



Journal of the House

State of Indiana

121st General Assembly

Second Regular Session

Thirty-Third Day

Wednesday Morning

March 11, 2020

The invocation was offered by Pastor Stephen Williams of Martinsville Baptist Tabernacle in Martinsville, a guest of Representative Mayfield.

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 Jordan.

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

Abbott	Jackson
Austin	Jordan
Aylesworth	Judy
Bacon	Karickhoff
Baird	Kirchhofer
Barrett	Klinker
Bartels	Lauer
Bartlett	Lehe
Bauer	Lehman
Beck	Leonard
Behning	Lindauer
Borders	Lucas <input type="checkbox"/>
Boy	Lyness
T. Brown	Macer
Burton	Manning
Campbell	May
Candelaria Reardon <input type="checkbox"/>	Mayfield <input type="checkbox"/>
Carbaugh	McNamara
Cherry	Miller
Chyung	Moed
Clere	Morris
Cook	Morrison
Davisson <input type="checkbox"/>	Moseley <input type="checkbox"/>
Deal	Negele
DeLaney	Nisly
DeVon	Pfaff
Dvorak <input type="checkbox"/>	Pierce
Eberhart	Porter <input type="checkbox"/>
Ellington	Prescott
Engleman	Pressel
Errington	Pryor
Fleming	Saunders
Forestal <input type="checkbox"/>	Schaibley
Frye	Shackleford
GiaQuinta	Sherman
Goodin	Smaltz
Goodrich	V. Smith
Gutwein	Soliday
Hamilton	Speedy <input type="checkbox"/>
Harris	Steuerwald
Hatcher	Stutzman
Hatfield <input type="checkbox"/>	Sullivan
Heaton	Summers
Heine <input type="checkbox"/>	Thompson
Hostettler	Torr
Huston	VanNatter

Vermilion
Wesco
Wolkins
Wright

J. Young
Zent
Ziemke
Mr. Speaker

Roll Call 366: 89 present; 11 excused. The Speaker announced a quorum in attendance. [NOTE: indicates those who were excused.]

RESOLUTIONS ON FIRST READING

House Resolution 67

Representative Chyung introduced House Resolution 67:

A HOUSE RESOLUTION congratulating Lake Central White hockey team.

Whereas, The Lake Central White hockey team won the 2019-2020 1A state championship on March 7, 2020;

Whereas, The Lake Central White faced Hamilton Southeastern B at Midwest Training & Ice Center in Dyer, winning a hard fought game, 3-2;

Whereas, The members of the Lake Central White hockey team include Ben Kutka, Mark Tripenfeldas, Christian Van Zuidem, Jayden Lazowski, Sam Ruzas, Jack Stokes, Bryce Keslin, A. J. Bandstra, Joey Marx, Zack Pamedis, Ryan Geenen, Dominic Formella, Tyler Geenen, R. J. Mance, Tyler Skertich, Jacob Skertich, Joe Heuberger, Anthony Cioe, Parker Zager, and Dylan Barkauskas;

Whereas, Lake Central White is led by coaches Jace Hodge, Chris Ruzas, Corey Crull, and Gina Lazowski; and

Whereas, Lake Central continues a proud tradition of hockey and community involvement in northern Indiana: Therefore,

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

SECTION 1. That the Indiana House of Representatives congratulates the Lake Central White hockey team as 1A state final champions.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the office of State Representative Chris Chyung for distribution.

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

House Resolution 68

Representative Beck introduced House Resolution 68:

A HOUSE RESOLUTION congratulating Crown Point Varsity hockey team.

Whereas, The Crown Point Varsity hockey team won the 2019-2020 3A state championship on March 7, 2020, at Midwest Training & Ice Center in Hanover Township;

Whereas, The Bulldogs played great hockey as a single cohesive unit, winning against Indianapolis Brebeuf, 6-2;

Whereas, Six goals were made by six different goal scorers in what Northwest Indiana Times called a "depth that makes Crown Point dangerous";

Whereas, The members of the Crown Point Varsity hockey team include Evan Curry, Tucker Tone, Harry Wise, Kai Kekelik, Brendan Hegehuis, Cole Thompson, Donovan Hicks, Devin Hicks, Connor Philipp, Matthew Rovai, Gavin Houchin, Nickolas Crook, Tyler Philipp, Anthony Otten, Ryan Edgren, Conor Sivak, Daniel Dugan, Grant Walker, Noah Pollachek, and Joseph Gruber;

Whereas, Team captains Grant Walker and Brendan Hegehuis are seniors and finished the season with 12 goals and 10 assists and 21 goals and 23 assists, respectively;

Whereas, Assistant team captains Harry Wise and Nick Crook are seniors and finished the season with 4 goals and 4 assists and 17 goals and 13 assists, respectively;

Whereas, Goalie and senior Cole Thompson, with a solid defense provided in part by junior Conor Sivak and freshman Tyler Philipp, directly contributed to the team's success;

Whereas, Junior Joey Gruber was pivotal in scoring game winning goals during semi-state weekend against Culver B and big team rival Lake Central in overtime, finishing the season with 14 goals and 17 assists;

Whereas, Head coach Tim Philbin led the Bulldogs to their first state final win in 13 years;

Whereas, Coach Philbin and the Crown Point Varsity hockey team received essential support from assistant coach and Philbin's son, Bryan Philbin, assistant coaches Nick "Kaz" Kazmierczak and Tommy Merkelis, and goalie coach Dennis Biegel;

Whereas, Crown Point Varsity continues a proud tradition of hockey and community involvement in northern Indiana; and

Whereas, The Bulldogs' victory is their third overall state final win, and coach Tim Philbin believes the depth of skill on the team will result in continued success for years to come: Therefore,

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

SECTION 1. That the Indiana House of Representatives congratulates the Crown Point Varsity hockey team as 3A state final champions.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the office of State Representative Lisa Beck for distribution.

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

CONFEREES AND ADVISORS APPOINTED

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

EHB 1042	Conferee:	Representative Clere replacing Representative Davisson
	Advisors:	Remove Representative Clere as advisor
EHB 1207	Conferee:	Representative Clere replacing Representative Davisson
ESB 178	Conferee:	Representatives Wesco and Dvorak
	Advisors:	Representatives Bosma, Lehman, Steuerwald, Boy, Moseley and Pfaff

Representatives Candelaria Reardon and Porter, who had been excused, are now present.

Representatives Carbaugh and Lehman, who had been present, are now excused.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 8 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1014 and 1385

Engrossed Senate Bills 299, 346 and 438

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 8 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1014 and 1385

Engrossed Senate Bills 299, 346 and 438

LEONARD, Chair

Motion prevailed.

CONFERENCE COMMITTEE REPORT

EHB 1014-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1014 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-37-7-8, AS ADDED BY P.L.167-2011, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The chief executive officer of the corporation may enter into a memorandum of understanding with one (1) or more nonprofit organizations that are recognized supporters of a specific state historic site and are exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The memorandum of understanding may provide that the nonprofit organization or organizations may maintain a gift shop and offer special events at the state historic site.

(b) A memorandum of understanding entered into under this section may not do any of the following to restrict the fundraising activities of an organization described in subsection (a):

(1) Require the organization to deposit into the fund the proceeds of a fundraising activity approved by the chief executive officer.

(2) Require the organization to send money donated to the organization to the corporation.

(3) Require the approval of the chief executive officer, or the chief executive officer's designee, before the organization pursues general donations from individuals and other entities.

(4) Restrict, regulate, or limit the ability of the organization to hold offsite fundraising programs or activities.

(5) Restrict, regulate, or limit the ability of the organization to promote or advertise any onsite or offsite fundraising programs or activities on social media, via electronic mail, on an Internet web site, or by any other means.

(c) A memorandum of understanding entered into under this section may not do any of the following:

(1) Require the organization to be any type of supporting organization (as the term is used in the Internal Revenue Code).

(2) Require a representative of the corporation to be a voting or nonvoting member of the organization's board of directors.

(3) Require the organization to submit to the corporation any organization documents, correspondence, electronic mail, or other data that are not required to be submitted by the Internal Revenue Service.

(4) Require the organization to submit an audit of the organization's funds.

(5) Restrict, regulate, or otherwise limit the ability of the organization to promote any onsite or offsite activities.

(6) Allow the corporation to take a nonprofit organization's real or financial assets.

(7) Require the organization to pay any rental or other fee to support an event at a state historic site that is sponsored by the organization or the corporation.

(d) The corporation shall return to the organization any funds raised by the organization and donated to the corporation that:

(1) are designated as donor restricted funds for a specific use in a historic site project; and

(2) are not used for the donor's specified use in the historic site project;

upon the completion of the historic site project.

SECTION 2. An emergency is declared for this act.

(Reference is to EHB 1014 as printed February 18, 2020.)

LEHE GASKILL

KLINKER BUCK

House Conferees Senate Conferees

Roll Call 367: yeas 84, nays 5. Report adopted.

Representatives Carbaugh, Dvorak, Lehman and Lucas, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT

EHB 1385-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1385 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 6-6-11-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 1. As used in this chapter, "boat" means any device in which a person may be transported upon water and includes every motorboat, sailboat, pontoon boat, rowboat, skiff, dinghy, or canoe; regardless of size: or "watercraft" has the meaning set forth for "watercraft" in IC 9-13-2-198.5.

SECTION 2. IC 6-6-11-2 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 2: As used in this chapter, "boating equipment" means motors used in connection with a boat.

SECTION 3. IC 6-6-11-3 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 3: As used in this chapter, "boating year" means a calendar year.

SECTION 4. IC 6-6-11-4 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 4: As used in this chapter, "motorized boat" means a boat that is propelled by an internal combustion, steam, or electrical inboard or outboard motor or engine or propelled by any mechanical means, including a sailboat that is equipped with a motor or engine.

SECTION 5. IC 6-6-11-5, AS AMENDED BY P.L.245-2015, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 5. As used in this chapter, "tax situs" means the taxing district in which a boat is located on the assessment date of a boating year unless:

(1) the boat is acquired after the assessment date, in which case the boat's tax situs is where the owner intends to have the boat on the following assessment date; or

(2) the boat is registered outside Indiana, in which case the boat's tax situs is the taxing district in which the boat is principally stored or operated during the boating year: date the boat is registered under IC 9-18.1-14.5.

SECTION 6. IC 6-6-11-8, AS AMENDED BY P.L.178-2019, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 8. (a) Except as provided in subsections subsection (b), and (d); a boat may not be operated, used, docked, or stored in a county during any part of a boating registration year unless:

(1) unless:

- (A) the boat excise tax; and
- (B) the boat registration fees imposed by IC 9-31-3-9;

for that boat have been paid for that boating year; and

(2) unless valid boat excise tax decals for that boating year are affixed to the boat:

(1) the boat has been registered under IC 9-18.1-14.5; or

(2) the boat is not required to be registered under IC 9-18.1-14.5.

(b) A boat may be operated, used, docked, or stored in a county without the boat excise tax having been paid if:

(1) the boat is exempt from the excise tax under section 9 of this chapter; or

(2) the operator of the boat has in the operator's possession a bill of sale from a dealer or private individual that includes the following:

(A) The purchaser's name and address:

(B) A date of purchase that is not more than thirty-one (31) days preceding the date that the operator is required to show the bill of sale:

(C) The make and type of boat or the hull identification number:

(b) A boat is exempt from the boat excise tax imposed by this chapter if the boat is:

- (1) exempt from registration fees under IC 9-18.1-14.5-7; or
- (2) used by a person for the production of income and subject to assessment under IC 6-1.1, proof of which has been provided to the bureau.

