under the Internal Revenue Code.

(h) The department shall establish a student test number as described in IC 20-19-3-9.4 for each eligible student. The treasurer of state shall provide the department information necessary for the department to comply with this subsection.

Sec. 2. (a) An eligible student who currently maintains an account is entitled to an annual grant amount for each school year until the student graduates or obtains a certificate of completion under the student's individualized education program. An eligible student may not receive a grant under this section after graduating or obtaining a certificate of completion. The annual grant amount shall be paid from the fund. The treasurer of state, with notice to the department, shall deposit the annual grant amount under this section, in quarterly deposits, into an eligible student's account in a manner established by the treasurer of state. The treasurer of state may deduct an amount of not more than three percent (3%) from each quarterly distribution to accounts under this article to cover the costs of managing the accounts and administering the program.

(b) Except as provided in subsection (c), at the end of the year in which an account is established, the parent of an eligible student or the emancipated eligible student may roll over for use in a subsequent year a maximum of one thousand dollars ($1,000). However, for each year thereafter, the parent of the eligible student or the emancipated eligible student may roll over one thousand dollars ($1,000) plus any amount rolled over in a previous year.

(c) An eligible student's account shall terminate the later of:

(1) the date the student graduates high school; or

(2) July 1 of the year in the year which the student graduates high school.

Any money, including interest that remains in the eligible student's account when it terminates under this subsection reverts to the state general fund.

Sec. 3. (a) The Indiana education scholarship account program fund is established for the purpose of providing grants to eligible students under the program. Money appropriated to the fund during the state fiscal year

beginning July 1, 2021, and ending June 30, 2022, may only be used for the administrative costs to establish the program. However, money appropriated to the fund during the state fiscal year beginning July 1, 2022, and ending June 30, 2023, may be used to provide grants under this chapter in the manner prescribed in section 2 of this chapter.

(b) The treasurer of state shall administer the fund.

(c) The fund consists of the following:

(1) Appropriations by the general assembly.

(2) Interest deposited in the fund under subsection (d).

(3) Donations, gifts, and money received from any other source, including transfers from other funds or accounts.

(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(e) Money in the fund at the end of a state fiscal year reverts to the state general fund.

Sec. 4. (a) Subject to sections 5 and 10 of this chapter, the annual grant amount under section 2 of this chapter for an eligible student equals, subject to subsection (b), ninety percent (90%) of the amount determined in the last STEP of the following formula:

STEP ONE: Determine the school corporation in which the eligible student has legal settlement.

STEP TWO: Determine the amount of state tuition support that the school corporation identified under STEP ONE is eligible to receive under IC 20-43-6 for the state fiscal year in which the immediately preceding school year begins. The amount does not include amounts provided for special education grants under IC 20-43-7, career and technical education grants under IC 20-43-8, or grants under IC 20-43-10.

STEP THREE: Determine the result of:

(A) the STEP TWO amount; divided by

(B) the current ADM (as defined in IC 20-43-1-10) for the school corporation identified under STEP ONE for the state fiscal year used in STEP TWO.

(b) An eligible student may choose to receive special education services from the school corporation required to provide the special education services to the eligible student under 511 IAC 7-34-1. However, if an eligible student described in subsection (a) chooses not to receive special education or related services from a school corporation required to provide the services to the eligible student under 511 IAC 7-34-1, the annual grant amount for the eligible student shall, in addition to the amount described in subsection (a), include the amount the school corporation would receive under IC 20-43-7 for the eligible student if the eligible student attended the school corporation.

(c) The annual grant amounts provided in subsection (a) shall be rounded as provided in IC 20-43-3-1(4).

Sec. 5. If an eligible student's agreement under section 1 of this chapter is in effect for less than an entire school year, the annual grant amount provided under section 2 of this chapter for that school year shall be reduced on a prorated basis in a manner prescribed by the treasurer of state to reflect the length of the agreement. In the event an eligible student's account is terminated because the eligible student enrolls in a school that receives tuition support under IC 20-43, the balance in the account at the time the account is terminated shall be transferred to the school corporation or charter school in which the eligible student enrolls. In the event that special education grant funding under section 4(b) of this chapter has been deposited into the eligible student's account but the eligible student subsequently begins receiving special education services from a school that receives funding under IC 20-43, the balance in the account up to the amount deposited under section 4(b) of this chapter shall be transferred to the school corporation or charter school that provides the special education services to the student.

Sec. 6. Upon entering into or renewing an agreement under this chapter, the treasurer of state shall provide to the parent of an eligible student or an emancipated eligible student a written explanation of the authorized uses of the money in the account and the responsibilities of the parent of an eligible student or an emancipated eligible student and the treasurer of state regarding an account established under section 1 of this chapter.

Sec. 7. A parent of an eligible student may use not more than seven hundred fifty dollars ($750) of the annual grant amount received under this chapter each school year for fees for transportation paid to a fee-for-service transportation provider for the eligible student to travel to and from an approved service provider. However, the treasurer of state, in consultation with the department, shall establish criteria and a process by which a parent of an eligible student may receive a waiver from the limit imposed on transportation fees under this section.

Sec. 8. This chapter does not prohibit a parent of an eligible student or an emancipated eligible student from making a payment for any qualified expense from a source other than the eligible student's account. The parent of an eligible student or an emancipated eligible student is responsible for the payment of any tuition required by a qualified school that is not paid from the eligible student's account.

Sec. 9. A participating entity that receives a payment for a qualified expense may not refund any part of the payment directly to the parent of the eligible student or the emancipated eligible student. Any refund provided by a participating entity shall be deposited into the eligible student's account.

Sec. 10. (a) The treasurer of state shall freeze the account established under section 1 of this chapter of any parent of an eligible student or an emancipated eligible student who:

(1) fails to comply with the terms of the agreement established under section 1 of this chapter;

(2) fails to comply with applicable laws or regulations; or

(3) substantially misuses funds in the account.

(b) The treasurer of state shall send written notice to the parent of the eligible student or the emancipated eligible student stating the reason for the freeze under subsection (a). The treasurer of state may also send notice to the attorney general or the prosecuting attorney in the county in which the parent of the eligible student or the emancipated eligible student resides if the treasurer of state believes a crime has been committed or a civil action relating to the account is necessary.

(c) A parent of an eligible student or an emancipated eligible student whose account has been frozen under subsection (a) may petition the treasurer of state for redetermination of the decision under subsection (a) within thirty (30) days after the date the treasurer of state sends notice to the parent of the eligible student or the emancipated eligible student under subsection (b). The petition must contain a written explanation stating why the treasurer of state was incorrect in freezing the account under subsection (a). If the treasurer of state does not receive a timely submitted petition from a parent of an eligible student or an emancipated eligible student under this subsection, the treasurer of state shall terminate the account.

(d) The treasurer of state shall review a petition received under subsection (c) within fifteen (15) business days of receipt of the petition and issue a redetermination letter to the parent of the eligible student or the emancipated eligible student. If the treasurer of state overturns the treasurer of state's initial decision under subsection (a), the treasurer of state shall immediately unfreeze the account. If the

treasurer of state affirms the decision under subsection (a), the treasurer of state shall give notice of the affirmation to the parent of the eligible student or the emancipated eligible student and terminate the account.

Sec. 11. Notwithstanding 511 IAC 7-34-1(d)(4), a public school is not required to make available special education and related services to an eligible student if the eligible student receives funds under section 2 of this chapter and the special education services are provided to the eligible student by the participating entity. This section may not be construed as a restriction or limitation on any of the rights, benefits, and protections granted to an individual under the federal Individuals with Disabilities Education Improvement Act of 2004 (20 U.S.C. 1400 et seq.).

Sec. 12. Distributions made to an account under section 2 of this chapter or money in the account may not be treated as income or a resource for purposes of qualifying for any other federal or state grant or program administered by the state or a political subdivision.

Chapter 5. Participating Entities

Sec. 1. It is the intent of the general assembly to honor the autonomy of nonpublic schools that choose and are authorized to become participating entities under this article. A nonpublic eligible school is not an agent of the state or federal government, and therefore:

(1) the treasurer of state, state board, department, or any other state agency may not in any way regulate the educational program of a nonpublic school that accepts money from an account under this article, including the regulation of curriculum content, religious instruction or activities, classroom teaching, teacher and staff hiring requirements, and other activities carried out by the nonpublic school;

(2) the creation of the program does not expand the regulatory authority of the state or the state's officers to impose additional regulation of nonpublic schools beyond those necessary to enforce the requirements of the program; and

(3) an accredited nonpublic school that is a participating entity may provide for the educational needs of students without governmental control.

Sec. 2. (a) The following individuals or entities may become a participating entity by submitting an application to the treasurer of state in a manner prescribed by the treasurer of state:

(1) A qualified school.

(2) An individual who or tutoring agency that provides private tutoring.

(3) An individual who or entity that provides services to a student with a disability in accordance with an individualized education program developed under IC 20-35 or a service plan developed under 511 IAC 7-34 or generally accepted standards of care prescribed by the eligible student's treating physician.

(4) An individual who or entity that offers a course or program to an eligible student.

(5) A licensed occupational therapist.

(6) Entities that provide assessments.

(b) The treasurer of state shall approve an application submitted under subsection (a) if the individual or entity meets the criteria to serve as a participating entity.

(c) If it is reasonably expected by the treasurer of state that a participating entity will receive, from payments made under the program, more than fifty thousand dollars ($50,000) during a particular school year, the participating entity shall, on or before a date prescribed by the treasurer of state:

(1) post a surety bond in an amount equal to the amount expected to be paid to the participating entity under the program for the particular school year; or

(2) provide the treasurer of state evidence, in a manner prescribed by the treasurer of state, indicating that the participating entity has unencumbered assets sufficient to pay the treasurer of state an amount equal to the amount expected to be paid to the participating entity under the program during the particular school year.

(d) Each participating entity that accepts payments made from an account under this article shall provide a receipt to the parent of an eligible student or to the emancipated eligible student for each payment made.

Sec. 3. (a) Each qualified school that is a participating entity that accepts payments for tuition and fees made from an account under the program shall administer to its eligible students, for the applicable grade levels as provided under IC 20-32-5.1, the statewide assessment unless otherwise prescribed by the eligible student's:

(1) individualized education program;

(2) service plan developed under 511 IAC 7-34;

(3) choice special education plan developed under 511 IAC 7-49; or

(4) plan developed under Section 504 of the federal Rehabilitation Act of 1973, 29 U.S.C. 794.

(b) Upon receipt of the statewide assessment test results, the department shall, subject to the federal Family Educational Rights and Privacy Act (20 U.S.C. 1232g) and any regulations adopted under that act:

(1) aggregate the statewide assessment test results according to the grade level, gender, race, and family income level of all eligible students; and

(2) make the results determined under subdivision (1) available on the department's Internet web site.

Sec. 4. (a) The treasurer of state may refuse to allow a participating entity to continue participation in the program and revoke the participating entity's status as a participating entity if the treasurer of state determines that the participating entity accepts payments made from an account under this article and:

(1) has failed to provide any educational service required by state or federal law to an eligible student receiving instruction from the participating entity; or

(2) has routinely failed to meet the requirements of a participating entity under the program.

(b) If the treasurer of state revokes a participating entity's status as a participating entity in the program, the treasurer of state shall provide notice of the revocation within thirty (30) days of the revocation to each parent of an eligible student and to each emancipated eligible student receiving instruction from the participating entity who has paid the participating entity from the eligible student's account.