(c) Boats that are subject to the boat excise tax for a boating registration year are not subject to assessment and taxation under IC 6-1.1 for ad valorem property taxes first due and payable in the following boating registration year, with respect to the taxpayer who must pay the boat excise tax.

(d) A boat may be operated, used, docked, or stored in a county without valid boat excise tax decals for that boating year being affixed to the boat if the decals do not have to be affixed to the boat under rules adopted by the department of natural resources.

(d) If the boat excise tax imposed by this chapter was not paid for one (1) or more preceding registration years, the bureau of motor vehicles may collect only the boat excise tax imposed by this chapter for the:

- (1) registration year immediately preceding the current registration year;
- (2) current registration year; and
- (3) registration year immediately following the current registration year.

SECTION 7. IC 6-6-11-9 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 9: A boat is exempt from the boat excise tax imposed for a year if the boat is:

- (1) owned by the United States;
- (2) owned by the state or one (1) of its political subdivisions (as defined in IC 36-1-2-13);
- (3) owned by an organization exempt from federal income taxation under 501(c)(3) of the Internal Revenue Code;
- (4) a human powered vessel, as determined by the department of natural resources;
- (5) held by a boat manufacturer, distributor, or dealer for sale in the ordinary course of business;
- (6) used by a person for the production of income and subject to assessment under IC 6-1.1;
- (7) stored in Indiana for less than twenty-two (22) consecutive days and not operated, used, or docked in Indiana;
- (8) except as provided in subdivision (9); registered outside Indiana and operated, used, or docked in Indiana for a combined total of less than twenty-two (22) consecutive days during the boating year;
- (9) a motorboat (as defined by IC 9-13-2-103.5) and is registered outside Indiana and docked on the Indiana part of Lake Michigan for a combined total of not more than one hundred eighty (180) consecutive days; or
- (10) subject to the commercial vessel tonnage tax under IC 6-6-6.

SECTION 8. IC 6-6-11-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 10. (a) The amount of boat excise tax that a boat owner shall pay for a boating registration year is based on the boat's class and age.

(b) Motorized boats and sailboats Boats are classified for excise tax purposes according to the value of the boat when the boat was new. The amount of excise tax for a boating year that is imposed for a motorized boat or a sailboat and owed by the boat owner is prescribed in the following table:

MOTORIZED BOATS or SAILBOATS BOAT VALUE

CLASS	WHEN NEW AT LEAST but	TAX DUE LESS THAN	
1	\$ 0.01	\$ 500	\$ 2
2	500	1,000	6
3	1,000	1,500	20
4	1,500	2,000	30
5	2,000	3,000	42
6	3,000	5,000	55
7	5,000	7,500	70
8	7,500	10,000	88
9	10,000	15,000	110
10	15,000	22,500	150
11	22,500	35,000	200
12	35,000	50,000	275
13	50,000	75,000	375
14	75,000 or more	500	

The bureau of motor vehicles shall may adopt rules under IC 4-22-2 for determining the value of new boats. A tax paid under subsection (c) may be used as a credit against the taxes owed for the same boating registration year under this subsection.

(c) Notwithstanding subsection (b), the amount of excise tax imposed and owed by a boat owner is twelve dollars (\$12) for a motorized boat or a sailboat that is stored in Indiana for sixty (60) consecutive days or more but not operated, used, or docked in Indiana waters, except to facilitate storage of the boat.

SECTION 9. IC 6-6-11-13, AS AMENDED BY P.L.178-2019, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 13. (a) A boat owner shall pay the boat excise tax for a boating registration year to the bureau of motor vehicles. If the motorboat is legally registered in another state, the boat owner must pay the excise tax and the two dollar (\$2) fee imposed by IC 9-31-3-2 for a boating year to the bureau of motor vehicles.

(b) Subject to subsection (c); The tax and fees set forth in subsection (a) must be paid at the same time that the boat owner pays or would pay the registration fee and vehicle excise taxes on motor vehicles under IC 9-18 (before its expiration), IC 9-18.1, and IC 6-6-5. When the boat owner pays the tax and fees, the owner is entitled to receive the excise tax registration decals.

(c) If the boat excise tax imposed by this chapter was not paid for one (1) or more preceding boating years, the bureau may collect only the boat excise tax imposed by this chapter for the:

- (1) boating year immediately preceding the current boating year;
- (2) current boating year; and
- (3) boating year immediately following the current boating year.

SECTION 10. IC 6-6-11-14, AS AMENDED BY P.L.256-2017, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 14. (a) For This section applies to a boat which has been acquired, or brought into Indiana, or for any other reason becomes subject to registration or the boat excise tax after the regular annual tax payment date in the boating registration year on or before which the owner is required to pay the tax on boats under this chapter. The tax imposed by this chapter shall become due and payable no later than

- (1) the thirty-second day after the boat is operated in Indiana; if the boat is registered in Indiana;
- (2) except as provided in subdivision (3); the twenty-second consecutive day during the boating year that the boat is:
 - (A) stored in Indiana; or

(B) operated, used, or docked in Indiana waters if the boat is registered outside Indiana; or

(3) the one hundred eighty-first day that the motorboat (as defined by IC 9-13-2-103.5) is docked on the Indiana part of Lake Michigan if the motorboat is registered outside Indiana: the date the boat is required to be registered in Indiana under IC 9-18.1-14.5-8.

(b) The amount of excise tax to be paid by the owner for the remainder of the year shall be reduced by one-twelfth (1/12) for each full calendar month which has elapsed since the regular annual tax payment date in the year fixed by the bureau of motor vehicles for tax payment by the owner.

(b) The boat excise tax owed by the owner at the time of registration of the boat is calculated in the same manner as a motor vehicle excise tax under IC 6-6-5-7.2(c).

(c) The owner of a boat who sells or otherwise disposes of the boat in a year in which the owner has paid the excise tax imposed by this chapter is entitled to receive a credit that is calculated in the same manner and subject to the same requirements as the credit for the excise tax under IC 6-6-5-7.2(e).

(d) If the name of the owner of a boat is legally changed and the change has caused a change in the owner's annual registration date, the boat excise tax liability of the owner shall be adjusted in the same manner as excise taxes are adjusted under IC 6-6-5-7.2(f).

(e) The owner of a boat registered with the bureau of motor vehicles is entitled to a refund of boat excise taxes calculated in the same manner as motor vehicle excise tax under IC 6-6-5-7.4 if, after the owner's registration date:

- (1) the owner registers the boat for use in another state;
- (2) the owner pays tax for use of the boat in another state for the same time period for which the tax was paid under this chapter; and
- (3) the amount of the refund is at least four dollars (\$4).

(f) To claim a credit or a refund, or both, under this chapter, a person must comply with the provisions of IC 6-6-5-7.7.

SECTION 11. IC 6-6-11-15 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 15: For a boat which is acquired, or brought into Indiana, or for any other reason becomes subject to taxation under this chapter during the middle of the current boating year, the owner may pay the fees and the excise tax due on the boat as provided in this chapter and any excise tax due on the boat for the remainder of the boating year and simultaneously pay the fees and the excise tax due for the following boating year:

SECTION 12. IC 6-6-11-16 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 16: (a) Except as provided in sections 11 and 19 of this chapter, a reduction in the excise tax is not allowed to Indiana residents if the boat was owned by the person on or before the person's tax payment date:

(b) A boat owner is not entitled to a refund of excise taxes paid because the boat owner changes the boat owner's state or country of residency:

SECTION 13. IC 6-6-11-17 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 17: (a) The owner of a boat who sells or otherwise disposes of the boat in a year in which the boat owner has paid the tax imposed by this chapter is entitled to receive a credit equal to the remainder of:

- (1) the tax paid for the boat, minus
- (2) one-twelfth (1/12) for each full or partial calendar month that has elapsed from the date the tax was due to the date of the sale, destruction, or other disposal of the boat.

(b) If the credit is not fully used within ninety (90) days after the date of the sale, destruction, or other disposal of the boat and the amount of the credit is at least four dollars (\$4), the bureau shall issue a refund to the owner in the amount of the unused

credit, less a fee of three dollars (\$3) to cover the costs of processing the refund: The bureau shall deposit the processing fee in the commission fund (established by IC 9-14-14-1).

(e) To claim the credit and refund provided by this section, the owner of the boat must present to the bureau proof of the sale, destruction, or other disposal of the boat:

SECTION 14. IC 6-6-11-17.5 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 17.5: (a) To claim a credit or refund, or both, a person must provide a sworn statement to the bureau that the person is entitled to the credit or refund, or both, claimed by the person:

(b) The bureau may inspect records of a person claiming a credit or refund, or both, under this chapter to determine whether a credit or refund, or both, was properly allowed against the excise tax imposed under this chapter for a boat owned by the person:

(c) If the bureau determines that a credit or refund, or both, was improperly allowed to a person for a boat, the person shall pay the bureau the amount of the credit and refund that was improperly allowed to the person plus a penalty equal to ten percent (10%) of the amount of the credit or refund, or both, that was improperly allowed to the person: The tax collected under this section shall be distributed to the county treasurer of the county where the boat's tax situs is located: However, the bureau shall retain any penalty collected under this subsection:

SECTION 15. IC 6-6-11-19 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 19: If the name of the owner of a boat is legally changed and the change has caused a change in the owner's annual tax payment date, the excise tax liability of the owner shall be adjusted as follows:

(1) If the name change requires the owner to pay the excise tax sooner than the owner would have been required to pay if there had been no name change, the owner shall, at the time the name change is reported, be authorized a refund from the county treasurer in the amount of the product of:

- (A) one-twelfth (1/12) of the owner's last preceding annual excise tax liability, multiplied by
- (B) the number of full calendar months between the owner's new tax payment month and the tax payment month that is based on the owner's former name:

(2) If the name change requires the owner to pay the excise tax later than the owner would have been required to pay if there had been no name change, the boat is subject to excise tax for the period between the month in which the owner would have been required to pay if there had been no name change and the new tax payment month: The amount of the tax is equal to the amount determined under STEP FOUR of the following formula:

STEP ONE: Determine the number of full calendar months between the month in which the owner would have been required to register if there had been no name change and the owner's new annual registration month:
STEP TWO: Multiply:

- (i) the STEP ONE result; by
- (ii) one-twelfth (1/12):

STEP THREE: Determine the owner's excise tax liability computed as of the time the owner would have been required to pay the excise tax if there had been no name change:

STEP FOUR: Multiply:
(i) the STEP TWO result; by
(ii) the STEP THREE result:

SECTION 16. IC 6-6-11-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 21. The state board of accounts shall prescribe the tax payment form to be used by the bureau of motor vehicles. The board shall prescribe one (1) document to serve as the form. The form must have a sufficient number of copies for distribution and include appropriate spaces for the following information:

- (1) The owner's name and address.
- (2) The name of the county and the address of the location where the boat has its tax situs for the **boating registration** year.
- (3) A description of the boat, including the manufacturer's specified length for the boat.
- (4) The age of the boat.
- (5) The class prescribed for the boat under this chapter.
- (6) The excise tax imposed on the boat for the **boating registration** year under this chapter.
- (7) The boat's state registration or Coast Guard documentation number, if any, and any other information reasonably required by the department of natural resources.
- (8) The signature of the boat owner on the owner's copy of the form verifying that the information is true and correct and acknowledging that the boat owner will be subject to penalties for perjury for providing false information.
- (9) Any other information prescribed by the state board of accounts.