(c) The treasurer of state may permit a former participating entity described in subsection (a) to reapply with the treasurer of state for authorization to be a participating entity on a date established by the treasurer of state, which may not be earlier than one (1) year after the date on which the former participating entity's status as a participating entity was revoked under subsection (a). The treasurer of state may establish reasonable criteria or requirements that the former participating entity must meet before being reapproved by the treasurer of state as a participating entity.

Sec. 5. An approved participating entity:

(1) may not charge an eligible student participating in the program an amount greater than a similarly situated student who is receiving the same or similar services; and

(2) shall provide a receipt to a parent of an eligible student or an emancipated eligible student for each qualified expense charged for education or related services provided to the eligible student.

Sec. 6. The treasurer of state shall annually make available on the treasurer of state's Internet web site a list of participating entities.

Chapter 6. Rulemaking

Sec. 1. (a) The treasurer of state shall adopt rules under IC 4-22-2 necessary to administer this article.

(b) The state board shall adopt rules under IC 4-22-2 to establish a procedure to establish an Indiana education scholarship account education service plan for an eligible student.

SECTION 181. IC 21-17-5-6, AS AMENDED BY P.L.107-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. Whenever a police officer retires after at least twenty (20) years of service, the police officer may retain the officer's service weapon. The officer is entitled to receive, in recognition of the service to the educational institution and the public, a badge that indicates that the officer is retired. Upon retirement, the state police department shall issue to the police officer an identification card that:

(1) states the police officer's name and rank at retirement;

(2) states the officer's retired status; and

(3) notes the officer's authority to retain the service weapon.

A retired police officer described in this section is entitled to a lifetime license to carry a handgun as described under ~~IC 35-47-2-3(f).~~ **IC 35-47-2-3(g).**

SECTION 182. IC 21-39-4-7, AS AMENDED BY P.L.107-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 7. Whenever a police officer retires after at least twenty (20) years of service, the police officer may retain the officer's service weapon. The officer is entitled to receive, in recognition of the service to the state educational institution and the public, a badge that indicates that the officer is retired. Upon retirement, the state police department shall issue to the police officer an identification card that:

(1) states the police officer's name and rank at retirement;

(2) states the officer's retired status; and

(3) notes the officer's authority to retain the service weapon.

A police officer described in this section is entitled to a lifetime license to carry a handgun as described under ~~IC 35-47-2-3(f).~~ **IC 35-47-2-3(g).**

SECTION 183. IC 22-4-25-1, AS AMENDED BY P.L.122-2019, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of the money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent the money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of expenditures against the funds when received. The money in this fund shall be used by the department for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. The money shall be available either to satisfy the obligations incurred by the department directly, or by transfer by the department of the required amount from the special employment and training services fund to the employment and training services administration fund. The department shall order the transfer of the funds or the payment of any obligation or expenditure and the funds shall be paid by the treasurer of state on requisition drawn by the department and certified by the commissioner. The money in this fund is specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the United States Department of Labor. The money in this fund shall be continuously available to the department for expenditures in accordance with the provisions of this section and for the prevention, detection, and recovery of delinquent contributions, penalties, and improper benefit payments, and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Except as provided in subsection (e), after making the grants required under subsection (c), the department may expend an amount not to exceed ~~ten million dollars ($10,000,000)~~ **eleven million five hundred thousand dollars ($11,500,000)** in a state fiscal year for the purpose of prevention, detection, and recovery of delinquent contributions, penalties, and improper benefit payments, unless an additional amount is approved by the budget committee. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of the liability, except to the extent that the liability may be satisfied by and out of the funds of the special employment and training services fund created by this section. Each state fiscal year, the commissioner shall make the training grants required under subsection (c) before amounts are expended from the fund in accordance with this section for any other purpose.

(b) If on December 31 the balance in the special employment and training services fund exceeds ~~eight million five hundred thousand dollars ($8,500,000),~~ **eleven million five hundred thousand dollars ($11,500,000),** the department shall order, not later than thirty (30) days after December 31, payment of the amount that exceeds ~~eight million five hundred thousand dollars ($8,500,000)~~ **eleven million five hundred thousand dollars ($11,500,000)** into the unemployment insurance benefit fund.

(c) Subject to the availability of funds, on July 1 each year the commissioner shall release the following amounts before expenditures are made in accordance with this section for any other purpose:

(1) ~~One million dollars ($1,000,000)~~ **Four million dollars ($4,000,000)** to the state educational institution established under IC 21-25-2-1 for training provided to participants in apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training.

(2) Four million dollars ($4,000,000) to the state educational institution instituted and incorporated under IC 21-22-2-1 for training provided to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training.

(3) Two hundred fifty thousand dollars ($250,000) for journeyman upgrade training to each of the state educational institutions described in subdivisions (1) and (2).

(4) Four hundred thousand dollars ($400,000) annually for training and counseling assistance:

(A) provided by Hometown Plans under 41 CFR 60-4.5; and

(B) approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars ($20,000).

(5) Three hundred thousand dollars ($300,000) annually for training and counseling assistance provided by the state institution established under IC 21-25-2-1 to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty

thousand dollars ($20,000) for the purpose of enabling those individuals to apply for admission to apprenticeship programs offered by providers approved by the United States Department of Labor, Bureau of Apprenticeship and Training.

(d) Each state educational institution described in subsection (c) is entitled to keep ten percent (10%) of the funds released under subsection (c) for the payment of costs of administering the funds. On each June 30 following the release of the funds, any funds released under subsection (c) not used by the state educational institutions under subsection (c) shall be returned to the special employment and training services fund.

SECTION 184. IC 31-19-26.5-3, AS ADDED BY P.L.146-2008, SECTION 562, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. **(a) Subject to section 4 of this chapter,** the department ~~may~~ **shall** make payments of adoption subsidy under this chapter for the benefit of a child with special needs if the department has:

(1) either:

(A) entered into a written agreement **under section 10.5 of this chapter** with the adoptive parent or parents, before or at the time the court enters a final decree of adoption under IC 31-19-11-1, that specifies the amount, terms, and conditions of the adoption assistance payments; or

(B) received a written final order in an administrative appeal in accordance with section 12(4) of this chapter concluding that the adoptive parents are eligible for a subsidy payable under this chapter and determining the appropriate subsidy amount; **and**

~~(2) determined that sufficient funds are available in the adoption assistance account of the state general fund, and can reasonably be anticipated to be available in that account during the term of the agreement or order, to make the payments as specified in the agreement or order; and~~

~~(3)~~ **(2)** determined that the child is not eligible for adoption assistance under 42 U.S.C. 673.

(b) This section does not prohibit the department from modifying or terminating an agreement with the adoptive parent or parents under this chapter. However, the department may not terminate an agreement with the adoptive parent or parents due to insufficient funds in the adoption assistance account.

SECTION 185. IC 31-19-26.5-5, AS ADDED BY P.L.146-2008, SECTION 562, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. **(a) Subject to subsection (b),** the amount of adoption subsidy payments under this chapter may not exceed the amount that would be payable by the department for the monthly cost of care of the adopted child in a foster family home at the time

~~(1)~~ the adoption subsidy agreement is made or

~~(2)~~ the subsidy is payable under the terms of the agreement,

whichever is greater.

(b) In the case of an adoptive parent of a child with special needs that is in the therapeutic foster care or therapeutic plus category of supervision, the amount of adoption subsidy payments under this chapter may not be less than an amount equal to fifty percent (50%) of the per diem rate determined by the department for the:

(1) therapeutic foster care; or

(2) therapeutic plus;

category of supervision, whichever is applicable, that would be payable by the department for the monthly cost of care of the adopted child in a foster family home at the time the adoption subsidy agreement is made or the subsidy is payable under the terms of the agreement, whichever is greater.

SECTION 186. IC 31-19-26.5-10, AS ADDED BY P.L.146-2008, SECTION 562, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 10. An adoption assistance account is established within the state general fund for the purpose of funding adoption subsidy payments under this chapter and the state's share of adoption assistance payments under 42 U.S.C. 673. The account consists of:

(1) amounts specifically appropriated to the department by the general assembly for adoption assistance;

(2) amounts allocated by the department to the adoption assistance account from ~~the~~ **department** funds ~~available to the department;~~ **in accordance with section 10.5 of this chapter;** and

(3) any other amounts contributed or paid to the department for adoption assistance under this chapter.

SECTION 187. IC 31-19-26.5-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: **Sec. 10.5. (a) Subject to section 4 of this chapter, the department shall:**

(1) enter into a written agreement described under section 3(a)(1)(A) of this chapter with each adoptive parent of a child with special needs who is eligible for an adoption subsidy under this chapter; and

(2) allocate funds to the adoption assistance account necessary to meet the requirements under section 3 of this chapter.

(b) This section does not require the department to enter into an agreement to:

(1) make additional payments under section 6 of this chapter; or

(2) continue adoption subsidy payments under section 9(b) of this chapter.

SECTION 188. IC 31-19-26.5-11, AS ADDED BY P.L.146-2008, SECTION 562, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) ~~In determining the availability of funds in the adoption assistance account for payments of adoption subsidies under this chapter,~~ **Subject to sections 3 and 10.5 of this chapter,** the department shall give priority to payments required by court orders for county adoption subsidies entered under IC 31-19-26 (before its repeal).

(b) The provisions of this chapter applicable to continuation, modification, or termination of adoption subsidy payments shall apply after January 1, 2009, to county adoption subsidy orders entered under IC 31-19-26 (before its repeal).

SECTION 189. IC 31-19-26.5-12, AS ADDED BY P.L.146-2008, SECTION 562, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 12. The department shall adopt rules under IC 4-22-2, as needed, to carry out this chapter. The rules must include at least the following subjects:

(1) The application and determination process for subsidies or other assistance provided under this chapter.

(2) The standards for determination of a child with special needs.

(3) The process for determining the duration, extension, modification, and termination of agreements, as provided in sections 8 and 9 of this chapter.

(4) The procedure for administrative review and appeal of determinations made by the department under this chapter.

(5) **Subject to sections 3 and 10.5 of this chapter,** the procedure for determining availability of funds for new subsidy agreements and continuation of existing agreements or orders under this chapter and IC 31-19-26 (before its repeal), including any funding limitations or priorities as provided in sections 4 and 11 of this chapter.

SECTION 190. IC 33-33-42-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1. **(a)** Knox County constitutes the twelfth judicial circuit.

(b) The judge of the Knox circuit court and the judges of the Knox superior courts may jointly appoint one (1) full-time magistrate under IC 33-23-5 to serve the circuit and superior courts.

(c) The magistrate continues in office until removed by

the judge of the Knox circuit court and the judges of the Knox superior courts.

SECTION 191. IC 33-34-8-3, AS AMENDED BY P.L.39-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) Payment for all costs made as a result of proceedings in a small claims court shall be to the _____ Township of Marion County Small Claims Court (with the name of the township inserted). The court shall issue a receipt for all money received on a form numbered serially in duplicate.

(b) This subsection applies only to a low caseload court (as defined in section 5 of this chapter). All township docket fees and late fees received by the court shall be paid to the township trustee at the close of each month.

(c) This subsection does not apply to a low caseload court. This subsection applies to all other township small claims courts in Marion County. One dollar and fifty cents ($1.50) of the township docket fee shall be paid to the township trustee of each low caseload court at the end of each month. The remaining township docket fees and late fees received by the court shall be paid to the township trustee at the close of each month.