SECTION 17. IC 6-6-11-22 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. ~~Sec. 22: The department of natural resources shall prescribe the design of the boat excise tax decals in sufficient time for the bureau of motor vehicles to procure a sufficient number of boat excise tax decals for each class of boat. Each decal must:~~

- ~~(1) state the boating year to which the decal applies;~~
- ~~(2) have a unique identification number;~~
- ~~(3) be a different color than the colors used for the previous boating year; and~~
- ~~(4) be designed so that law enforcement officers can easily identify whether the decal is valid.~~

SECTION 18. IC 6-6-11-23.5 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. ~~Sec. 23.5: The bureau of motor vehicles may issue a decal to a boat owned by an organization exempt from Federal income taxation under 501(c)(3) of the Internal Revenue Code.~~

SECTION 19. IC 6-6-11-24 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. ~~Sec. 24: The taxpayer shall affix the boat excise tax decals:~~

- ~~(1) to the bow of each side of the boat, within three (3) inches to the right of the boat's registration number; or~~
- ~~(2) on each side of the forward half of the bow above the water line of the boat if a registration number is not required to be displayed.~~

However, the department of natural resources may adopt rules under IC 4-22-2 providing that decals do not have to be affixed to certain types of boats.

SECTION 20. IC 6-6-11-26 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. ~~Sec. 26: If a boat owner has a judgment entered against the owner for violating section 25 of this chapter, the court shall transmit a copy of the judgment to the bureau of motor vehicles. A boat owner who does not pay the boat excise tax on or before the due date shall pay a delinquent fee equal to one hundred percent (100%) of the boat excise tax due. The bureau of motor vehicles shall collect this delinquent fee along with the excise taxes due for the boat. The amount collected in delinquent fees shall be credited to a special account within the state general fund to be used as provided in section 35 of this chapter.~~

SECTION 21. IC 6-6-11-27 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. ~~Sec. 27: A person who falsifies, predates, changes, or counterfeits a boat excise tax decal commits a Class C misdemeanor.~~

SECTION 22. IC 6-6-11-29, AS AMENDED BY P.L.178-2019, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 29. (a) The bureau of motor vehicles shall transfer the boat registration fee, the delinquent excise taxes, and the delinquent fees collected under this chapter during the preceding month as

follows:

- (1) On or before the eleventh day of each month, the bureau of motor vehicles shall transfer to the bureau of motor vehicles commission fund an amount equal to five percent (5%) of each excise tax transaction completed by the bureau. The money is to be used to cover the expenses incurred by or on behalf of the bureau of motor vehicles ~~for returns, decals, collecting the fees and excise taxes and for amounts deposited in the commission fund. in administering this chapter.~~

~~(2) At least quarterly, the bureau of motor vehicles shall set aside for the department of natural resources the delinquent fees collected under this chapter to use as provided in section 35 of this chapter.~~

- ~~(3) (2) On or before the tenth day of each month, the bureau of motor vehicles shall distribute to each county the excise tax collections including delinquent tax collections, for the county for the preceding month. The bureau of motor vehicles shall include a report with each distribution showing the information necessary for the county auditor to allocate the revenue among the taxing units of the county.~~

~~(4) (3) The bureau of motor vehicles shall deposit the revenue from the boat registration fee imposed by IC 9-31-3-9 (before its repeal) and IC 9-18.1-14.5-6 in the conservation officers marine enforcement fund established by IC 14-9-8-21.5, the fish and wildlife fund established by IC 14-22-3-2, and the lake and river enhancement fund established by IC 14-22-3.5, as provided in IC 9-31-3-9 (before its repeal) or IC 9-18.1-14.5-6.~~

(b) Money credited to each county's account in the state general fund is appropriated to make the distributions and the transfers required by subsection (a). The distributions shall be made upon warrants drawn from the state general fund.

SECTION 23. IC 6-6-11-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 30. Before March 1 of each year the bureau of motor vehicles shall prepare a boat excise tax summary covering the previous **boating** year. The summary must include the following:

- (1) The number of boats by county.
- (2) The number of boats by class.
- (3) The amount of excise tax collected by class.

The bureau shall send a copy of the summary to the auditor of state, the department of natural resources, and the county assessors.

SECTION 24. IC 6-6-11-35 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. ~~Sec. 35: The money set aside from the department of natural resources fees for the department of natural resources under section 29 of this chapter is annually appropriated and shall be used exclusively for the following:~~

- ~~(1) The enforcement of laws pertaining to watercraft.~~
- ~~(2) The state's share of the cost of retirement benefits for the department's conservation officers.~~
- ~~(3) Improving the navigable waters of Indiana.~~

SECTION 25. IC 8-4.5-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. "Recreational trail" means a trail or path that:

- (1) includes a corridor along any part of its length; and
- (2) is intended to be used for:
 - (A) bicycling;
 - (B) exercising;
 - (C) hiking;
 - (D) running;
 - (E) riding:
 - (i) in or on a vehicle of any kind, regardless of the means of propelling the vehicle; or
 - (ii) on any animal;
 - (F) walking; or
 - (G) any other recreational purpose; and

(3) is funded through the recreational trails program under IC 8-4.5-5.

However, the term does not include a highway, road, or street (as defined in IC 8-23-1-23).

SECTION 26. IC 8-4.5-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. The state may acquire any part of a railroad's interest in a corridor under this chapter for any of the following purposes:

- (1) A present or future rail line.
- (2) A transportation corridor.
- (3) A communication corridor.
- (4) A recreational trail.
- (5) A utility corridor.
- (6) The preservation of a railroad corridor.
- (7) Any combination of purposes described in subdivisions (1) through (6).

SECTION 27. IC 8-4.5-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. In determining whether the state should acquire any part of a railroad's interest in a corridor, the Indiana department of transportation shall consider the following factors:

- (1) The potential for future use of the railroad's interest in the corridor as a freight or high-speed passenger rail line, considering the following:
 - (A) The potential need for use of the railroad's interest in the corridor for future transportation purposes.
 - (B) The cost of maintaining the railroad's interest in the corridor during any time before the future transportation use will begin.
 - (C) The effect of any interim use and the future transportation use of the railroad's interest in the corridor on property owners.
 - (D) Any relevant requirement of any federal law.
 - (E) Any other factor the department considers relevant.
- (2) Based on the recommendation of the department of natural resources, the potential for recreational use of the railroad's interest in the corridor considering the following:
 - (A) The recreational value of the railroad's interest in the corridor.
 - (B) The feasibility of using the railroad's interest in the corridor for recreation.
 - (C) The likelihood that there may be significant recreational use of the railroad's interest in the corridor if the railroad's interest in the corridor is converted to a recreational trail.
 - (D) The general acceptability of the proposed recreational use of the railroad's interest in the corridor to property owners and the community at large.
 - (E) The existence of a willing person, whether public or private, to operate the railroad's interest in the corridor for the proposed recreational use.
 - (F) Any relevant requirement of any federal law.
 - (G) Any other factor the department considers relevant.
- (3) The potential for the use of the railroad's interest in the corridor for communications or utility use.
- (4) Whether there are funds to acquire the railroad's interest in the corridor.

SECTION 28. IC 8-4.5-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. If a railroad's interest in a corridor is acquired under this chapter for a recreational purpose, the railroad's interest in the corridor ~~must~~ **may** be developed and operated under IC 8-4.5-5.

SECTION 29. IC 9-13-2-103.5 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. ~~103.5~~. (a) "~~Motorboat~~" means a watercraft propelled by an internal combustion, steam, or electrical inboard or outboard motor or engine or by any mechanical means.

(b) The term includes a sailboat that is equipped with a motor or an engine described in subsection (a) when the sailboat is in operation whether or not the sails are hoisted.

SECTION 30. IC 9-13-2-117.5, AS AMENDED BY P.L.198-2016, SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 117.5. "Operate" means to navigate or otherwise be in actual physical control of a vehicle, ~~motorboat~~, **watercraft**, off-road vehicle, or snowmobile.

SECTION 31. IC 9-13-2-118, AS AMENDED BY P.L.198-2016, SECTION 139, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 118. (a) Except as provided in ~~IC 9-31~~, **subsection (b)**, "operator" means an individual who operates a vehicle, ~~motorboat~~, **watercraft**, off-road vehicle, or snowmobile.

(b) "Operator", for purposes of IC 9-18.1-14.5, has the meaning set forth in 33 CFR 174.3.

SECTION 32. IC 9-13-2-121, AS AMENDED BY P.L.198-2016, SECTION 142, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 121. (a) Except as otherwise provided in ~~IC 9-31~~, **subsection (b)**, "owner" means a person, other than a lienholder, that:

- (1) holds the property in or title to, as applicable, a vehicle, manufactured home, mobile home, off-road vehicle, snowmobile, or watercraft; or
- (2) is entitled to the use or possession of, as applicable, a vehicle, manufactured home, off-road vehicle, snowmobile, or watercraft, through a lease or other agreement intended to operate as a security.

(b) "Owner" for purposes of IC 9-18.1-14.5, has the meaning set forth in 33 CFR 174.3.

SECTION 33. IC 9-13-2-196, AS AMENDED BY P.L.142-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 196. (a) "Vehicle" means, except as otherwise provided in this section, a device in, upon, or by which a person or property is, or may be, transported or drawn upon a highway. The term does not include the following:

- (1) A device moved by human power.
 - (2) A device that runs only on rails or tracks.
 - (3) A wheelchair.
 - (4) An electric foot scooter.
- (b) For purposes of IC 9-17, the term includes the following:
- (1) Off-road vehicles.
 - (2) Manufactured homes or mobile homes that are:
 - (A) personal property not held for resale; and
 - (B) not attached to real estate by a permanent foundation.
 - (3) Watercraft.

(c) For purposes of IC 9-22 (**except IC 9-22-6**) and IC 9-32, the term refers to a vehicle **or watercraft** of a type that must be registered under IC 9-18-2 (before its expiration) or IC 9-18.1, other than an off-road vehicle or a snowmobile under IC 9-18-2.5 (before its expiration) or IC 9-18.1-14.

(d) For purposes of IC 9-30-5, IC 9-30-6, IC 9-30-8, and IC 9-30-9, the term means a device for transportation by land or air. The term does not include an electric personal assistive mobility device.

SECTION 34. IC 9-13-2-198.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 198.5.

(a) "Watercraft" means a contrivance used or designed for navigation on water, including a vessel, boat, motor vessel, steam vessel, sailboat, vessel operated by machinery either permanently or temporarily affixed, scow, tugboat, or any marine equipment that is capable of carrying passengers. ~~except a ferry.~~

(b) The term does not include a craft that:

- (1) is powered by its occupants, including a canoe, rowboat, or paddleboat; and**
- (2) does not contain any type of mechanical propellant, including internal combustion, steam, or electrical inboard or outboard motor or engine.**

SECTION 35. IC 9-14-12-2, AS AMENDED BY P.L.27-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 2. The bureau shall maintain the following records:

(1) All records related to or concerning certificates of title issued by the bureau under IC 9-17 and IC 9-31 (**before its repeal**), including the following:

- (A) An original certificate of title and all assignments and reissues of the certificate of title.
- (B) All documents submitted in support of an application for a certificate of title.
- (C) Any notations recorded on a certificate of title.
- (D) A listing of all reported buyback vehicles in accordance with IC 9-17-3-3.5.
- (E) Any inspection that is conducted:
 - (i) by an employee of the bureau or commission; and
 - (ii) with respect to a certificate of title issued by the bureau.

(2) All records related to or concerning registrations issued under IC 9-18 (before its expiration), IC 9-18.1, or IC 9-31 (**before its repeal**), including the following:

- (A) The distinctive registration number assigned to each vehicle registered under IC 9-18 (before its expiration) or IC 9-18.1 or each watercraft registered under IC 9-31 (**before its repeal**).
- (B) All documents submitted in support of applications for registration.

(3) All records related to or concerning credentials issued by the bureau under IC 9-24, including applications and information submitted by applicants.

(4) All driving records maintained by the bureau under section 3 of this chapter.

(5) A record of each individual that acknowledges making an anatomical gift as set forth in IC 9-24-17.

SECTION 36. IC 9-17-1-1, AS AMENDED BY P.L.198-2016, SECTION 199, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 1. (a) This article does not apply to the following:

(1) A vehicle that is not required to be registered under IC 9-18-2 (before its expiration) or IC 9-18.1.

(2) Special machinery.

(3) A motor vehicle that was designed to have a maximum design speed of not more than twenty-five (25) miles per hour and that was built, constructed, modified, or assembled by a person other than the manufacturer.

(4) Motor driven cycles.

(5) An off-road vehicle that was purchased or otherwise acquired before January 1, 2010.

(6) Snowmobiles.

(7) A watercraft that is not required to be registered under IC 9-31-3 (**before its repeal**) or **IC 9-18.1-14.5**.

(b) Notwithstanding subsection (a), a person may apply for:

- (1) a certificate of title under IC 9-17-2-2; or
- (2) a special identification number under IC 9-17-4;

for a vehicle listed in subsection (a).

(c) If the bureau issues a certificate of title under subsection (b)(1), the vehicle remains subject to this article until the titleholder surrenders the title to the bureau.

SECTION 37. IC 9-18.1-9-4, AS ADDED BY P.L.198-2016, SECTION 326, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 4. The bureau may issue a confidential license plate or **other proof of registration** for investigative purposes to the following:

(1) A state agency upon the annual consent of the bureau or the Indiana department of administration.

(2) Other investigative agencies upon the annual consent of the superintendent of the state police.

SECTION 38. IC 9-18.1-14.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]:

Chapter 14.5. Watercraft

Sec. 1. (a) Except as provided in subsection (b), a watercraft may not be operated, used, docked, or stored in Indiana during any part of a calendar year unless the watercraft:

- (1) is registered under this chapter; and
- (2) displays proof of registration under this chapter.

(b) Registration is not required for the following watercraft:

- (1) A watercraft that is from a country other than the United States temporarily using the waters of Indiana.
- (2) A ship's lifeboat, when used solely as a lifeboat of another boat and for no other recreational purpose.
- (3) Except as provided in subdivision (4), a watercraft that is registered outside of Indiana and operated, used, stored, or docked in Indiana for a combined total of not more than sixty (60) consecutive days during a calendar year.

(4) A watercraft that is registered outside of Indiana and docked on the Indiana part of Lake Michigan for a combined total of not more than one hundred eighty (180) consecutive days.

(5) A watercraft that belongs to a class of boats that has been exempted from registration and numbering by the bureau after the bureau has found the following:

(A) That an agency of the federal government has a numbering system applicable to the class of watercraft to which the watercraft in question belongs.

(B) That the watercraft would also be exempt from numbering if the watercraft were subject to federal law.

(6) A watercraft, the operator of which has in the operator's possession a bill of sale from a dealer licensed under IC 9-32 or private individual that includes the following:

(A) The purchaser's name and address.

(B) A date of purchase that is not more than forty-five (45) days preceding the date that the operator is required to show the bill of sale.

(C) The make, model, and identification number of the watercraft provided by the manufacturer.

(7) A watercraft held by a watercraft manufacturer, distributor, or dealer for sale in the ordinary course of business.

(8) A watercraft subject to the commercial vessel tonnage tax under IC 6-6-6.

(c) A person that fails to register a watercraft that is required to be registered under this chapter commits a Class C infraction.

Sec. 2. (a) A person that desires to register a watercraft must submit an application, in a form and manner prescribed by the bureau, that contains the following information:

(1) The name of the owner of the watercraft, and, if the watercraft is leased, the name of the lessee.

(2) The person's address in Indiana, including the county and township, on the date of the application, as follows:

(A) If the person is an individual, the person's residence address. However, if the person participates in the address confidentiality program under IC 5-26.5, the address may be a substitute address designated by the office of the attorney general under IC 5-26.5.

(B) If the person is not an individual, the person's principal office in Indiana.

(C) If the person does not have a physical residence or office in Indiana, the county and township in Indiana where the watercraft will be primarily

operated or stored.

(3) A description of the watercraft to be registered, including the identification number and color of the watercraft.

(4) The tax situs of the watercraft as defined in IC 6-6-11-5.

(5) Any other information required by the bureau.

(b) An application made online or through the United States mail is not required to be sworn or notarized.

(c) A person may apply on behalf of another person to register a watercraft under this chapter. However, the person in whose name the watercraft will be registered must sign and verify the application.

(d) A person that makes a false statement in an application under this section commits a Class C infraction.

Sec. 3. The bureau may not register a watercraft unless:

(1) the watercraft has an identification number;

(2) the registrant:

(A) pays the applicable boat excise tax for the watercraft under IC 6-6-11; or

(B) provides proof in a manner acceptable to the bureau that the watercraft is exempt from the boat excise tax for watercraft under IC 6-6-11;

(3) the registrant titles the watercraft under IC 9-17; and

(4) the registrant pays the appropriate registration fee under section 6 of this chapter.

Sec. 4. (a) The bureau shall use due diligence in examining and determining the genuineness, regularity, and legality of the information provided by a person as part of a request to register a watercraft under this chapter.

(b) The bureau may:

(1) make investigations or require additional information; and

(2) reject an application or request;

if the bureau is not satisfied of the genuineness, regularity, or legality of an application or the truth of a statement contained in an application or request, or for any other reason.

Sec. 5. (a) If the bureau determines that a person applying to register a watercraft is entitled to register the watercraft, the bureau shall register the watercraft and issue to the applicant proof of registration for display on the watercraft and a certificate of registration.

(b) Proof of registration for display on the watercraft must be displayed in a manner prescribed by the department of natural resources, including the following:

(1) The registration number set forth in the certificate of registration must be displayed on each side of the bow of the watercraft. The display must be legible. However, a watercraft that has a valid marine document issued by the United States Bureau of Customs is not required to display the registration number.

(2) If a watercraft is required to be registered under 33 CFR 173, the registration number must be displayed in the manner prescribed by 33 CFR 173.27.

(3) Decals indicating the year of expiration of registration, with a unique identification number and a different color than colors used for the previous registration year, must be affixed:

(A) to the bow of each side of the watercraft, within three (3) inches to the right of the watercraft's registration number; or

(B) on each side of the forward half of the bow above the water line of the watercraft if a registration number is not required to be displayed.

However, the department of natural resources may adopt rules under IC 4-22-2 providing that the decals do not have to be affixed to a particular type of watercraft.

(c) A number other than the number awarded to a

watercraft or granted reciprocity under this chapter may not be painted, attached, or otherwise displayed on each side of the bow of the watercraft.

(d) A person that fails to:

(1) carry a certificate of registration or a legible reproduction of a certificate of registration; or

(2) display proof of registration for display on the watercraft as required by the department of natural resources;

commits a Class C infraction.

(e) Certificates of registration, decals, and other proof of registration issued under this section:

(1) remain the property of the bureau; and

(2) may be revoked, canceled, or repossessed as provided by law.

(f) A person who knowingly or intentionally falsifies, predates, changes, or counterfeits proof of registration for a watercraft commits a Class C misdemeanor.

Sec. 6. (a) A request for registration under this chapter must be signed by the owner of the watercraft and accompanied by the appropriate fee specified under subsection (b). The fee to renew a watercraft registration is based upon the appropriate fee specified under subsection (c).

(b) The fee to register a watercraft in its first year of registration is the amount determined by STEP THREE of the following formula:

STEP ONE: Determine the appropriate fee based upon the length of the watercraft as follows:

Watercraft Length (in feet)		Fee (\$)	Fee (\$)
At Least	But Less Than	(before Jan 1, 2017)	(After Dec 31, 2016)
0	13	16.50	15
13	26	18.50	18
26	40	21.50	21
40		26.50	24

STEP TWO: Determine the appropriate fee based upon the value of the watercraft as follows:

Value (\$)	Value (\$)	Fee (\$)
Greater Than or Equal to	Less Than	
0	1 000	5
1000	3 000	10
3000	5 000	15
5000	10,000	20
10,000		25

STEP THREE: Determine the sum of the STEP ONE amount plus the STEP TWO amount.

(c) The fee to renew a watercraft registration is based upon the value of the watercraft as follows:

Value (\$)	Value (\$)	Fee (\$)
Greater Than or Equal to	Less Than	
0	1 000	10
1000	3 000	15
3000	5 000	20
5000	10,000	25
10,000		30

(d) The bureau shall determine the value of a watercraft in the same manner as set forth in IC 6-6-11-10.

(e) The fees collected under subsection (b) shall be distributed as follows:

(1) Fees collected from STEP ONE of subsection (b) shall be deposited in the fish and wildlife fund established by IC 14-22-3-2 and shall be used exclusively for the following:

(A) The enforcement of laws pertaining to watercraft.

(B) The state's share of the cost of retirement benefits for conservation officers of the department of natural resources.

(C) Improving the navigable waters of Indiana.

(2) Sixty-six and seven-tenths percent (66.7%) of the fees collected from STEP TWO of subsection (b) shall be deposited in the lake and river enhancement fund established by IC 14-22-3.5-1.

(3) Thirty-three and three-tenths percent (33.3%) of the fees collected from STEP TWO of subsection (b) shall be deposited in the conservation officers marine enforcement fund established by IC 14-9-8-21.5.

(f) A fee collected under subsection (c) shall be distributed as follows:

(1) Five dollars (\$5) shall be deposited in the fish and wildlife fund established by IC 14-22-3-2 and shall be used exclusively for the following:

(A) The enforcement of laws pertaining to watercraft.

(B) The state's share of the cost of retirement benefits for conservation officers of the department of natural resources.

(C) Improving the navigable waters of Indiana.

(2) The remaining amount shall be distributed as follows:

(A) Sixty-six and seven-tenths percent (66.7%) to the lake and river enhancement fund established by IC 14-22-3.5-1.

(B) Thirty-three and three-tenths percent (33.3%) to the conservation officers marine enforcement fund established by IC 14-9-8-21.5.

(g) The owner of a watercraft that is registered under this section is required to renew the registration under subsection (c), and the person must pay any applicable fees and excise tax under IC 6-6-11-13 on the watercraft each year.

Sec. 7. (a) A watercraft that is owned or leased and used for official business by the following is exempt from the payment of registration fees under this article:

(1) A state or state agency (as defined in IC 6-1.1-1-18).

(2) A municipal corporation (as defined in IC 36-1-2-10).

(3) A volunteer fire department (as defined in IC 36-8-12-2).

(b) The bureau may issue proof of registration under this chapter for a watercraft owned by or leased by the federal government.

(c) The bureau may adopt rules under IC 4-22-2 to assign permanent registration numbers and accompanying registration cards to watercraft owned or leased by an entity listed in subsection (a)(1).

Sec. 8. (a) A watercraft becomes subject to registration under this chapter on the date the watercraft is acquired.