(d) The court shall:

(1) semiannually distribute to the auditor of state:

(A) all automated record keeping fees (IC 33-37-5-21) received by the court for deposit in the homeowner protection unit account established by IC 4-6-12-9 and the state user fee fund established under IC 33-37-9;

(B) all public defense administration fees collected by the court under IC 33-37-5-21.2 for deposit in the state general fund;

(C) sixty percent (60%) of all court administration fees collected by the court under IC 33-37-5-27 for deposit in the state general fund;

(D) all judicial insurance adjustment fees collected by the court under IC 33-37-5-25 for deposit in ~~the judicial branch insurance adjustment account established by IC 33-38-5-8.2;~~ **the state general fund.**

(E) seventy-five percent (75%) of all judicial salaries fees collected by the court under IC 33-37-5-26 for deposit in the state general fund; and

(F) one hundred percent (100%) of the pro bono legal services fees collected before July 1, 2022, by the court under IC 33-37-5-31; and

(2) distribute monthly to the county auditor all document storage fees received by the court.

The remaining twenty-five percent (25%) of the judicial salaries fees described in subdivision (1)(E) shall be deposited monthly in the township general fund of the township in which the court is located. The county auditor shall deposit fees distributed under subdivision (2) into the clerk's record perpetuation fund under IC 33-37-5-2.

(e) The court semiannually shall pay to the township trustee of the township in which the court is located the remaining forty percent (40%) of the court administration fees described under subsection (d)(1)(C) to fund the operations of the small claims court in the trustee's township.

SECTION 192. IC 33-37-5-25, AS AMENDED BY P.L.1-2006, SECTION 510, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 25. (a) This subsection does not apply to the following:

(1) A criminal proceeding.

(2) A proceeding to enforce a statute defining an infraction.

(3) A proceeding for an ordinance violation.

In each action filed in a court described in IC 33-37-1-1, the clerk shall collect a judicial insurance adjustment fee of one dollar ($1) **and deposit the amount collected in the state general fund.**

(b) In each action in which a person is:

(1) convicted of an offense;

(2) required to pay a pretrial diversion fee;

(3) found to have committed an infraction; or

(4) found to have violated an ordinance;

the clerk shall collect a judicial insurance adjustment fee of one dollar ($1) **and deposit the amount collected in the state general fund.**

SECTION 193. IC 33-37-7-2, AS AMENDED BY P.L.156-2020, SECTION 124, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. (a) The clerk of a circuit court shall distribute semiannually to the auditor of state as the state share for deposit in the homeowner protection unit account established by IC 4-6-12-9 one hundred percent (100%) of the automated record keeping fees collected under IC 33-37-5-21 with respect to actions resulting in the accused person entering into a pretrial diversion program agreement under IC 33-39-1-8 or a deferral program agreement under IC 34-28-5-1 and for deposit in the state general fund seventy percent (70%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).

(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).

(3) IC 33-37-4-3(a) (juvenile costs fees).

(4) IC 33-37-4-4(a) (civil costs fees).

(5) IC 33-37-4-6(a)(1)(A) (small claims costs fees).

(6) IC 33-37-4-7(a) (probate costs fees).

(7) IC 33-37-5-17 (deferred prosecution fees).

(b) The clerk of a circuit court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9-2 the following:

(1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

(2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

(3) One hundred percent (100%) of the child abuse prevention fees collected under IC 33-37-4-1(b)(7).

(4) One hundred percent (100%) of the domestic violence prevention and treatment fees collected under IC 33-37-4-1(b)(8).

(5) One hundred percent (100%) of the highway worksite zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).

(6) Seventy-five percent (75%) of the safe schools fee collected under IC 33-37-5-18.

(7) One hundred percent (100%) of the automated record keeping fee collected under IC 33-37-5-21 not distributed under subsection (a).

(c) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

(2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(d) The clerk of a circuit court shall distribute monthly to the county auditor one hundred percent (100%) of the late payment fees collected under IC 33-37-5-22. The county auditor shall deposit fees distributed by a clerk under this subsection as follows:

(1) If directed to do so by an ordinance adopted by the county fiscal body, the county auditor shall deposit forty percent (40%) of the fees in the clerk's record perpetuation fund established under IC 33-37-5-2 and sixty percent (60%) of the fees in the county general fund.

(2) If the county fiscal body has not adopted an ordinance described in subdivision (1), the county auditor shall

deposit all the fees in the county general fund.

(e) The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the sexual assault victims assistance fund established by IC 5-2-6-23(d) one hundred percent (100%) of the sexual assault victims assistance fees collected under IC 33-37-5-23.

(f) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) One hundred percent (100%) of the support and maintenance fees for cases designated as non-Title IV-D child support cases in the Indiana support enforcement tracking system (ISETS) or the successor statewide automated support enforcement system collected under IC 33-37-5-6.

(2) The percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS or the successor statewide automated support enforcement system collected under IC 33-37-5-6 that is reimbursable to the county at the federal financial participation rate.

The county clerk shall distribute monthly to the department of child services the percentage share of the support and maintenance fees for cases designated as Title IV-D child support cases in ISETS, or the successor statewide automated support enforcement system, collected under IC 33-37-5-6 that is not reimbursable to the county at the applicable federal financial participation rate.

(g) The clerk of a circuit court shall distribute monthly to the county auditor the following:

(1) One hundred percent (100%) of the small claims service fee under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2) for deposit in the county general fund.

(2) One hundred percent (100%) of the small claims garnishee service fee under IC 33-37-4-6(a)(1)(C) or IC 33-37-4-6(a)(3) for deposit in the county general fund.

(3) Twenty-five percent (25%) of the safe schools fee collected under IC 33-37-5-18 for deposit in the county general fund.

(h) This subsection does not apply to court administration fees collected in small claims actions filed in a court described in IC 33-34. The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the following:

(1) The public defense administration fee collected under IC 33-37-5-21.2.

(2) The judicial salaries fees collected under IC 33-37-5-26.

(3) The DNA sample processing fees collected under IC 33-37-5-26.2.

(4) The court administration fees collected under IC 33-37-5-27.

(5) The judicial insurance adjustment fee collected under IC 33-37-5-25.

~~(i) The clerk of a circuit court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.~~

~~(j)~~ **(i)** The proceeds of the service fee collected under IC 33-37-5-28(b)(1) or IC 33-37-5-28(b)(2) shall be distributed as follows:

(1) The clerk shall distribute one hundred percent (100%) of the service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.

(2) The clerk shall distribute one hundred percent (100%) of the service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

~~(k)~~ **(j)** The proceeds of the garnishee service fee collected under IC 33-37-5-28(b)(3) or IC 33-37-5-28(b)(4) shall be distributed as follows:

(1) The clerk shall distribute one hundred percent (100%) of the garnishee service fees collected in a circuit, superior, county, or probate court to the county auditor for deposit in the county general fund.

(2) The clerk shall distribute one hundred percent (100%) of the garnishee service fees collected in a city or town court to the city or town fiscal officer for deposit in the city or town general fund.

~~(l)~~ **(k)** The clerk of the circuit court shall distribute semiannually to the auditor of state for deposit in the home ownership education account established by IC 5-20-1-27 one hundred percent (100%) of the following:

(1) The mortgage foreclosure counseling and education fees collected under IC 33-37-5-33 (before its expiration on July 1, 2017).

(2) Any civil penalties imposed and collected by a court for a violation of a court order in a foreclosure action under IC 32-30-10.5.

~~(m)~~ **(l)** The clerk of a circuit court shall distribute semiannually to the auditor of state one hundred percent (100%) of the pro bono legal services fees collected before July 1, 2022, under IC 33-37-5-31. The auditor of state shall transfer semiannually the pro bono legal services fees to the Indiana Bar Foundation (or a successor entity) as the entity designated to organize and administer the interest on lawyers trust accounts (IOLTA) program under Rule 1.15 of the Rules of Professional Conduct of the Indiana supreme court. The Indiana Bar Foundation shall:

(1) deposit in an appropriate account and otherwise manage the fees the Indiana Bar Foundation receives under this subsection in the same manner the Indiana Bar Foundation deposits and manages the net earnings the Indiana Bar Foundation receives from IOLTA accounts; and

(2) use the fees the Indiana Bar Foundation receives under this subsection to assist or establish approved pro bono legal services programs.

The handling and expenditure of the pro bono legal services fees received under this section by the Indiana Bar Foundation (or its successor entity) are subject to audit by the state board of accounts. The amounts necessary to make the transfers required by this subsection are appropriated from the state general fund.

SECTION 194. IC 33-37-7-8, AS AMENDED BY P.L.144-2019, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8. (a) The clerk of a city or town court shall distribute semiannually to the auditor of state as the state share for deposit in the homeowner protection unit account established by IC 4-6-12-9 one hundred percent (100%) of the automated record keeping fees collected under IC 33-37-5-21 with respect to actions resulting in the accused person entering into a pretrial diversion program agreement under IC 33-39-1-8 or a deferral program agreement under IC 34-28-5-1 and for deposit in the state general fund fifty-five percent (55%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).

(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).

(3) IC 33-37-4-4(a) (civil costs fees).

(4) IC 33-37-4-6(a)(1)(A) (small claims costs fees).

(5) IC 33-37-5-17 (deferred prosecution fees).

(b) The city or town fiscal officer shall distribute monthly to the county auditor as the county share twenty percent (20%) of the amount of fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).

(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).

(3) IC 33-37-4-4(a) (civil costs fees).

(4) IC 33-37-4-6(a)(1)(A) (small claims costs fees).

(5) IC 33-37-5-17 (deferred prosecution fees).

(c) The city or town fiscal officer shall retain twenty-five percent (25%) as the city or town share of the fees collected under the following:

(1) IC 33-37-4-1(a) (criminal costs fees).

(2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).

(3) IC 33-37-4-4(a) (civil costs fees).

(4) IC 33-37-4-6(a)(1)(A) (small claims costs fees).

(5) IC 33-37-5-17 (deferred prosecution fees).

(d) The clerk of a city or town court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9 the following:

(1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

(2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

(3) One hundred percent (100%) of the highway worksite zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).

(4) Seventy-five percent (75%) of the safe schools fee collected under IC 33-37-5-18.

(5) One hundred percent (100%) of the automated record keeping fee collected under IC 33-37-5-21 not distributed under subsection (a).

(e) The clerk of a city or town court shall distribute monthly to the county auditor the following:

(1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and correction fees collected under IC 33-37-4-1(b)(5).

(2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(f) The clerk of a city or town court shall distribute monthly to the city or town fiscal officer (as defined in IC 36-1-2-7) one hundred percent (100%) of the following:

(1) The late payment fees collected under IC 33-37-5-22.

(2) The small claims service fee collected under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2).

(3) The small claims garnishee service fee collected under IC 33-37-4-6(a)(1)(C) or IC 33-37-4-6(a)(3).

(4) Twenty-five percent (25%) of the safe schools fee collected under IC 33-37-5-18.

The city or town fiscal officer (as defined in IC 36-1-2-7) shall deposit fees distributed by a clerk under this subsection in the city or town general fund.

(g) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the following:

(1) The public defense administration fee collected under IC 33-37-5-21.2.

(2) The DNA sample processing fees collected under IC 33-37-5-26.2.

(3) The court administration fees collected under IC 33-37-5-27.

(4) The judicial insurance adjustment fee collected under IC 33-37-5-25.

~~(h) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.~~

~~(i)~~ **(h)** The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund seventy-five percent (75%) of the judicial salaries fee collected under IC 33-37-5-26. The city or town fiscal officer shall retain twenty-five percent (25%) of the judicial salaries fee collected under IC 33-37-5-26. The funds retained by the city or town shall be prioritized to fund city or town court operations.