(b) Upon becoming subject to registration under this chapter, a watercraft must be registered for a period that is not:

(1) less than three (3) months; or

(2) greater than twenty-four (24) months.

(c) A registration under this article may be renewed:

(1) for a watercraft with an unexpired registration, for a period of twelve (12) months from the date on which the registration will expire; or

(2) for a watercraft with an expired registration, for a period of not:

(A) less than three (3) months; or

(B) greater than twenty-four (24) months.

(d) Subject to subsection (b), and except as provided for in subsection (h), the registration year for a registration, other than a renewal described in subsection (c), begins on the date on which the watercraft becomes subject to registration as determined under subsection (a) and ends on the following date selected by the person registering the watercraft:

(1) The date on which the watercraft registration expires, as determined under the schedule established under IC 9-18.1-11-1.

(2) Twelve (12) months after the date described in subdivision (1).

(e) If a person sells or otherwise disposes of a watercraft:

(1) the certificate of registration and proof of registration for the watercraft are canceled; and

(2) except as provided in IC 9-33-3, the person is not entitled to a refund of any unused part of a fee paid by the person under this chapter.

(f) If the watercraft is transferred or sold, the person shall provide ownership documents at the time of delivering the watercraft.

(g) A person that acquires a watercraft that is registered under this chapter must apply to the bureau under this chapter to register the watercraft.

(h) A watercraft registered under this chapter remains subject to continuous registration under this chapter until:

(1) the watercraft is sold or otherwise disposed of; or

(2) the person that registered the watercraft becomes a nonresident.

Sec. 9. (a) If the date on which the registration of a watercraft expires is a day on which all license branches located in the county in which the watercraft is registered are closed, including:

(1) a Sunday; or

(2) a legal holiday listed in IC 1-1-9-1;

the registration expires at midnight on the date following the next day on which a license branch located in the county in which the watercraft is registered is open for business.

(b) Except as provided in subsection (a), a person that owns or operates a watercraft may not operate or permit the operation of a watercraft that:

(1) is required to be registered under this chapter; and

(2) has an expired registration.

(c) A person that operates or permits the operation of a watercraft in violation of subsection (b) commits a Class C infraction.

Sec. 10. (a) The bureau shall collect an administrative penalty of fifteen dollars (\$15) from the following:

(1) A person that fails to:

(A) register; or

(B) provide full payment for the registration of; a watercraft within forty-five (45) days after the date on which the watercraft becomes subject to registration.

(2) A person that fails to:

(A) renew; or

(B) provide full payment for the renewal of; the registration of a watercraft by the date on which the registration expires.

(b) An administrative penalty collected under subsection (a) shall be deposited in the commission fund.

(c) A person described in subsection (a) commits a Class C infraction.

Sec. 11. (a) If a certificate of registration or decal issued for a watercraft that is registered under this chapter is lost, stolen, destroyed, or damaged, the owner of the watercraft may apply to the bureau for a replacement certificate of registration or decal. If the certificate of registration or decal is lost or stolen, the owner shall provide notice of the loss or theft to a law enforcement agency with jurisdiction over:

(1) the site of the loss or theft; or

(2) the address listed on the certificate of registration.

(b) The bureau shall issue a replacement certificate of registration or decal to the owner of a watercraft after the owner pays a fee of nine dollars and fifty cents (\$9.50).

(c) The fee imposed 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) One dollar (\$1) to the crossroads 2000 fund.
- (4) One dollar and fifty cents (\$1.50) to the motor vehicle highway account.
- (5) One dollar and twenty-five cents (\$1.25) to the integrated public safety communications fund.
- (6) Five dollars (\$5) to the commission fund.

(d) A replacement certificate of registration or decal issued under this section must be attached and displayed in the same manner as the original certificate of registration or decal.

Sec. 12. (a) A person that owns a watercraft that is registered under this chapter may apply to the bureau to change the ownership of the watercraft:

- (1) by adding at least one (1) other person as a joint owner; or
- (2) if the person is a joint owner of the watercraft, by transferring the person's ownership interest in the watercraft to at least one (1) remaining joint owner.

(b) The bureau shall issue an amended certificate of registration to a person that applies under subsection (a) after the person does the following:

- (1) Complies with IC 9-17.
- (2) Pays the fee of nine dollars and fifty cents (\$9.50).

(c) A person may apply to the bureau to amend any obsolete or incorrect information contained in the certificate of registration issued with respect to the watercraft. The bureau shall issue an amended certificate of registration after the person pays a fee of nine dollars and fifty cents (\$9.50).

(d) The bureau may not impose or collect a fee for a duplicate, amended, or replacement certificate of registration that is issued as a result of an error on the part of the bureau.

(e) A fee described in subsection (b)(2) or (c) 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) One dollar (\$1) to the crossroads 2000 fund.
- (4) One dollar and fifty cents (\$1.50) to the motor vehicle highway account.
- (5) One dollar and twenty-five cents (\$1.25) to the integrated public safety communications fund.
- (6) Five dollars (\$5) to the commission fund.

Sec. 13. (a) If an agency of the federal government has an overall system of identification numbering for watercraft within the United States, the registration and numbering system employed under this chapter by the bureau must conform with the system.

(b) In accordance with any request made by an authorized official or agency of the United States, the bureau shall transmit any information compiled or otherwise available to the bureau under:

- (1) IC 14-15-4-1;
- (2) IC 14-15-4-2; and
- (3) IC 14-15-4-3;

to the official or agency of the United States.

Sec. 14. Every law enforcement officer of this state and its subdivisions, including an enforcement officer of the department of natural resources, may enforce this chapter and may stop and board a watercraft subject to this chapter.

SECTION 39. IC 9-20-13-2, AS AMENDED BY P.L.12-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 2. (a) Notwithstanding IC 9-20-3 and IC 9-20-9, and except for length exclusive devices in accordance with 23 CFR 658.13, the

following are the maximum limitations on length of a truck-tractor, semitrailer, truck-tractor-semi-trailer combination, or truck-tractor-semi-trailer-trailer combination:

- (1) The maximum length of the semi-trailer unit operating in a truck-tractor-semi-trailer combination is fifty-three (53) feet, including the vehicle and the load.
- (2) The maximum length of the semi-trailer unit or trailer operating in a truck-tractor-semi-trailer-trailer combination is twenty-eight (28) feet, six (6) inches.
- (3) A maximum overall length limit is not imposed on a truck-tractor-semi-trailer or truck-tractor-semi-trailer-trailer combination.
- (4) The maximum length of a maxi-cube vehicle combination is sixty-five (65) feet, and the maximum length of the separable cargo carrying unit is thirty-four (34) feet.
- (5) If the combination is used exclusively or primarily in connection with motorsports:

- (A) the maximum distance between the kingpin and the rearmost axle of the semi-trailer operating in the combination is forty-six (46) feet; and
- (B) the maximum length of the semi-trailer is fifty-seven (57) feet.

(b) This section does not prohibit the transportation of a motor vehicle or ~~boat~~ **watercraft** on part of a truck-tractor.

SECTION 40. IC 9-22-6-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: **Sec. 0.5. For purposes of this chapter, the term "vehicle" does not include a watercraft.**

SECTION 41. IC 9-31 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. (WATERCRAFT TITLING AND REGISTRATION).

SECTION 42. IC 9-32-8-8, AS AMENDED BY HEA 1246-2020 SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 8. (a) A watercraft dealer licensed by the secretary under this article may, upon successful application to the secretary, obtain dealer license plates and registration cards for use in the testing or demonstrating of ~~motorboats~~ **watercraft**.

(b) Two (2) dealer license plates must be displayed within a ~~motorboat~~ **watercraft** that is being tested or demonstrated while the ~~motorboat~~ **watercraft** is being tested or demonstrated.

(c) A transfer dealer or automobile auction company licensed by the secretary under this article may request dealer license plates under subsection (a).

(d) The fee to obtain a dealer license plate and registration card under subsection (a) is ten dollars (\$10).

(e) The secretary shall retain the fee collected under this section.

SECTION 43. IC 14-8-2-5.7, AS AMENDED BY P.L.219-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5.7. "All-terrain vehicle", for purposes of IC 14-8-2-185, means a motorized, off-highway vehicle that:

- (1) is ~~fifty (50)~~ **fifty-five (55)** inches or less in width **when measured from outside of tire rim to outside of tire rim**;
- (2) has a dry weight of ~~twelve one thousand five hundred (1,200)~~ **(1,500)** pounds or less;
- (3) is designed for travel on at least three (3) nonhighway or off-highway tires; and
- (4) is designed for recreational use by one (1) or more individuals.

The term includes parts, equipment, or attachments sold with the vehicle.

SECTION 44. IC 14-8-2-233.5, AS AMENDED BY P.L.219-2014, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 233.5. "Recreational ~~off-road~~ **off-highway** vehicle", for purposes of

IC 14-8-2-185, means a motorized, off-highway vehicle that:

- (1) is ~~sixty-five (65)~~ **eighty (80)** inches or less in width **when measured from outside of tire rim to outside of tire rim;**
- (2) has a dry weight of two thousand ~~five hundred (2,000)~~ **(2,500)** pounds or less;
- (3) is designed for travel on at least four (4) nonhighway or off-highway tires; and
- (4) is designed for recreational use by one (1) or more individuals.

SECTION 45. IC 14-9-8-21.5, AS AMENDED BY P.L.178-2019, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 21.5. (a) As used in this section, "fund" refers to the conservation officers marine enforcement fund established by this section.

(b) The conservation officers marine enforcement fund is established. The department shall administer the fund. The department may expend the money in the fund exclusively for marine enforcement efforts associated with recreational boating on Indiana waters, including uses described in IC 14-9-9-5.

(c) The fund consists of ~~boat watercraft~~ **watercraft** registration fees paid by boat owners and deposited under ~~IC 9-31-3-9~~ **IC 9-18.1-14.5-6**. Money deposited in the fund is annually appropriated and allotted to the department to carry out the purposes of this section. The expenses of administering the fund shall be paid from money in the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund. However, the department may transfer from the fund to the counties with special boat patrol needs fund (IC 14-9-9-5) an amount that does not exceed twenty percent (20%) of money deposited into the fund.

SECTION 46. IC 14-10-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) The commission shall adopt rules under IC 4-22-2 to carry out the commission's duties under this title.

(b) The commission may adopt rules to exempt an activity from licensing under this title, except:

- (1) IC 14-34;
- (2) IC 14-36-1; and
- (3) IC 14-38-2;

if the activity poses not more than a minimal potential for harm.

(c) Except as provided in subsection (d), whenever the department or the director has the authority to adopt rules under IC 4-22-2, the commission shall exclusively exercise the authority.

(d) Emergency rules adopted under section 5 of this chapter shall be adopted by the director.

(e) A person who violates a rule adopted by the commission commits a Class C infraction, unless otherwise specified under state law.

SECTION 47. IC 14-10-2-5, AS AMENDED BY P.L.154-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) The department may adopt emergency rules under IC 4-22-2-37.1 to carry out the duties of the department under the following:

- (1) IC 14-9.
- (2) This article.
- (3) IC 14-11.
- (4) IC 14-12-2.
- (5) IC 14-14.
- (6) IC 14-15.
- (7) IC 14-17-3.
- (8) IC 14-18, except IC 14-18-6 and IC 14-18-8.
- (9) IC 14-19-1 and IC 14-19-8.
- (10) IC 14-21.
- (11) IC 14-22-3, IC 14-22-4, and IC 14-22-5.
- (12) IC 14-23-1.
- (13) IC 14-24.
- (14) IC 14-25, except IC 14-25-8-3 and IC 14-25-13.
- (15) IC 14-26.