~~(j)~~ **(i)** The clerk of a city or town court shall distribute semiannually to the auditor of state one hundred percent (100%) of the pro bono legal services fees collected before July 1, 2022, under IC 33-37-5-31. The auditor of state shall transfer semiannually the pro bono legal services fees to the Indiana Bar Foundation (or a successor entity) as the entity designated to organize and administer the interest on lawyers trust accounts (IOLTA) program under Rule 1.15 of the Rules of Professional Conduct of the Indiana supreme court. The Indiana Bar Foundation shall:

(1) deposit in an appropriate account and otherwise manage the fees the Indiana Bar Foundation receives under this subsection in the same manner the Indiana Bar Foundation deposits and manages the net earnings the Indiana Bar Foundation receives from IOLTA accounts; and

(2) use the fees the Indiana Bar Foundation receives under this subsection to assist or establish approved pro bono legal services programs.

The handling and expenditure of the pro bono legal services fees received under this section by the Indiana Bar Foundation (or its successor entity) are subject to audit by the state board of accounts. The amounts necessary to make the transfers required by this subsection are appropriated from the state general fund.

SECTION 195. IC 33-38-5-8.2, AS AMENDED BY P.L.2-2005, SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 8.2. (a) ~~As used in this section, "account" refers to the judicial branch insurance adjustment account established by subsection (d).~~

~~(b)~~ As used in this section, "employees of the judicial branch" includes the following:

(1) Each judge described in section 6 of this chapter.

(2) Each magistrate:

(A) described in section 7 of this chapter; and

(B) receiving a salary under IC 33-23-5-10.

(3) Each justice and judge described in section 8 of this chapter.

(4) The judge described in IC 33-26.

(5) A prosecuting attorney whose entire salary is paid by the state.

~~(c)~~ **(b)** Employees of the judicial branch are entitled to a health care adjustment in any year that the governor provides a health care adjustment to employees of the executive branch.

~~(d) The judicial branch insurance adjustment account within the state general fund is established for the purpose of providing health care adjustments under subsection (c). The account shall be administered by the supreme court.~~

~~(e) The expenses of administering the account shall be paid from money in the account.~~

~~(f) The treasurer of state shall invest the money in the account not currently needed to meet the obligations of the account in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the account.~~

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

~~(h) Money in the account is annually appropriated to the supreme court for the purpose of this section.~~

~~(i) If the funds appropriated for compliance with this section are insufficient, there is annually appropriated from the state general fund sufficient funds to carry out the purpose of this section.~~

SECTION 196. IC 35-47-2-3, AS AMENDED BY P.L.107-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) A person desiring a license to carry a handgun shall apply:

(1) to the chief of police or corresponding law enforcement officer of the municipality in which the applicant resides;

(2) if that municipality has no such officer, or if the applicant does not reside in a municipality, to the sheriff of the county in which the applicant resides after the applicant has obtained an application form prescribed by the superintendent; or

(3) if the applicant is a resident of another state and has a regular place of business or employment in Indiana, to the sheriff of the county in which the applicant has a regular place of business or employment.

The superintendent and local law enforcement agencies shall allow an applicant desiring to obtain or renew a license to carry a handgun to submit an application electronically under this chapter if funds are available to establish and maintain an electronic application system.

(b) This subsection applies before July 1, 2020. The law enforcement agency which accepts an application for a handgun license shall collect the following application fees:

(1) From a person applying for a four (4) year handgun license, a ten dollar ($10) application fee, five dollars ($5) of which shall be refunded if the license is not issued.

(2) From a person applying for a lifetime handgun license who does not currently possess a valid Indiana handgun license, a fifty dollar ($50) application fee, thirty dollars ($30) of which shall be refunded if the license is not issued.

(3) From a person applying for a lifetime handgun license who currently possesses a valid Indiana handgun license, a forty dollar ($40) application fee, thirty dollars ($30) of which shall be refunded if the license is not issued.

Except as provided in ~~subsection (i),~~ **subsection (j),** the fee shall be deposited into the law enforcement agency's firearms training fund or other appropriate training activities fund and used by the agency to train law enforcement officers in the proper use of firearms or in other law enforcement duties, or to purchase firearms, firearm related equipment, or body armor (as defined in IC 35-47-5-13(a)) for the law enforcement officers employed by the law enforcement agency. The state board of accounts shall establish rules for the proper accounting and expenditure of funds collected under this subsection.

(c) This subsection applies after June 30, 2020, **and before July 1, 2021.** The law enforcement agency which accepts an application for a handgun license shall not collect a fee from a person applying for a five (5) year handgun license and shall collect the following application fees:

(1) From a person applying for a lifetime handgun license who does not currently possess a valid Indiana handgun license, a fifty dollar ($50) application fee, thirty dollars ($30) of which shall be refunded if the license is not issued.

(2) From a person applying for a lifetime handgun license who currently possesses a valid Indiana handgun license, a forty dollar ($40) application fee, thirty dollars ($30) of which shall be refunded if the license is not issued.

Except as provided in ~~subsection (i),~~ **subsection (j),** the fee shall be deposited into the law enforcement agency's firearms training fund or other appropriate training activities fund and used by the agency to train law enforcement officers in the proper use of firearms or in other law enforcement duties, or to purchase firearms, firearm related equipment, or body armor (as defined in IC 35-47-5-13(a)) for the law enforcement officers employed by the law enforcement agency. The state board of accounts shall establish rules for the proper accounting and expenditure of funds collected under this subsection.

(d) This subsection applies after June 30, 2021. The law enforcement agency which accepts an application for a handgun license shall not collect a fee from a person applying for a handgun license.

~~(d)~~ **(e)** The officer to whom the application is made shall ascertain the applicant's name, full address, length of residence in the community, whether the applicant's residence is located within the limits of any city or town, the applicant's occupation, place of business or employment, criminal record, if any, and convictions (minor traffic offenses excepted), age, race, sex, nationality, date of birth, citizenship, height, weight, build, color of hair, color of eyes, scars and marks, whether the applicant has previously held an Indiana license to carry a handgun and, if so, the serial number of the license and year issued, whether the applicant's license has ever been suspended or revoked, and if so, the year and reason for the suspension or revocation, and the applicant's reason for desiring a license. If the applicant is not a United States citizen, the officer to whom the application is made shall ascertain the applicant's country of citizenship, place of birth, and any alien or admission number issued by the United States Citizenship and Immigration Services or United States Customs and Border Protection or any successor agency as applicable. The officer to whom the application is made shall conduct an investigation into the applicant's official records and verify thereby the applicant's character and reputation, and shall in addition verify for accuracy the information contained in the application, and shall forward this information together with the officer's recommendation for approval or disapproval and one (1) set of legible and classifiable fingerprints of the applicant to the superintendent. An investigation conducted under this section must include the consulting of available local, state, and federal criminal history data banks, including the National Instant Criminal Background Check System (NICS), to determine whether possession of a firearm by an applicant would be a violation of state or federal law.

~~(e)~~ **(f)** The superintendent may make whatever further investigation the superintendent deems necessary. Whenever disapproval is recommended, the officer to whom the application is made shall provide the superintendent and the applicant with the officer's complete and specific reasons, in writing, for the recommendation of disapproval.

~~(f)~~ **(g)** If it appears to the superintendent that the applicant:

(1) has a proper reason for carrying a handgun;

(2) is of good character and reputation;

(3) is a proper person to be licensed; and

(4) is:

(A) a citizen of the United States; or

(B) not a citizen of the United States but is allowed to carry a firearm in the United States under federal law;

the superintendent shall issue to the applicant a qualified or an unlimited license to carry any handgun lawfully possessed by the applicant. The original license shall be delivered to the licensee. A copy shall be delivered to the officer to whom the application for license was made. A copy shall be retained by the superintendent for at least five (5) years in the case of a five (5) year license. The superintendent may adopt guidelines to establish a records retention policy for a lifetime license. A five (5) year license shall be valid for a period of five (5) years from the date of issue. A lifetime license is valid for the life of the individual receiving the license. The license of police officers, sheriffs or their deputies, and law enforcement officers of the United States government who have twenty (20) or more years of service shall be valid for the life of these individuals. However, a lifetime license is automatically revoked if the license holder does not remain a proper person.

~~(g)~~ **(h)** At the time a license is issued and delivered to a licensee under ~~subsection (f),~~ **subsection (g),** the superintendent shall include with the license information concerning handgun safety rules that:

(1) neither opposes nor supports an individual's right to bear arms; and

(2) is:

(A) recommended by a nonprofit educational organization that is dedicated to providing education on safe handling and use of firearms;

(B) prepared by the state police department; and

(C) approved by the superintendent.

The superintendent may not deny a license under this section because the information required under this subsection is

unavailable at the time the superintendent would otherwise issue a license. The state police department may accept private donations or grants to defray the cost of printing and mailing the information required under this subsection.

~~(h)~~ **(i)** A license to carry a handgun shall not be issued to any person who:

(1) has been convicted of a felony;

(2) has had a license to carry a handgun suspended, unless the person's license has been reinstated;

(3) is under eighteen (18) years of age;

(4) is under twenty-three (23) years of age if the person has been adjudicated a delinquent child for an act that would be a felony if committed by an adult;

(5) has been arrested for a Class A or Class B felony for an offense committed before July 1, 2014, for a Level 1, Level 2, Level 3, or Level 4 felony for an offense committed after June 30, 2014, or any other felony that was committed while armed with a deadly weapon or that involved the use of violence, if a court has found probable cause to believe that the person committed the offense charged; or

(6) is prohibited by federal law from possessing or receiving firearms under 18 U.S.C. 922(g).

In the case of an arrest under subdivision (5), a license to carry a handgun may be issued to a person who has been acquitted of the specific offense charged or if the charges for the specific offense are dismissed. The superintendent shall prescribe all forms to be used in connection with the administration of this chapter.

~~(i)~~ **(j)** If the law enforcement agency that charges a fee under subsection (b) or (c) is a city or town law enforcement agency, the fee shall be deposited in the law enforcement continuing education fund established under IC 5-2-8-2.

~~(j)~~ **(k)** If a person who holds a valid license to carry a handgun issued under this chapter:

(1) changes the person's name;

(2) changes the person's address; or

(3) experiences a change, including an arrest or a conviction, that may affect the person's status as a proper person (as defined in IC 35-47-1-7) or otherwise disqualify the person from holding a license;

the person shall, not later than thirty (30) days after the date of a change described under subdivision (3), and not later than sixty (60) days after the date of the change described under subdivision (1) or (2), notify the superintendent, in writing, of the event described under subdivision (3) or, in the case of a change under subdivision (1) or (2), the person's new name or new address.

~~(k)~~ **(l)** The state police shall indicate on the form for a license to carry a handgun the notification requirements of ~~subsection (j).~~ **subsection (k).**

~~(l)~~ **(m)** The state police department shall adopt rules under IC 4-22-2 to:

(1) implement an electronic application system under subsection (a); and

(2) expedite the processing of an application made by a person described in section 2.1(b) of this chapter.

Rules adopted under this section must require the superintendent to keep on file one (1) set of classifiable and legible fingerprints from every person who has received a license to carry a handgun so that a person who applies to renew a license will not be required to submit an additional set of fingerprints.

~~(m)~~ **(n)** Except as provided in ~~subsection (n),~~ **subsection (o),** for purposes of IC 5-14-3-4(a)(1), the following information is confidential, may not be published, and is not open to public inspection:

(1) Information submitted by a person under this section to:

(A) obtain; or

(B) renew;

a license to carry a handgun.

(2) Information obtained by a federal, state, or local government entity in the course of an investigation concerning a person who applies to:

(A) obtain; or

(B) renew;

a license to carry a handgun issued under this chapter.

(3) The name, address, and any other information that may be used to identify a person who holds a license to carry a handgun issued under this chapter.