(16) IC 14-27.

(17) IC 14-28.

(18) IC 14-29.

(19) IC 14-35-1, IC 14-35-2, and IC 14-35-3.

(20) IC 14-37.

(21) IC 14-38, except IC 14-38-3.

(b) A rule adopted under subsection (a) expires not later than one (1) year after the rule is accepted for filing by the publisher of the Indiana Register.

(c) A person who violates an emergency rule adopted by the department commits a Class C infraction, unless otherwise specified under state law.

SECTION 48. IC 14-15-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) A person may not operate a boat upon public water to carry passengers for hire unless the following conditions are met:

(1) The department **or an organization approved under section 2.5 of this chapter** has inspected and registered the boat.

(2) A certificate of inspection and registration issued by the department is affixed to the boat in a prominent place within the clear view of the passengers.

(b) A certificate of inspection and registration expires one (1) calendar year after the date on which the watercraft was inspected. However, the department may extend the expiration date for not more than thirty (30) days if conditions exist that would prevent the inspection of the watercraft before the first anniversary of the previous inspection.

SECTION 49. IC 14-15-6-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 2.5. (a) Each boat that carries passengers upon public water for hire must have:**

(1) a dry dock inspection; or

(2) an underwater survey;

of the exterior portion of the boat that is below the waterline at least one (1) time every sixty (60) months. However, an underwater survey may only be used to satisfy the requirements of this chapter one (1) time every one hundred twenty (120) months.

(b) If the owner of the boat elects to have an underwater survey, the owner must hire and pay for the underwater survey, which must be conducted by an inspector from a certified organization that is approved under subsection (c).

(c) The commission shall maintain a list of certified organizations that are approved to conduct underwater surveys under this chapter.

SECTION 50. IC 14-15-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The department shall charge and collect a fee for the following:

(1) Each annual dockside inspection.

(2) Each dry dock inspection, ~~which shall be conducted at least one (1) time every sixty (60) months.~~

(b) The following fees shall be charged:

(1) All watercraft, except sailboats, carrying not more than six (6) passengers for hire on navigable water of Indiana:

(A) Dockside inspection..... \$ 50

(B) Dry dock inspection..... \$ 75

(2) All watercraft, except sailboats, carrying not more than six (6) passengers for hire on inland water of Indiana:

(A) Dockside inspection..... \$ 30

(B) Dry dock inspection..... \$ 30

(3) All watercraft, except sailboats, carrying more than six (6) passengers for hire on inland water of Indiana:

(A) Dockside inspection..... \$ 75

(B) Dry dock inspection..... \$100

(4) All watercraft propelled primarily by sail that carry passengers for hire on navigable or inland water of Indiana:

(A) Dockside inspection..... \$ 50

(B) Dry dock inspection..... \$ 75

SECTION 51. IC 14-15-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. Each certificate of inspection and registration must certify that the inspection has been made and must set forth, among other things, the following:

- (1) The date of inspection.
- (2) A description of the boat, including motors, machinery and equipment.
- (3) The age of the boat.
- (4) The maximum weight, including both passengers and property, that may safely be carried on the boat.
- (5) The method of the boat's inspection and the name of the person and organization that performed the inspection.**

SECTION 52. IC 14-15-13-3, AS ADDED BY P.L.165-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. An individual may not do the following:

- (1) Operate a motorboat inboard or have the inboard engine of a motorboat run idle while an individual is holding onto the swim platform, swim deck, swim step, swim ladder or any part of the exterior of the transom of a motorboat while the motorboat is underway at any speed.
- (2) Operate a motorboat powered by an outboard motor or equipped with an outdrive unit while an individual is:
 - (A) holding onto the swim platform, swim deck, swim step, swim ladder or any portion of the exterior of the transom of a motorboat while the motorboat is underway at any speed; **or**
 - (B) swimming, or floating on or in the wake directly behind a motorboat that is underway. **or**
 - ~~(C) floating on a board on or in the wake directly behind a motorboat that is underway using the wake itself as the means of propulsion.~~
- (3) Operate a motorboat with the number of individual riders on a towed device that exceeds the listed capacity on the towed device or the owner's manual.

SECTION 53. IC 14-22-2-8, AS AMENDED BY P.L.39-2018, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 31, 2019 (RETROACTIVE)]: Sec. 8. (a) This section applies to a hunting season beginning after June 30, 2016. ~~and ending before January 1, 2020.~~

(b) A hunter may use a rifle to hunt deer on privately owned land subject to the following:

- (1) The use of a rifle is permitted during hunting seasons established by the department.
- (2) The rifle must be chambered for a cartridge that fires a bullet that is two hundred forty-three thousandths (.243) of an inch in diameter or larger.
- (3) The rifle must fire a cartridge that has a minimum case length of one and sixteen-hundredths (1.16) inches, but is no longer than three (3) inches.
- (4) A hunter may not possess more than ten (10) cartridges for the rifle while hunting deer under this section.
- (5) The rifle must meet any other requirements established by the department.

(c) The use of a full metal jacketed bullet to hunt deer is unlawful.

(d) The department shall report on the impact of the use of rifles to hunt deer under this section to the governor and, in an electronic format under IC 5-14-6, the general assembly before February 15, 2020.

(e) The department may adopt rules under IC 4-22-2 to authorize the use of rifles on public property.

~~(f) This section expires June 30, 2020.~~

SECTION 54. IC 14-22-3.5-4, AS ADDED BY P.L.178-2019, SECTION 65, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 4. The fund consists of the revenue from ~~boat~~ **watercraft** registration fees paid by boat owners and deposited under ~~IC 9-31-3-9.~~ **IC 9-18.1-14.5-6.**

SECTION 55. IC 14-22-9-3, AS AMENDED BY P.L.39-2018, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. A person may not use, set, cause to be used or set, take, or attempt to take fish by means of:

- (1) a trotline;
- (2) a set line;
- (3) a throw line;
- (4) a net;
- (5) a trap; or
- (6) a seine;

~~except legal minnow seines or dip nets,~~ within two hundred (200) yards of a dam that wholly or partly crosses a river, stream, or waterway in Indiana or the boundary water of the state, **except as authorized by rules adopted by the commission under IC 4-22-2.**

SECTION 56. IC 14-22-11-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 15. (a) Each license and permit issued under this article is issued upon the express condition, to which the licensee or permittee by acceptance of the license or permit is considered to agree and consent, that the licensee or permittee will obey and comply with the following:

- (1) All the terms, conditions, and rules:
 - (A) made by the director under this article; and
 - (B) incorporated in or attached to the license or permit when issued.
- (2) This article.
- (3) A wildlife law (as defined by IC 14-22-41-4(p)) while the licensee is in another jurisdiction that has adopted the wildlife violator compact (IC 14-22-41).

(b) A license or permit may be revoked **or denied** by the director at any time without refund for any of the following:

- (1) Failure to comply with or violation of the terms, conditions, rules, or restrictions incorporated in or attached to the license or permit when issued.
- (2) Violation of this article.
- (3) Violation of a wildlife law (as defined by IC 14-22-41-4(p)) **while occurring after October 31, 2000,** by the licensee **is or permittee** in another jurisdiction that has adopted the wildlife violator compact (IC 14-22-41).

(c) If a person's license or permit is revoked or denied because of a violation described in subsection (b)(3), the person is entitled to a review of the revocation or denial by the commission. However, the commission may not review the merits of the underlying violation committed in another jurisdiction that prompted the revocation or denial under the wildlife violator compact (IC 14-22-41).

~~(d)~~ **(d)** A person whose license or permit has been revoked **or denied** by the director under this article may, by written request to the ~~director,~~ **commission,** have a hearing on the revocation **or denial of issuance.** Upon receipt of written request for a hearing on the revocation, the ~~director~~ **commission** shall do the following:

- (1) Set a date for the hearing, which may not be more than fifteen (15) days from the date of receipt of the request.
- (2) Give the person requesting the hearing at least five (5) days notice of the date of the hearing, which shall be held in the office of the director.
- (3) Receive and keep a record of all evidence presented by the person.
- (4) After considering the evidence presented at the hearing, rescind or affirm the order revoking **or denying** the license or permit.

~~(e)~~ **(e)** Every court having jurisdiction of an offense

committed in violation of an Indiana law for the protection of wildlife may, at the court's discretion, revoke the license of the offender for any of the following periods:

- (1) Thirty (30) days.
- (2) Sixty (60) days.
- (3) Ninety (90) days.
- (4) a minimum of one (1) year.

(e) (f) After a revocation, the court shall forward to the division a record of the conviction of the person in the court for a violation of the law. At the time of the conviction, the court shall do the following:

- (1) Obtain the license certificate of the defendant.
- (2) Return the license certificate to the division.

(g) Any denial or revocation of a permit or license under this section is subject to the terms of the wildlife violator compact (IC 14-22-41).

SECTION 57. IC 14-26-2.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 2.1. Ownership of Lake Michigan in Public Trust

Sec. 0.5. This chapter applies only to the recreational use of Lake Michigan.

Sec. 1. As used in this chapter, "Lake Michigan" means:

- (1) the waters of Lake Michigan;
- (2) the land under the waters of Lake Michigan; and
- (3) the land adjoining the waters of Lake Michigan up to the ordinary high water mark;

within the boundaries of Indiana.

Sec. 2. As used in this chapter, "ordinary high water mark" means the line on the bank or shore of Lake Michigan that is:

- (1) established by the fluctuations of water; and
- (2) indicated by physical characteristics, including:
 - (A) a clear and natural line impressed on the shore;
 - (B) shelving;
 - (C) changes in character of soils;
 - (D) the destruction of terrestrial vegetation; and
 - (E) the presence of litter or debris.

Sec. 3. (a) Absent any authorized legislative conveyance before February 14, 2018, the state of Indiana owns all of Lake Michigan within the boundaries of Indiana in trust for the use and enjoyment of all citizens of Indiana.

(b) An owner of land that borders Lake Michigan does not have the exclusive right to use the water or land below the ordinary high water mark of Lake Michigan.

Sec. 4. (a) As used in this section, "natural scenic beauty" refers to conditions produced by nature without manmade additions or alterations.

(b) As used in this section, "recreational purpose" means any of the following:

- (1) Walking.
 - (2) Fishing.
 - (3) Boating.
 - (4) Swimming.
 - (5) Any other recreational purpose for which Lake Michigan is ordinarily used, as recognized by the commission for the purposes of this section.
- (c) The citizens of Indiana have a vested right to:
- (1) enjoy the natural scenic beauty of Lake Michigan;
 - (2) enjoy and use the natural resources of Lake Michigan; and
 - (3) use Lake Michigan for recreational purposes.

(d) The citizens of Indiana have a vested right in the preservation and protection of Lake Michigan.

Sec. 5. (a) The commission may adopt rules under IC 4-22-2 to administer this chapter.

(b) In the adoption of a rule under subsection (a):

- (1) the public hearing held under IC 4-22-2-26 concerning the proposed rule; and
- (2) any additional public meeting concerning the

proposed rule that is held by:

- (A) the commission; or
- (B) officers or employees of the department or any other individuals authorized under IC 4-22-2-15 to perform rulemaking actions other than the final adoption of the rule;

may be held only in a county that borders Lake Michigan.

SECTION 58. IC 14-28-1-19.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 19.5.** For purposes of this chapter, property owners may jointly apply for a permit.

SECTION 59. IC 14-29-1-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 9.** The department may adopt rules under IC 4-22-2 to identify the location of the ordinary high water mark on the land adjoining the waters of Lake Michigan for purposes of administering this chapter.

SECTION 60. IC 34-28-6-1, AS AMENDED BY P.L.1-2010, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: **Sec. 1.** Whenever a person who is not a resident of Indiana:

(1) is arrested or stopped for a misdemeanor violation or infraction under:

- (A) ~~IC 9-31-3~~; **IC 9-18.1-14.5**;
- (B) IC 14-15-2 through IC 14-15-7;
- (C) IC 14-16-1; or
- (D) IC 14-22; and

(2) is not immediately taken to court;

the person may, at the discretion of the officer, be released upon the deposit of a security. The security shall be the amount of the fine or judgment and costs for the violation in the form of cash, money order, or a traveler's check made payable to the clerk of the court in which the person will appear.

SECTION 61. IC 34-30-19.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 19.5. Immunity of Owner of Property Adjacent to Lake Michigan

Sec. 1. As used in this chapter, "owner" means a person that:

- (1) has a fee interest in;
- (2) is a tenant, lessee, or occupant of; or
- (3) is otherwise legally in control of;

a private property that is adjacent to Lake Michigan.

Sec. 2. As used in this chapter, "private property" means a property whose owner is a person other than the state of Indiana.

Sec. 3. (a) The owner of a private property that is adjacent to Lake Michigan does not assume responsibility or incur liability for an injury to an individual or damage to property that:

(1) occurs after June 30, 2020, when an individual is crossing the private property:

- (A) to enter; or
- (B) upon leaving;

the area of the beach of Lake Michigan that the public has a vested right to use for recreational purposes; and

(2) is caused by:

- (A) an act or omission of a person other than the owner;
- (B) an act or omission of the owner, except for an act of the owner constituting intentional misconduct; or
- (C) the condition of the property.

(b) This section does not affect the following:

- (1) Existing Indiana case law on the liability of property owners with respect to:
 - (A) business invitees in commercial establishments;

or
(B) invited guests.

(2) The attractive nuisance doctrine.

SECTION 62. IC 35-52-6-45 IS REPEALED [EFFECTIVE JANUARY 1, 2021]. Sec. 45. IC 6-6-11-27 defines a crime concerning taxes:

SECTION 63. IC 35-52-9-7.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 7.6. IC 9-18.1-14.5-5 defines a crime concerning proof of registration of a watercraft.

SECTION 64. IC 36-1-29 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 29. Seawall and Revetment Permits

Sec. 1. This chapter applies only in a county that is located along the shore of Lake Michigan.

Sec. 2. This chapter does not:

- (1) affect the determination of the location of the ordinary high water mark; or
- (2) interfere with or supersede state law, state administrative rules, or local ordinances concerning the issuance of permits for seawalls or revetments.

Sec. 3. As used in this chapter, "emergency" means a situation that:

- (1) requires immediate action;
- (2) is induced by weather or high lake levels; and
- (3) either:
 - (A) creates the potential for imminent structural damage to private property in an area adjacent to Lake Michigan; or
 - (B) threatens or creates an imminent risk to the public health, welfare, or safety in areas adjacent to Lake Michigan.

Sec. 4. As used in this chapter, "local governmental agency" has the meaning set forth in IC 36-7-4-1109(a).

Sec. 5. As used in this chapter, "ordinary high water mark" has the meaning set forth in IC 14-26-2.1-2.

Sec. 6. As used in this chapter, "owner" means a person that has a fee interest in a private property adjacent to and landward of Lake Michigan.

Sec. 7. As used in this chapter, "permit" has the meaning set forth in IC 36-7-4-1109(b).

Sec. 8. As used in this chapter, "private property" means real property that is not owned or leased by the state or a political subdivision.

Sec. 9. As used in this chapter, "real property" includes any improvements to real property.

Sec. 10. (a) An owner of private property who is subject to the jurisdiction of a local governmental agency in a county subject to this chapter may:

- (1) subject to applicable state laws and administrative rules, local ordinances, and section 11 of this chapter, in the case of an emergency, repair an existing seawall or revetment on the owner's private property; or
- (2) subject to applicable state laws and administrative rules, local ordinances, and section 12 of this chapter, in the case of an emergency, construct a new seawall or revetment on the owner's private property;

whichever applies.

(b) For the purposes of this chapter, side seawalls on Lake Michigan are temporary structures and must be at least eighteen (18) inches from the private property line.

Sec. 11. In accordance with applicable state laws, state administrative rules, and local ordinances, the repair of an existing seawall or revetment may include placing seawalls

or revetments into the waters of Lake Michigan where the water is already coming into contact with those seawalls or revetments as long as the seawall or revetment repair is as close to the existing seawall or revetment as reasonably possible.

Sec. 12. In accordance with applicable state laws, state administrative rules, and local ordinances, the owner of private property may construct a new seawall or revetment on the private property in a location in which the new seawall or revetment can reasonably be expected to provide protection to the property.

Sec. 13. A seawall may be contiguous to another seawall if making one (1) or more seawalls contiguous does not interfere, obstruct, or otherwise inhibit the public's ability to use a public access point or easement that provides access to the shore of Lake Michigan and all parts of the seawall are on private property.

Sec. 14. Not later than ten (10) business days after a person submits a completed application for an emergency seawall or revetment permit and meets all required conditions, a local governmental agency shall:

- (1) approve; or
- (2) deny;

the person's application for the emergency permit. If a local governmental agency does not approve or deny the emergency seawall or revetment permit within ten (10) business days, the emergency permit is automatically approved and considered issued to the person.

Sec. 15. If a local governmental agency denies the emergency seawall or revetment permit, the local governmental agency shall provide the reasons for the denial in a single response to the person. A person may submit not more than one (1) completed reapplication for an emergency seawall or revetment permit that lists reasons why the local governmental agency should approve the person's emergency permit. Not later than ten (10) business days after the person submits the completed reapplication, a local governmental agency shall:

- (1) approve; or
- (2) deny;

the person's reapplication for the emergency permit. If a local governmental agency does not approve or deny the person's reapplication for the emergency seawall or revetment permit within ten (10) business days, the emergency permit is automatically approved and considered issued to the person.

Sec. 16. This section applies to an application for a seawall or revetment permit that is not an emergency permit. Not later than thirty (30) business days after a person submits a completed application and meets all required conditions for a seawall or revetment permit, a local governmental agency shall:

- (1) approve; or
- (2) deny;

the person's application for the permit.

SECTION 65. IC 36-7-4-1103, AS AMENDED BY P.L.119-2012, SECTION 195, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1103. (a) This section does not apply to a plan commission exercising jurisdiction in a county having a population of more than twenty thousand nine hundred (20,900) but less than twenty-one thousand (21,000):

(b) (a) ADVISORY—AREA. For purposes of this section, urban areas include all lands and lots within the corporate boundaries of a municipality, any other lands or lots used for residential purposes where there are at least eight (8) residences within any quarter mile square area, and other lands or lots that have been or are planned for residential areas contiguous to the municipality.

(e) (b) ADVISORY—AREA. This chapter does not authorize an ordinance or action of a plan commission that would prevent, outside of urban areas, the complete use and alienation of any mineral resources or forests by the owner or alienee of them.

SECTION 66. An emergency is declared for this act.

(Reference is to EHB 1385 as printed February 25, 2020.)

EBERHART	GLICK
PFAFF	TALLIAN
House Conferees	Senate Conferees

Roll Call 368: yeas 70, nays 22. Report adopted.

Representatives Hatfield, Mayfield and Soliday, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
ESB 299-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 299 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 16-34-2-1.1, AS AMENDED BY P.L.129-2018, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.1. (a) An abortion shall not be performed except with the voluntary and informed consent of the pregnant woman upon whom the abortion is to be performed. Except in the case of a medical emergency, consent to an abortion is voluntary and informed only if the following conditions are met:

(1) At least eighteen (18) hours before the abortion and in the private, not group, presence of the pregnant woman, the physician who is to perform the abortion, the referring physician or a physician assistant (as defined in IC 25-27.5-2-10), an advanced practice registered nurse (as defined in IC 25-23-1-1(b)), or a certified nurse midwife (as defined in IC 34-18-2-6.5) to whom the responsibility has been delegated by the physician who is to perform the abortion or the referring physician has informed the pregnant woman orally and in writing of the following:

(A) The name of the physician performing the abortion, the physician's medical license number, and an emergency telephone number where the physician or the physician's designee may be contacted on a twenty-four (24) hour a day, seven (7) day a week basis.

(B) That follow-up care by the physician or the physician's designee (if the designee is licensed under IC 25-22.5) is available on an appropriate and timely basis when clinically necessary.

(C) The nature of the proposed procedure or information concerning the abortion inducing drug.

(D) Objective scientific information of the risks of and alternatives to the procedure or the use of an abortion inducing drug, including:

- (i) the risk of infection and hemorrhage;
- (ii) the potential danger to a subsequent pregnancy; and
- (iii) the potential danger of infertility.

(E) That human physical life begins when a human ovum is fertilized by a human sperm.

(F) The probable gestational age of the fetus at the time the abortion is to be performed, including:

- (i) a picture of a fetus;
- (ii) the dimensions of a fetus; and
- (iii) relevant information on the potential survival of an unborn fetus;

at this stage of development.

(G) That objective scientific information shows that a fetus can feel pain at or before twenty (20) weeks of postfertilization age.

(H) The medical risks associated with carrying the fetus to term.

(I) The availability of fetal ultrasound imaging and auscultation of fetal heart tone services to enable the pregnant woman to view the image and hear the heartbeat of the fetus and how to obtain access to these services.

(J) That the pregnancy of a child less than fifteen (15) years of age may constitute child abuse under Indiana law if the act included an adult and must be reported to the department of child services or the local law enforcement agency under IC 31-33-5.

(K) That Indiana does not allow a fetus to be aborted solely because of the fetus's race, color, national origin, ancestry, sex, or diagnosis or potential diagnosis of the fetus having Down syndrome or any other disability.

(2) At least eighteen (18) hours before the abortion, the pregnant woman will be informed orally and in writing of the following:

(A) That medical assistance benefits may be available for prenatal care, childbirth, and neonatal care from the county office of the division of family resources.

(B) That the father of the unborn fetus is legally required to assist in the support of the child. In the case of rape, the information required under this clause may be omitted.

(C) That adoption alternatives are available and that adoptive parents may legally pay the costs of prenatal care, childbirth, and neonatal care.

(D) That there are physical risks to the pregnant woman in having an abortion, both during the abortion procedure and after.

(E) That Indiana has enacted the safe haven law under IC 31-34-2.5.

(F) The:

(i) Internet web site address of the state department of health's web site; and

(ii) description of the information that will be provided on the web site and that are; described in section 1.5 of this chapter.

(G) For the facility in which the abortion is to be performed, an emergency telephone number that is available and answered on a twenty-four (24) hour a day, seven (7) day a week basis.

(H) On a form developed by the state department and as described in IC 16-34-3, that the pregnant woman has a right to determine the final disposition of the remains of the aborted fetus.

(I) On a form developed by the state department, ~~information concerning the available options for disposition of that the pregnant woman has a right, after a surgical abortion, to:~~

(i) dispose of the remains of the aborted fetus by interment in compliance with IC 23-14-54, or cremation through a licensee (as defined in IC 25-15-2-19) and in compliance with IC 23-14-31; or

(ii) have the health care facility or abortion clinic dispose of the remains of the aborted fetus by interment in compliance with IC 23-14-54, or cremation through a licensee (as defined in IC 25-15-2-19) and in compliance with

IC 23-14-31, and ask which method of disposition will be used by the health care facility or abortion clinic.

- (J) On a form developed by the state department:**
 - (i) that a pregnant woman, after an abortion induced by an abortion inducing drug, will expel an aborted fetus; and**
 - (ii) the disposition policy of the health care facility or the abortion clinic concerning the disposition of the aborted fetus. The disposition policy must allow the pregnant woman to return the aborted fetus to the health care facility or abortion clinic for disposition by interment in compliance with IC 23-14-54, or cremation through a licensee (as defined in IC 25-15-2-19) and in compliance with IC 23-14-31.**

~~(J)~~ **(K)** On a form developed by the state department, information concerning any counseling that is available to a pregnant woman after having an abortion.

The state department shall develop and distribute the forms required by clauses (H) through ~~(J)~~: **(K)**.

(3) The pregnant woman certifies in writing, on a form developed by the state department, before the abortion is performed, that:

- (A) the information required by subdivisions (1) and (2) has been provided to the pregnant woman;
- (B) the pregnant woman has been offered by the provider the opportunity to view the fetal ultrasound imaging and hear the auscultation of the fetal heart tone if the fetal heart tone is audible and that the woman has:
 - (i) viewed or refused to view the offered fetal ultrasound imaging; and
 - (ii) listened to or refused to listen to the offered auscultation of the fetal heart tone if the fetal heart tone is audible; and
- (C) the pregnant woman has been given a written copy of the printed materials described in section 1.5 of this chapter.

(4) At least eighteen (18) hours before the abortion and in the presence of the pregnant woman, the physician who is to perform the abortion, the referring physician or a physician assistant (as defined in IC 25-27.5-2-10), an advanced practice registered nurse (as defined in IC 25-23-1-1(b)), or a certified nurse midwife (as defined in IC 34-18-2-6.5) to whom the responsibility has been delegated by the physician who is to perform the abortion or the referring physician has provided the pregnant woman with a color copy of the informed consent brochure described in section 1.5 of this chapter by printing the informed consent brochure from the state department's Internet web site and including the following information on the back cover of the brochure:

- (A) The name of the physician performing the abortion and the physician's medical license number.
- (B) An emergency telephone number where the physician or the physician's designee may be contacted twenty-four (24) hours a day, seven (7) days a week.
- (C) A statement that follow-up care by the physician or the physician's designee who is licensed under IC 25-22.5 is available on an appropriate and timely basis when clinically necessary.

(5) At least eighteen (18) hours before an abortion is performed and at the same time that the pregnant woman receives the information required by subdivision (1), the provider shall perform, and the pregnant woman shall view, the fetal ultrasound imaging and hear the auscultation of the fetal heart tone if the fetal heart tone is audible unless the pregnant woman certifies in writing, on a form developed by the state department, before the abortion is performed, that the pregnant woman:

- (A) does not want to view the fetal ultrasound imaging; and
- (B) does not want to listen to the auscultation of the fetal heart tone if the fetal heart tone is audible.

(b) This subsection applies to a pregnant woman whose unborn child has been diagnosed with a lethal fetal anomaly. The requirements of this subsection are in addition to the other requirements of this section. At least eighteen (18) hours before an abortion is performed on the pregnant woman, the physician who will perform the abortion shall:

- (1) orally and in person, inform the pregnant woman of the availability of perinatal hospice services; and
- (2) provide the pregnant woman copies of the perinatal hospice brochure developed by the state department under IC 16-25-4.5-4 and the list of perinatal hospice providers and programs developed under IC 16-25-4.5-5, by printing the perinatal hospice brochure and list of perinatal hospice providers from the state department's Internet web site.

(c) If a pregnant woman described in subsection (b) chooses to have an abortion rather than continuing the pregnancy in perinatal hospice care, the pregnant woman shall certify in writing, on a form developed by the state department under IC 16-25-4.5-6, at least eighteen (18) hours before the abortion is performed, that the pregnant woman has been provided the information described in subsection (b) in the manner required by subsection (b).

SECTION 2. IC 16-34-3-2, AS AMENDED BY P.L.85-2017, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) A pregnant woman who has an abortion under this article has the right to ~~determine the final disposition~~ **have the health care facility or abortion clinic dispose of the aborted fetus by **interment in compliance with IC 23-14-54, or cremation through a licensee (as defined in IC 25-15-2-19) and in compliance with IC 23-14-31. The pregnant woman who selects to have the health care facility or abortion clinic dispose of the aborted fetus has the right to ask which method will be used by the health care facility or abortion clinic.****

(b) After receiving the notification and information required by IC 16-34-2-1.1(a)(2)(H), ~~and IC 16-34-2-1.1(a)(2)(I), and IC 16-34-2-1.1(a)(2)(J)~~, the pregnant woman shall inform the abortion clinic or the health care facility:

- (1) in writing; and
- (2) on a form prescribed by the state department;

~~of the pregnant woman's decision for final disposition of the aborted fetus before the aborted fetus may be discharged from the abortion clinic or the health care facility. by cremation or interment and, in an abortion induced by an abortion inducing drug, whether the pregnant woman will return the aborted fetus to the health care facility or abortion clinic for disposition by interment in compliance with IC 23-14-54, or cremation through a licensee (as defined in IC 25-15-2-19) and in compliance with IC 23-14-31.~~

(c) If the pregnant woman is a minor, the abortion clinic or health care facility shall obtain parental consent in the disposition of the aborted fetus unless the minor has received a waiver of parental consent under IC 16-34-2-4.

(d) The abortion clinic or the health care facility shall document the pregnant woman's decision concerning disposition of the aborted fetus in the pregnant woman's medical record.

(e) In the case of an abortion induced by an abortion inducing drug, the pregnant woman may return the aborted fetus to the health care facility or abortion clinic for disposition by interment in compliance with IC 23-14-54, or cremation through a licensee (as defined in IC 25-15-2-19) and in compliance with IC 23-14-31.

SECTION 3. IC 16-34-3-4, AS AMENDED BY P.L.213-2016, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) An

abortion clinic or health care facility having possession of an aborted fetus shall provide for the final disposition of the aborted fetus. The burial transit permit requirements of IC 16-37-3 apply to the final disposition of an aborted fetus, which must be interred or cremated. However:

- (1) a person is not required to designate a name for the aborted fetus on the burial transit permit and the space for a name may remain blank; and
- (2) any information submitted under this section that may be used to identify the pregnant woman is confidential and must be redacted from any public records maintained under IC 16-37-3.

Aborted fetuses may be cremated by simultaneous cremation.

(b) If the abortion clinic or health care facility conducts the cremation of aborted fetal remains on site, the abortion clinic or health care facility must comply with all state laws concerning the cremation of human remains as prescribed in IC 23-14-31. The abortion clinic or health care facility must make the onsite cremation equipment available to the state department for inspection at the time the abortion clinic or health care facility is inspected. When the abortion clinic or health care facility contracts with a licensed funeral home for the disposal of the aborted fetal remains, the contract must be made available for review by the state department at the time the abortion clinic or health care facility is inspected.

(c) Except in extraordinary circumstances where the required information is unavailable or unknown, a burial transit permit issued under IC 16-37-3 that includes multiple fetal remains must be accompanied by a log prescribed by the state department containing the following information about each fetus included under the burial transit permit:

- (1) The date of the abortion.**
- (2) Whether the abortion was surgical or induced by an abortion inducing drug.**
- (3) The name of the funeral director licensee who will be retrieving the aborted fetus.**
- (4) In the case of an abortion induced by an abortion inducing drug:**
 - (A) whether the pregnant woman will cremate or inter the fetus, or will return the fetus to the health care facility or abortion clinic for disposition; and**
 - (B) if the pregnant woman returns the fetus to the health care facility or abortion clinic, whether the returned fetus is included in the burial transit permit.**

The abortion clinic or health care facility must keep a copy of the burial transit permit and accompanying log in a permanent file.

(d) Each time the fetal remains are transported from one entity to another for disposition, the entity receiving the fetal remains must confirm that the number of fetal remains matches the information contained in the burial transit permit and accompanying log. After final disposition, a copy of the log will be sent back to the health care facility or abortion clinic. The final log will be attached to the original log described in subsection (c) and will be made available for review by the state department at the time of inspection.

(e) An abortion clinic or a health care facility is responsible for demonstrating to the state department that the abortion clinic or the health care facility has complied with the protocol provided in this section.

(f) The local health officer shall issue a permit for the disposition of the aborted fetus to the person in charge of interment for the interment of the aborted fetus. A certificate of stillbirth is not required to be issued for an aborted fetus with a gestational age of less than twenty (20) weeks of age.

(g) IC 23-14-31-26, IC 23-14-55-2, IC 25-15-9-18, and

IC 29-2-19-17 concerning the authorization of disposition of human remains apply to this section.

(Reference is to ESB 299 as reprinted February 25, 2020.)

BROWN STUTZMAN
KRUSE BACON
Senate Conferees House Conferees

Roll Call 369: yeas 81, nays 15. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 346-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 346 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 20-19-2-2.2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.2. (a) Beginning June 1, 2015, the state board consists of the following members:

- (1) The state superintendent.
- (2) Eight (8) members appointed by the governor. The following provisions apply to members of the state board appointed under this subdivision:

(A) At least six (6) members appointed under this subdivision must have professional experience in the field of education as provided in subsection (b).

(B) Members shall be appointed from different parts of Indiana with not more than one (1) member being appointed from a particular congressional district.

(C) Not more than five (5) members of the state board may be appointed from the membership of any one (1) political party.

(D) Subject to subsection (h), at least one (1) member shall be a practicing licensed special education teacher or special education director at the time the member is appointed.

(3) One (1) member, who is not a member of the general assembly, appointed by the speaker of the house of representatives.

(4) One (1) member, who is not a member of the general assembly, appointed by the president pro tempore of the senate.

(b) For purposes of subsection (a), an individual is considered to have professional experience in the field of education if the individual has teaching or leadership experience at a postsecondary educational institution or is currently employed as, or is retired from a position as:

- (1) a teacher;
- (2) a principal;
- (3) an assistant superintendent; or
- (4) a superintendent.

(c) A quorum consists of six (6) members of the state board. An action of the state board is not official unless the action is authorized by at least six (6) members.

~~(d) Subject to subsection (e);~~ The members of the state board shall elect a chairperson and vice chairperson annually from the members of the state board. The vice chairperson shall act as chairperson in the absence of the chairperson.

~~(e) Notwithstanding subsection (d);~~ the state superintendent shall serve as the chairperson of the state board until a

chairperson is elected under subsection (d) at the first meeting of the state board after December 31, 2016, which shall be held not later than January 15, 2017. A vice chairperson shall be elected at the first meeting of the state board after June 30, 2015, which shall be held not later than August 1, 2015. This subsection expires July 1, 2018.

(f) Except as otherwise provided in subsection (e), (f), each member appointed under subsection (a)(2) through (a)(4) serves a four (4) year term. The term begins on July 1.

(g) A member appointed under subsection (a)(2) through (a)(4) may be removed from the state board by the member's appointing authority for just cause. Vacancies in the appointments to the state board shall be filled by the appointing authority. A member appointed under this subsection serves for the remainder of the unexpired term.