~~(n)~~ **(o)** Notwithstanding ~~subsection (m).~~ **subsection (n):**

(1) any information concerning an applicant for or a person who holds a license to carry a handgun issued under this chapter may be released to a federal, state, or local government entity:

(A) for law enforcement purposes; or

(B) to determine the validity of a license to carry a handgun; and

(2) general information concerning the issuance of licenses to carry handguns in Indiana may be released to a person conducting journalistic or academic research, but only if all personal information that could disclose the identity of any person who holds a license to carry a handgun issued under this chapter has been removed from the general information.

~~(o)~~ **(p)** A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 197. IC 35-47-2-4, AS AMENDED BY P.L.107-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 4. (a) Licenses to carry handguns shall be either qualified or unlimited, and are valid for:

(1) five (5) years from the date of issue in the case of a five (5) year license; or

(2) the life of the individual receiving the license in the case of a lifetime license.

A qualified license shall be issued for hunting and target practice. An individual may separately apply for and simultaneously hold both a five (5) year license and a lifetime license. The superintendent may adopt rules imposing limitations on the use and carrying of handguns under a license when handguns are carried by a licensee as a condition of employment. Unlimited licenses shall be issued for the purpose of the protection of life and property.

(b) This subsection applies before July 1, 2020. In addition to the application fee, the fee for:

(1) a qualified license shall be:

(A) five dollars ($5) for a five (5) year qualified license;

(B) twenty-five dollars ($25) for a lifetime qualified license from a person who does not currently possess a valid Indiana handgun license; or

(C) twenty dollars ($20) for a lifetime qualified license from a person who currently possesses a valid Indiana handgun license; and

(2) an unlimited license shall be:

(A) thirty dollars ($30) for a five (5) year unlimited license;

(B) seventy-five dollars ($75) for a lifetime unlimited license from a person who does not currently possess a valid Indiana handgun license; or

(C) sixty dollars ($60) for a lifetime unlimited license from a person who currently possesses a valid Indiana handgun license.

The superintendent shall charge a twenty dollar ($20) fee for the issuance of a duplicate license to replace a lost or damaged license. These fees shall be deposited in accordance with ~~subsection (g).~~ **subsection (h).**

(c) This subsection applies after June 30, 2020, **and before July 1, 2021.** In addition to the application fee, the fee for:

(1) a qualified license is:

(A) zero dollars ($0) for a five (5) year qualified

license;

(B) twenty-five dollars ($25) for a lifetime qualified license from a person who does not currently possess a valid Indiana handgun license; and

(C) twenty dollars ($20) for a lifetime qualified license from a person who currently possesses a valid Indiana handgun license; and

(2) an unlimited license is:

(A) zero dollars ($0) for a five (5) year unlimited license;

(B) seventy-five dollars ($75) for a lifetime unlimited license from a person who does not currently possess a valid Indiana handgun license; and

(C) sixty dollars ($60) for a lifetime unlimited license from a person who currently possesses a valid Indiana handgun license.

The superintendent shall charge a twenty dollar ($20) fee for the issuance of a duplicate license to replace a lost or damaged license. These fees shall be deposited in accordance with ~~subsection (g).~~ **subsection (h).**

(d) This subsection applies after June 30, 2021. There is no fee for a qualified or unlimited license. The superintendent shall charge a twenty dollar ($20) fee for the issuance of a duplicate license to replace a lost or damaged license. **This fee shall be deposited in accordance with subsection (h).**

~~(d)~~ **(e)** Licensed dealers are exempt from the payment of fees specified in subsections (b) and (c) for a qualified license or an unlimited license.

~~(e)~~ **(f)** The following officers of this state or the United States who have been honorably retired by a lawfully created pension board or its equivalent after at least twenty (20) years of service or because of a disability are exempt from the payment of fees specified in subsections (b) and (c):

(1) Police officers.

(2) Sheriffs or their deputies.

(3) Law enforcement officers.

(4) Correctional officers.

~~(f)~~ **(g)** The following officers described in ~~section 3(f)~~ **section 3(g)** of this chapter who have at least twenty (20) years of service are exempt from the payment of fees for a lifetime qualified license or a lifetime unlimited license specified in subsections (b) and (c):

(1) Police officers.

(2) Sheriffs or their deputies.

(3) Law enforcement officers of the United States government.

~~(g)~~ **(h)** Fees collected under this section shall be deposited in the state general fund.

~~(h)~~ **(i)** The superintendent may not issue a lifetime qualified license or a lifetime unlimited license to a person who is a resident of another state. The superintendent may issue a five (5) year qualified license or a five (5) year unlimited license to a person who is a resident of another state and who has a regular place of business or employment in Indiana as described in section 3(a)(3) of this chapter.

~~(i)~~ **(j)** A person who knowingly or intentionally violates this section commits a Class B misdemeanor.

SECTION 198. IC 35-47-2-5, AS AMENDED BY P.L.107-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) The superintendent may suspend or revoke any license issued under this chapter if the superintendent has reasonable grounds to believe that the person's license should be suspended or revoked.

(b) Documented evidence that a person is not a "proper person" to be licensed as defined by IC 35-47-1-7, or is prohibited under ~~section 3(h)(5)~~ **section 3(i)(5)** of this chapter from being issued a license, shall be grounds for immediate suspension or revocation of a license previously issued under this chapter. However, if a license is suspended or revoked based solely on an arrest under ~~section 3(h)(5)~~ **section 3(i)(5)** of this chapter, the license shall be reinstated upon the acquittal of the defendant in that case or upon the dismissal of the charges for the specific offense.

(c) A person who knowingly or intentionally fails to promptly return the person's license after written notice of suspension or revocation commits a Class A misdemeanor. The observation of a handgun license in the possession of a person whose license has been suspended or revoked constitutes a sufficient basis for the arrest of that person for violation of this subsection.

(d) The superintendent shall establish rules under IC 4-22-2 concerning the procedure for suspending or revoking a person's license.

SECTION 199. IC 35-52-6-53, AS ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 53. IC 6-7-2-18 defines a crime concerning tobacco taxes **and closed system cartridge taxes.**

SECTION 200. IC 35-52-6-54, AS ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 54. IC 6-7-2-19 defines a crime concerning tobacco taxes **and closed system cartridge taxes.**

SECTION 201. IC 35-52-6-55, AS ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 55. IC 6-7-2-20 defines a crime concerning tobacco taxes **and closed system cartridge taxes.**

SECTION 202. IC 35-52-6-56, AS ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: Sec. 56. IC 6-7-2-21 defines a crime concerning tobacco taxes **and closed system cartridge taxes.**

SECTION 203. IC 35-52-6-56.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 56.1. IC 6-7-4-11 defines a crime concerning the electronic cigarette tax.**

SECTION 204. IC 35-52-6-56.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2022]: **Sec. 56.2. IC 6-7-4-12 defines a crime concerning the electronic cigarette tax.**

SECTION 205. IC 36-7-14-0.5, AS AMENDED BY P.L.154-2020, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) The definitions in this section apply throughout this chapter.

(b) "Mixed use development project" means a development project that will provide more than one (1) use or purpose within a shared building or development area. The terms "use" or "purpose" may include, but are not limited to, housing, office, retail, medical, recreational, commercial, or industrial components.

~~(b)~~ **(c)** "Obligation" means any bond, note, warrant, lease, or other instrument under which money is borrowed.

~~(c)~~ **(d)** "Public funds" means all fees, payments, tax receipts, and funds of whatever kind or character coming into the possession of a:

(1) redevelopment commission; or

(2) department of redevelopment.

(e) "Qualified city" means a city:

(1) whose average property tax rate for the city over the five (5) immediately preceding calendar years did not exceed one dollar ($1) per one hundred dollars ($100) of assessed value;

(2) whose average balance in the city's general fund plus the city's rainy day fund over the three (3) immediately preceding calendar years exceeded by at least ten percent (10%) the amount of the city's average annual expenditures over the same period; or

(3) that is the county seat.

~~(d)~~ **(f)** "Residential housing" means housing or workforce housing that consists of single family dwelling units sufficient to secure quality housing in reasonable proximity to employment. The term includes condominiums and townhouses located within an economic development target area that is designated under IC 6-1.1-12.1-7.

~~(e)~~ **(g)** "Residential housing development program" means a residential housing development program for the:

(1) construction of new residential housing; or

(2) renovation of existing residential housing;

established by a commission under section 53 of this chapter.

~~(f)~~ **(h)** "Workforce housing" means housing that is affordable for households with earned income that is sufficient to secure quality housing in reasonable proximity to employment.

SECTION 206. IC 36-7-14-25.2, AS AMENDED BY P.L.257-2019, SECTION 118, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25.2. (a) Subject to the prior approval of the fiscal body of the unit under subsection (c), a redevelopment commission may enter into a lease of any property that could be financed with the proceeds of bonds issued under this chapter with a lessor for a term not to exceed:

(1) fifty (50) years, for a lease entered into before July 1, 2008;

(2) thirty-five (35) years, for leases entered into after June 30, 2019, to finance a project that is located in a redevelopment project area, an economic development area, or an urban renewal project area and that includes, as part of the project, the use and repurposing of two (2) or more buildings and structures that are:

(A) at least seventy-five (75) years old; and

(B) located at a site at which manufacturing previously occurred over a period of at least seventy-five (75) years; or

(3) twenty-five (25) years, for a lease that is not described in subdivision (1) or (2), **or a lease entered into by the commission of a qualified city for the purpose of financing a mixed use development project.**

The lease may provide for payments to be made by the redevelopment commission from special benefits taxes levied under section 27 of this chapter, taxes allocated under section 39 of this chapter, any other revenues available to the redevelopment commission, or any combination of these sources.

(b) A lease may provide that payments by the redevelopment commission to the lessor are required only to the extent and only for the period that the lessor is able to provide the leased facilities in accordance with the lease. The terms of each lease must be based upon the value of the facilities leased and may not create a debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(c) A lease may be entered into by the redevelopment commission only after a public hearing by the redevelopment commission at which all interested parties are provided the opportunity to be heard. After the public hearing, the redevelopment commission may adopt a resolution authorizing the execution of the lease on behalf of the unit if it finds that the service to be provided throughout the term of the lease will serve the public purpose of the unit and is in the best interests of its residents. Any lease approved by a resolution of the redevelopment commission must also be approved by an ordinance or resolution of the fiscal body of the unit. The approving ordinance or resolution of the fiscal body must include the following:

(1) The maximum annual lease rental for the lease.

(2) The maximum interest rate or rates, any provisions for redemption before maturity, and any provisions for the payment of capitalized interest associated with the lease.

(3) The maximum term of the lease.

(d) Upon execution of a lease providing for payments by the redevelopment commission in whole or in part from the levy of special benefits taxes under section 27 of this chapter and upon approval of the lease by the unit's fiscal body, the redevelopment commission shall publish notice of the execution of the lease and its approval in accordance with IC 5-3-1. Fifty (50) or more taxpayers residing in the redevelopment district who will be affected by the lease and who may be of the opinion that no necessity exists for the execution of the lease or that the payments provided for in the lease are not fair and reasonable may file a petition in the office of the county auditor within thirty (30) days after the publication of the notice of execution and approval. The petition must set forth the petitioners' names, addresses, and objections to the lease and the facts showing that the execution of the lease is unnecessary or unwise or that the payments provided for in the lease are not fair and reasonable, as the case may be.

(e) Upon the filing of the petition, the county auditor shall immediately certify a copy of it, together with such other data as may be necessary in order to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and information, the department of local government finance shall fix a time and place for a hearing in the redevelopment district, which must be not less than five (5) or more than thirty (30) days after the time is fixed. Notice of the hearing shall be given by the department of local government finance to the members of the fiscal body, to the redevelopment commission, and to the first fifty (50) petitioners on the petition by a letter signed by the commissioner or deputy commissioner of the department and enclosed with fully prepaid postage sent to those persons at their usual place of residence, at least five (5) days before the date of the hearing. The decision of the department of local government finance on the appeal, upon the necessity for the execution of the lease, and as to whether the payments under it are fair and reasonable, is final.

(f) A redevelopment commission entering into a lease payable from allocated taxes under section 39 of this chapter or other available funds of the redevelopment commission may:

(1) pledge the revenue to make payments under the lease pursuant to IC 5-1-14-4; and

(2) establish a special fund to make the payments.

(g) Lease rentals may be limited to money in the special fund so that the obligations of the redevelopment commission to make the lease rental payments are not considered debt of the unit or the district for purposes of the Constitution of the State of Indiana.

(h) Except as provided in this section, no approvals of any governmental body or agency are required before the redevelopment commission enters into a lease under this section.

(i) An action to contest the validity of the lease or to enjoin the performance of any of its terms and conditions must be brought within thirty (30) days after the publication of the notice of the execution and approval of the lease. However, if the lease is payable in whole or in part from tax levies and an appeal has been taken to the department of local government finance, an action to contest the validity or enjoin the performance must be brought within thirty (30) days after the decision of the department.

(j) If a redevelopment commission exercises an option to buy a leased facility from a lessor, the redevelopment commission may subsequently sell the leased facility, without regard to any other statute, to the lessor at the end of the lease term at a price set forth in the lease or at fair market value established at the time of the sale by the redevelopment commission through auction, appraisal, or arms length negotiation. If the facility is sold at auction, after appraisal, or through negotiation, the redevelopment commission shall conduct a hearing after public notice in accordance with IC 5-3-1 before the sale. Any action to contest the sale must be brought within fifteen (15) days of the hearing.

SECTION 207. IC 36-7.5-1-11, AS AMENDED BY P.L.119-2012, SECTION 215, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. "Eligible county" refers to the following counties:

(1) A county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(2) A county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000).

(3) A county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000), if:

(A) the fiscal body of the county has adopted an ordinance under ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** providing that the county is joining the development authority; and

(B) the fiscal body of the city described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** has adopted an ordinance under ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** providing that the city is joining the development authority.

SECTION 208. IC 36-7.5-1-11.3, AS ADDED BY P.L.182-2009(ss), SECTION 421, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.3. "Eligible municipality" refers to a municipality that has become a member of the development authority under ~~IC 36-7.5-2-3(i).~~ **IC 36-7.5-2-3(h).**

SECTION 209. IC 36-7.5-2-3, AS AMENDED BY P.L.144-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The development authority is governed by the development board appointed under this section.

(b) Except as provided in subsections ~~(c), (f), and (h),~~ **(d), (e), and (g),** the development board is composed of the following ten (10) members:

(1) Two (2) members appointed by the governor. One (1) of the members appointed by the governor under this subdivision ~~must be an individual nominated under subsection (d). The members~~ **shall be designated as chair by the governor. One (1) of the members appointed by the governor must reside in Porter County. Both members** appointed by the governor under this subdivision serve at the pleasure of the governor.

(2) The following members from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000):

(A) One (1) member appointed by the mayor of the largest city in the county in which a riverboat is located. **The member appointed under this clause must be a resident of the largest city in the county in which a riverboat is located.**

(B) One (1) member appointed by the mayor of the second largest city in the county in which a riverboat is located. **The member appointed under this clause must be a resident of the second largest city in the county in which a riverboat is located.**

(C) One (1) member appointed by the mayor of the third largest city in the county in which a riverboat is located. **The member appointed under this clause must be a resident of the third largest city in the county in which a riverboat is located.**

(D) One (1) member appointed jointly by the county executive and the county fiscal body. A member appointed under this clause may not reside in a city described in clause (A), (B), or (C).

(3) One (1) member appointed jointly by the county executive and county fiscal body of a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000). **The member appointed under this subdivision must be a resident of a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000).**

(4) The following three (3) members appointed under subsection ~~(j).~~ **(i):**

(A) One (1) member appointed from Lake County.

(B) One (1) member appointed from Porter County.

(C) One (1) member appointed from LaPorte County.

The members appointed under this subdivision may only vote on matters that pertain strictly to a transit development district established under IC 36-7.5-4.5-17.

(c) A member appointed to the development board must have knowledge and at least five (5) years professional work experience in at least one (1) of the following:

(1) Rail transportation or air transportation.

(2) Regional economic development.

(3) Business or finance.

~~(d) The mayor of the largest city in a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000) shall nominate three (3) residents of the county for appointment to the development board. One (1) of the governor's initial appointments under subsection (b)(1) must be an individual nominated by the mayor. At the expiration of the member's term, the mayor of the second largest city in the county shall nominate three (3) residents of the county for appointment to the development board. One (1) of the governor's appointments under subsection (b)(1) must be an individual nominated by the mayor. Thereafter, the authority to nominate the three (3) individuals from among whom the governor shall make an appointment under subsection (b)(1) shall alternate between the mayors of the largest and the second largest city in the county at the expiration of a member's term.~~

~~(e)~~ **(d)** A county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000) shall be an eligible county participating in the development authority if the fiscal body of the county adopts an ordinance providing that the county is joining the development authority and the fiscal body of a city that is located in the county and that has a population of more than thirty-one thousand (31,000) but less than thirty-one thousand five hundred (31,500) adopts an ordinance providing that the city is joining the development authority. Notwithstanding subsection (b), if ordinances are adopted under this subsection and the county becomes an eligible county participating in the development authority:

(1) the development board shall be composed of twelve (12) members rather than ten (10) members; and

(2) the additional two (2) members shall be appointed in the following manner:

(A) One (1) additional member shall be appointed by the governor and shall serve at the pleasure of the governor. The member appointed under this clause must be an individual nominated under subsection (f).

(B) One (1) additional member shall be appointed jointly by the county executive and county fiscal body. **The member appointed under this clause must be a resident of a county having a population of more than one hundred eleven thousand (111,000) but less than one hundred fifteen thousand (115,000).**

~~(f)~~ **(e)** This subsection applies only if the county described in subsection ~~(e)~~ **(d)** is an eligible county participating in the development authority. The mayor of the largest city in the county described in subsection ~~(e)~~ **(d)** shall nominate three (3) residents of the county for appointment to the development board. The governor's initial appointment under subsection ~~(e)(2)(A)~~ **(d)(2)(A)** must be an individual nominated by the mayor. At the expiration of the member's term, the mayor of the second largest city in the county described in subsection ~~(e)~~ **(d)** shall nominate three (3) residents of the county for appointment to the development board. The governor's second appointment under subsection ~~(e)(2)(A)~~ **(d)(2)(A)** must be an individual

nominated by the mayor. Thereafter, the authority to nominate the three (3) individuals from among whom the governor shall make an appointment under subsection ~~(c)(2)(A)~~ **(d)(2)(A)** shall alternate between the mayors of the largest and the second largest city in the county at the expiration of a member's term.

~~(g)~~ **(f)** An individual or entity required to make an appointment under subsection (b) ~~or nominations under subsection (d)~~ must make the initial appointment before September 1, 2005, or the initial nomination before August 15, 2005. If an individual or entity does not make an initial appointment under subsection (b) before September 1, 2005, ~~or the initial nominations required under subsection (d) before September 1, 2005,~~ the governor shall instead make the initial appointment.

~~(h)~~ **(g)** Subsection ~~(i)~~ **(h)** applies only to municipalities located in a county that:

(1) has a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000); and

(2) was a member of the development authority on January 1, 2009, and subsequently ceases to be a member of the development authority.

~~(i)~~ **(h)** If the fiscal bodies of at least two (2) municipalities subject to this subsection adopt ordinances to become members of the development authority, those municipalities shall become members of the development authority. If two (2) or more municipalities become members of the development authority under this subsection, the fiscal bodies of the municipalities that become members of the development authority shall jointly appoint one (1) member of the development board who shall serve in place of the member described in subsection (b)(3). A municipality that becomes a member of the development authority under this subsection is considered an eligible municipality for purposes of this article.

~~(j)~~ **(i)** The governor shall appoint three (3) members to the development board as follows:

(1) The initial appointment of one (1) member shall be selected out of a list of three (3) nominations from the county executive of Lake County. The nominations shall be transmitted to the governor before July 1, 2020. If the county executive of Lake County does not make the initial nominations by July 1, 2020, the governor shall instead make the initial appointment. After the expiration of the term of a member appointed under this subdivision, or if a vacancy occurs before the end of the term of a member appointed under this subdivision, the county executive of Lake County shall transmit a list of three (3) nominations to the governor not later than ninety (90) days after the expiration or the vacancy occurs. The governor shall appoint one (1) member out of the list of three (3) nominations, or, if the county executive of Lake County does not make the nominations within ninety (90) days after the expiration or the vacancy occurs, the governor shall instead make the appointment. A member appointed under this subdivision must be a resident of Lake County.

(2) The initial appointment of one (1) member shall be selected out of a list of three (3) nominations from the county executive of Porter County. The nominations shall be transmitted to the governor before July 1, 2020. If the county executive of Porter County does not make the initial nominations by July 1, 2020, the governor shall instead make the initial appointment. After the expiration of the term of a member appointed under this subdivision, or if a vacancy occurs before the end of the term of a member appointed under this subdivision, the county executive of Porter County shall transmit a list of three (3) nominations to the governor not later than ninety (90) days after the expiration or the vacancy occurs. The governor shall appoint one (1) member out of the list of three (3) nominations, or, if the county executive of Porter County does not make the nominations within ninety (90) days after the expiration or the vacancy occurs, the governor shall instead make the appointment. A member appointed under this subdivision must be a resident of Porter County.

(3) The initial appointment of one (1) member shall be selected out of a list of three (3) nominations from the county executive of LaPorte County. The nominations shall be transmitted to the governor before July 1, 2020. If the county executive of LaPorte County does not make the initial nominations by July 1, 2020, the governor shall instead make the initial appointment. After the expiration of the term of a member appointed under this subdivision, or if a vacancy occurs before the end of the term of a member appointed under this subdivision, the county executive of LaPorte County shall transmit a list of three (3) nominations to the governor not later than ninety (90) days after the expiration or the vacancy occurs. The governor shall appoint one (1) member out of the list of three (3) nominations, or, if the county executive of LaPorte County does not make the nominations within ninety (90) days after the expiration or the vacancy occurs, the governor shall instead make the appointment. A member appointed under this subdivision must be a resident of LaPorte County.

SECTION 210. IC 36-7.5-2-4, AS AMENDED BY P.L.144-2020, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) ~~Except as provided in subsection (b) for the initial appointments to the development board,~~ A member appointed to the development board serves a four (4) year term. However, a member serves at the pleasure of the appointing authority. A member may be reappointed to subsequent terms.

~~(b) The terms of the initial members appointed to the development board are as follows:~~

~~(1) The initial member appointed by the governor who is not nominated under section 3(d) or 3(f) of this chapter shall serve a term of four (4) years.~~

~~(2) The initial member appointed by the governor who is nominated under section 3(d) of this chapter shall serve a term of two (2) years. If a member is appointed under section 3(c)(2)(A) of this chapter, the initial member who is appointed under that provision shall serve a term of two (2) years.~~

~~(3) The initial member appointed under section 3(b)(2)(D) of this chapter shall serve a term of three (3) years.~~

~~(4) The initial member appointed under section 3(b)(3) of this chapter shall serve a term of three (3) years.~~

~~(5) The initial members appointed under section 3(b)(2)(A) through 3(b)(2)(C) of this chapter shall serve a term of two (2) years.~~

~~(6) If a member is appointed under section 3(c)(2)(B) of this chapter, the initial member appointed under that provision shall serve a term of three (3) years.~~

~~(c)~~ **(b)** Subject to section ~~3(j)~~ **3(i)** of this chapter, if a vacancy occurs on the development board, the appointing authority that made the original appointment shall fill the vacancy by appointing a new member for the remainder of the vacated term.

~~(d)~~ **(c)** Each member appointed to the development board, before entering upon the duties of office, must take and subscribe an oath of office under IC 5-4-1, which shall be endorsed upon the certificate of appointment and filed with the records of the development board.

~~(e)~~ **(d)** A member appointed to the development board is not entitled to receive any compensation for performance of the member's duties. However, a member is entitled to a per diem from the development authority for the member's participation in development board meetings. The amount of the per diem is equal to the amount of the per diem provided under IC 4-10-11-2.1(b).

SECTION 211. IC 36-7.5-2-5, AS AMENDED BY P.L.47-2006, SECTION 57, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) ~~The member~~ **One (1) of the members** appointed by the governor under section 3(b)(1) of this chapter ~~but not nominated under section 3(d) or 3(f) of this chapter~~ shall serve as chair of the development board. ~~until January 2013. At the election under subsection (b) in 2013 and each year thereafter, the chair shall be elected from among the members of the development board.~~

(b) In January of each year, the development board shall hold an organizational meeting at which the development board shall elect the following officers from the members of the development board:

~~(1) After December 31, 2012, a chair.~~

~~(2)~~ **(1)** A vice chair.

~~(3)~~ **(2)** A secretary-treasurer.

(c) Not more than two (2) members from any particular county may serve as an officer described in subsection (a) or elected under subsection (b). The affirmative vote of at least five (5) members of the development board is necessary to elect an officer under subsection (b). However, if the county described in section ~~3(c)~~ **3(d)** of this chapter is an eligible county participating in the development authority, the affirmative vote of at least six (6) members of the development board is necessary to elect an officer under subsection (b).

(d) An officer elected under subsection (b) serves from the date of the officer's election until the officer's successor is elected and qualified.

SECTION 212. IC 36-7.5-2-6, AS AMENDED BY P.L.144-2020, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The development authority is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. The development board is a governing body for purposes of IC 5-14-1.5.

(b) The development board shall meet at least quarterly.

(c) The chair of the development board ~~or any two (2) members of the development board~~ may call a special meeting of the development board.

(d) Five (5) members of the development board constitute a quorum. However, if the county described in section ~~3(c)~~ **(3)(d)** of this chapter is an eligible county participating in the development authority, six (6) members of the development board constitute a quorum.

(e) Except as provided in subsection (h), the affirmative votes of at least five (5) members of the development board are necessary to authorize any action of the development authority. However, if the county described in section ~~3(c)~~ **3(d)** of this chapter is an eligible county participating in the development authority, the affirmative votes of at least six (6) members of the development board are necessary to authorize any action of the development authority.

(f) Notwithstanding any other provision of this article, the minimum number of affirmative votes required under subsection (e) to take any of the following actions must include the affirmative vote of the member appointed by the governor who ~~is not nominated under section 3(d) or 3(f) of this chapter.~~ **serves as chair:**

(1) Making loans, loan guarantees, or grants or providing any other funding or financial assistance for projects.

(2) Acquiring or condemning property.

(3) Entering into contracts.

(4) Employing an executive director or any consultants or technical experts.

(5) Issuing bonds or entering into a lease of a project.

(g) A member of the board may not:

(1) designate another individual to attend a board meeting on behalf of the member in the member's absence; or

(2) allow another member of the board to cast a proxy vote on behalf of the member in the member's temporary absence from a meeting.

(h) This subsection only applies to a vote on matters that pertain strictly to a transit development district established under IC 36-7.5-4.5-17 on which the members of the development board appointed under section 3(b)(4) may cast a vote. The affirmative votes of at least six (6) members of the development board, **which must include the chair,** are necessary to authorize any action of the development authority.

SECTION 213. IC 36-7.5-4-2, AS AMENDED BY P.L.156-2020, SECTION 145, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsections (b) and (d), the fiscal officer of each city and county described in IC 36-7.5-2-3(b) shall each transfer three million five hundred thousand dollars ($3,500,000) each year to the development authority for deposit in the development authority revenue fund established under section 1 of this chapter. However, if a county having a population of more than one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000) ceases to be a member of the development authority and two (2) or more municipalities in the county have become members of the development authority as authorized by ~~IC 36-7.5-2-3(i),~~ **IC 36-7.5-2-3(h),** the transfer of the local income tax revenue that is dedicated to economic development purposes that is required to be transferred under IC 6-3.6-11-6 is the contribution of the municipalities in the county that have become members of the development authority.

(b) This subsection applies only if:

(1) the fiscal body of the county described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** has adopted an ordinance under ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** providing that the county is joining the development authority;

(2) the fiscal body of the city described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** has adopted an ordinance under ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** providing that the city is joining the development authority; and

(3) the county described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** is an eligible county participating in the development authority.

The fiscal officer of the county described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** shall transfer two million six hundred twenty-five thousand dollars ($2,625,000) each year to the development authority for deposit in the development authority revenue fund established under section 1 of this chapter. The fiscal officer of the city described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** shall transfer eight hundred seventy-five thousand dollars ($875,000) each year to the development authority for deposit in the development authority revenue fund established under section 1 of this chapter.

(c) This subsection does not apply to Lake County, Hammond, Gary, or East Chicago. The following apply to the remaining transfers required by subsections (a) and (b):

(1) Except for transfers of money described in subdivision (4)(D), the transfers shall be made without appropriation by the city or county fiscal body or approval by any other entity.

(2) Except as provided in subdivision (3), each fiscal officer shall transfer eight hundred seventy-five thousand dollars ($875,000) to the development authority revenue fund before the last business day of January, April, July, and October of each year. Food and beverage tax revenue deposited in the fund under IC 6-9-36-8 is in addition to the transfers required by this section.

(3) The fiscal officer of the county described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** shall transfer six hundred fifty-six thousand two hundred fifty dollars ($656,250) to the development authority revenue fund before the last business day of January, April, July, and October of each year. The county is not required to make any payments or transfers to the development authority covering any time before January 1, 2017. The fiscal officer of a city described in ~~IC 36-7.5-2-3(e)~~ **IC 36-7.5-2-3(d)** shall transfer two hundred eighteen

thousand seven hundred fifty dollars ($218,750) to the development authority revenue fund before the last business day of January, April, July, and October of each year. The city is not required to make any payments or transfers to the development authority covering any time before January 1, 2017.

(4) The transfers shall be made from one (1) or more of the following:

(A) Riverboat admissions tax revenue received by the city or county, riverboat wagering tax revenue received by the city or county, or riverboat incentive payments received from a riverboat licensee by the city or county.

(B) Any local income tax revenue that is dedicated to economic development purposes under IC 6-3.6-6 and received under IC 6-3.6-9 by the city or county.

(C) Any other local revenue other than property tax revenue received by the city or county.

(D) In the case of a county described in ~~IC 36-7.5-2-3(c)~~ **IC 36-7.5-2-3(d)** or a city described in ~~IC 36-7.5-2-3(c),~~ **IC 36-7.5-2-3(d),** any money from the major moves construction fund that is distributed to the county or city under IC 8-14-16.

(d) This subsection applies only to Lake County, Hammond, Gary, and East Chicago. The obligations of each city and the county under subsection (a) are satisfied by the distributions made by the auditor of state on behalf of each unit under IC 4-33-12-8 and IC 4-33-13-5(i). However, if the total amount distributed under IC 4-33 on behalf of a unit with respect to a particular state fiscal year is less than the amount required by subsection (a), the fiscal officer of the unit shall transfer the amount of the shortfall to the authority from any source of revenue available to the unit other than property taxes. The auditor of state shall certify the amount of any shortfall to the fiscal officer of the unit after making the distribution required by IC 4-33-13-5(i) on behalf of the unit with respect to a particular state fiscal year.

(e) A transfer made on behalf of a county, city, or town under this section after December 31, 2018:

(1) is considered to be a payment for services provided to residents by a rail project as those services are rendered; and

(2) does not impair any pledge of revenues under this article because a pledge by the development authority of transferred revenue under this section to the payment of bonds, leases, or obligations under this article or IC 5-1.3:

(A) constitutes the obligations of the northwest Indiana regional development authority; and

(B) does not constitute an indebtedness of a county, city, or town described in this section or of the state within the meaning or application of any constitutional or statutory provision or limitation.

(f) Neither the transfer of revenue as provided in this section nor the pledge of revenue transferred under this section is an impairment of contract within the meaning or application of any constitutional provision or limitation because of the following:

(1) The statutes governing local taxes, including the transferred revenue, have been the subject of legislation annually since 1973, and during that time the statutes have been revised, amended, expanded, limited, and recodified dozens of times.

(2) Owners of bonds, leases, or other obligations to which local tax revenues have been pledged recognize that the regulation of local taxes has been extensive and consistent.

(3) All bonds, leases, or other obligations, due to their essential contractual nature, are subject to relevant state and federal law that is enacted after the date of a contract.

(4) The state of Indiana has a legitimate interest in assisting the development authority in financing rail projects.

(g) All proceedings had and actions described in this section are valid pledges under IC 5-1-14-4 as of the date of those proceedings or actions and are hereby legalized and declared valid if taken before March 15, 2018.

SECTION 214. IC 36-7.6-3-5, AS AMENDED BY P.L.237-2017, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) A development authority shall prepare a comprehensive strategic development plan that includes detailed information concerning the following:

(1) The proposed projects to be undertaken or financed by the development authority.

(2) The following information for each project included under subdivision (1):

(A) Timeline and budget.

(B) The return on investment.

(C) The projected or expected need for an ongoing subsidy.

(D) Any projected or expected federal matching funds.

(b) The development authority shall, not later than January 1 of the second year following the year in which the development authority is established, submit the comprehensive strategic development plan for review by the budget committee and approval by the director of the office of management and budget and the Indiana economic development corporation. However, a development authority that has already submitted its comprehensive strategic development plan as part of an application for a grant or a loan under IC 5-28-37 (before its repeal) or IC 5-28-38 **(before its repeal)** is not required to resubmit its comprehensive strategic development plan under this subsection.

SECTION 215. [EFFECTIVE UPON PASSAGE] **(a) One hundred ten million dollars ($110,000,000) is appropriated from the state general fund to the budget agency for the state fiscal year ending June 30, 2021, to defease any remaining bonds issued by the state office building commission, the recreational development commission, or the state fair commission.**

(b) Money appropriated under this section may not be used for any other purpose.

(c) This SECTION expires June 30, 2022.

SECTION 216. P.L.108-2019, SECTION 255, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 255. (a) Notwithstanding IC 4-13-2-19 or any other law, any part of an appropriation made for the legislative council and the legislative services agency, in a state fiscal year beginning after June 30, 2018, and ending before July 1, ~~2020,~~ **2022,** that is unexpended and unencumbered at the close of that state fiscal year does not lapse and is not returned to the state general revenue fund but remains available for expenditure during either state fiscal year in ~~the~~ **a** biennium beginning ~~July 1, 2019,~~ **after June 30, 2019,** and ending ~~June 30, 2021.~~ **before July 1, 2023.** The unexpended and unencumbered amount may be used to supplement the amounts appropriated in this act for each state fiscal year in the biennium and shall be allotted, as requested by the executive director of the legislative services agency, for the total operating expenses of the legislative council or the legislative services agency, or both.

(b) This SECTION expires ~~June 30, 2021.~~ **July 1, 2023.**

SECTION 217. [EFFECTIVE JULY 1, 2021] **(a) The following definitions apply throughout this SECTION:**

(1) "Department" means the Indiana department of gaming research established by IC 4-33-18-2, before its amendment by this act.

(2) "Commission" means the Indiana gaming commission established under IC 4-33.

(3) "Gaming research division" means the gaming research division of the commission established by IC 4-33-18-2, as amended by this act.

(b) On July 1, 2021, all functions, powers, authorities, duties, agreements, and liabilities of the department are

transferred to the gaming research division.

(c) On July 1, 2021, all records, property, and funds under the control of the department are transferred to the gaming research division.

(d) Employees of the department on June 30, 2021, become employees of the gaming research division on July 1, 2021.

(e) After June 30, 2021, a reference to the department in any statute, rule, or other document is considered a reference to the gaming research division.

SECTION 218. [EFFECTIVE UPON PASSAGE] **(a) Any balance in the exoneration fund established by IC 5-2-23-7, as repealed by this act, shall be transferred to the state general fund on June 30, 2021.**

(b) This SECTION expires July 1, 2021.

SECTION 219. [EFFECTIVE UPON PASSAGE] **(a) Any balance in the judicial branch insurance adjustment account established by IC 33-38-5-8.2(d), before its elimination by this act, shall be transferred to the state general fund on June 30, 2021.**

(b) This SECTION expires July 1, 2021.

SECTION 220. P.L.108-2019, SECTION 249, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2021]: SECTION 249. (a) The definitions of "vacation leave", "sick leave", and other types of leave used on July 1, 2010, by the department apply to this SECTION.

(b) As used in this SECTION, "department" refers to the state personnel department established by IC 4-15-2.2-13.

(c) As used in this SECTION, "pilot program" refers to the pilot program reestablished under subsection (d).

(d) The personnel committee of the legislative council for the legislative branch of state government or the Indiana supreme court for the judicial branch of state government, or both, may reestablish the pilot program established by P.L.220-2005, SECTION 8 (before its expiration), and P.L.220-2005, SECTION 10 (before its expiration), including provisions adopted by:

(1) the deferred compensation committee (established by IC 5-10-1.1-4) to govern the pilot program;

(2) the department under LSA Document #06-488(E) (before its expiration), filed with the publisher of the Indiana Register on October 16, 2006, to govern the pilot program; or

(3) the auditor of state to administer the pilot program.

(e) Subject to the Internal Revenue Code and applicable regulations, the personnel committee of the legislative council or the Indiana supreme court, or both, may adopt procedures to implement and administer the pilot program, including provisions established or reestablished under subsection (d).

(f) The auditor of state shall provide for the administration of the pilot program.

(g) This SECTION expires June 30, ~~2021.~~ **2023.**

SECTION 221. [EFFECTIVE UPON PASSAGE] **(a) For the state fiscal year beginning July 1, 2020, and ending June 30, 2021, six hundred million dollars ($600,000,000) is appropriated from the state general fund to the pre-1996 account described in IC 5-10.4-2-2(a)(1) of the Indiana public retirement system established by IC 5-10.5-2.**

(b) This SECTION expires June 30, 2022.

SECTION 222. [EFFECTIVE UPON PASSAGE] **(a) Fifty million dollars ($50,000,000) is appropriated from the state general fund to the Indiana public retirement system in the state fiscal year ending June 30, 2021, which shall be distributed to each supplemental reserve account created under IC 5-10.2-2 such that the Indiana public retirement system shall fund from each supplemental reserve account in the calendar year beginning January 1, 2022, to provide a one percent (1%) cost of living adjustment to the public employees' retirement fund established by IC 5-10.3-2-1, Indiana teachers' retirement fund established by IC 5-10.4-2-1, and state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan created by IC 5-10-5.5-2.**

(b) This SECTION expires June 30, 2022.

SECTION 223. [EFFECTIVE UPON PASSAGE] **(a) Three million fourteen thousand two-hundred fifty dollars ($3,014,250) is appropriated from the state general fund to the treasurer of state in the state fiscal year ending June 30, 2021, which shall be distributed to the state police pre-1987 benefit system created by IC 10-12-3 and the state police 1987 benefit system created by IC 10-12-4. Beginning January 1, 2022, the state police pre-1987 benefit system created by IC 10-12-3 and the state police 1987 benefit system created by IC 10-12-4 shall receive a one percent (1%) cost of living adjustment.**

(b) This SECTION expires June 30, 2022.

SECTION 224. [EFFECTIVE UPON PASSAGE] **(a) Augmentation is allowed from funds in each account created within the federal economic stimulus fund established in IC 4-12-18, as added by HEA 1123-2021, with regard to an appropriation in this act.**

(b) This SECTION expires June 30, 2023.

SECTION 225. [EFFECTIVE UPON PASSAGE] **(a) The legislative council is urged to assign to an appropriate interim study committee the task of studying the following issues regarding housing in Indiana during the 2021 legislative interim:**

(1) Affordable housing.

(2) Workforce housing.

(3) "Missing middle" housing, which consists of multi-unit or clustered housing types that are compatible in scale with single family homes.

(b) This SECTION expires January 1, 2022.

SECTION 226. [EFFECTIVE JULY 1, 2021] **(a) Not later than December 1, 2021, the department of education shall prepare and submit a report to the legislative council concerning the availability of federal funding through grants or other similar programs that may be used to hire school counselors for high schools, with a focus on school counselors who provide career counseling and planning for technical or vocational training paths.**

(b) The report submitted under this SECTION must be in an electronic format under IC 5-14-6.

(c) This SECTION expires July 1, 2023.

SECTION 227. [EFFECTIVE UPON PASSAGE] **(a) For the state fiscal year beginning July 1, 2020, and ending June 30, 2021, the budget agency may augment the county jail maintenance contingency fund appropriation from the state general fund by an amount not to exceed three million dollars ($3,000,000) to cover jail and parole holds. Any augmentation may only be used to pay for additional jail and parole holds and may not be used to provide additional funding to sheriffs for persons convicted of Level 6 felonies or to increase the jail and parole hold per diem above thirty-seven dollars and fifty cents ($37.50).**

(b) This SECTION expires June 30, 2022.

SECTION 228. [EFFECTIVE UPON PASSAGE] **(a) Notwithstanding the effective date, if a subdivision in IC 6-3-1-3.5 or clause in IC 6-5.5-1-2, as added by this act, specifies that it is effective for a particular taxable year or for actions or payments on or after a specified date, the effective date for that added provision is the date specified in the particular subdivision.**

(b) Notwithstanding the effective date of the amendment to IC 6-3-2-10, the provision relating to the deduction for amounts not taxable under this article pursuant to 45 U.S.C. 352 is intended as a clarification and is applicable to all prior years for which the deduction under IC 6-3-2-10 was allowed.

(c) The amendments to IC 6-3-2-2.5(c)(2) and IC 6-3-2-2.6(c)(2) apply to taxable years beginning after December 31, 2017.

(d) The amendments to IC 6-3-2-2.5 and IC 6-3-2-2.6 other than those described in subsection (c) apply to taxable years ending after June 30, 2021.

(e) If an Indiana net operating loss carryover remains for a taxable year ending after June 30, 2021, the Indiana net operating loss carryover for use in such taxable years shall be recomputed in a manner consistent with IC 6-3-2-2.5 and IC 6-3-2-2.6 as amended as if they applied to any previous taxable year.

(f) If an Indiana net operating loss arising from a taxable year has been claimed as a deduction in a taxable year ending before July 1, 2021, the Indiana net operating loss available for use in taxable years ending after June 30, 2021, shall be computed after application of the deductions taken for Indiana net operating losses in previous years to the extent necessary to prevent duplicate use of a net operating loss.

(g) The amendment to IC 6-5.5-1-11 is intended as a clarification and not as a substantive change.

(h) This SECTION expires July 1, 2024.

SECTION 229. [EFFECTIVE UPON PASSAGE] **(a) This SECTION applies after the general assembly recesses for the last time in April 2021, and before July 1, 2021.**

(b) Notwithstanding P.L.108-2019 (HEA 1001), SECTION 3, each member of the general assembly is entitled to the legislative business per diem allowance provided in P.L.108-2019 (HEA 1001), SECTION 3, for each day the member is engaged in official business, only when authorized by the speaker of the house of representatives or president pro tempore of the senate. However, each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area for each day that the chamber in which the individual is a member does not convene as a body.

(c) The amounts payable under this SECTION are payable from the appropriations provided in P.L.108-2019 (HEA 1001), SECTION 3, for the payment of legislative business per diem and subsistence allowances.

(d) The speaker of the house of representatives or the president pro tempore of the senate may establish general policies to implement this SECTION with respect to members of the chamber in which he serves as presiding officer.

(e) This SECTION expires July 1, 2021.

SECTION 230. **An emergency is declared for this act.**

(Reference is to EHB 1001 as reprinted April 13, 2021.)

T. BROWN	MISHLER
CHERRY	BASSLER
House Conferee	Senate Conferees

Roll Call 512: yeas 96, nays 2. Report adopted.

MESSAGE FROM THE GOVERNOR

Mr. Speaker and Members of the House of Representatives: On April 22, 2017, I signed into law House Enrolled Acts 1230.

ERIC HOLCOMB
Governor

ENROLLED ACTS SIGNED

The Speaker announced that he had signed House Enrolled Acts 1009, 1030, 1055, 1090, 1101, 1125, 1119, 1164, 1190, 1266, 1270, 1287, 1340, 1348, 1353, 1365, 1396, 1418, 1421, 1447 and 1514 on April 22.

ENROLLED ACTS SIGNED

The Speaker announced that he had signed Senate Enrolled Acts 133, 202, 292, 349, 352, 358, 368, 381 and 389 on April 22.

OTHER BUSINESS ON THE SPEAKER'S TABLE

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three coauthors and that Representatives Barrett and Clere be added as coauthors of House Bill 1405.

CARBAUGH

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 Rules and Legislative Procedures be removed as author of House Bill 1581 and Representative Steuerwald be substituted therefor.

STEUERWALD

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Rules and Legislative Procedures be removed as author of House Bill 1582 and Representative Steuerwald be substituted therefor.

STEUERWALD

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1001:

Conferees: Senator Bassler to replace Senator Melton

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1166:

Conferees: Senator Rogers to replace Senator Lanane

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1191:

Conferees: Senator Houchin to replace Senator Yoder

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the

following change in conferees appointments to Engrossed House Bill 1436:

Remove Senator L. Brown as advisor

Conferees: Senator L. Brown to replace Senator Lanane

Add: Senator Koch as advisor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84of the Standing Rules and Orders of the Senate, President Pro Tempore David Long has made the following change in conferees appointments to Engrossed House Bill 1549:

Conferees: Senator Kruse to replace Senator J.D. Ford

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed House Bills 1001, 1115, 1166, 1191, 1348, 1353, 1405, 1418, 1436, 1468 and 1549.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has adopted the Conference Committee Report 1 on Engrossed Senate Bills 5, 55, 80, 82, 245, 310, 383, 409, 413 and 414.

JENNIFER L. MERTZ
Principal Secretary of the Senate

On the motion of Representative T. Brown, the House adjourned at 1:17 p.m., this twenty-second day of April, 2021, until the fall of the gavel at a time and date as determined by the Speaker of the House of Representatives in consultation with the Minority Leader.

TODD M. HUSTON
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives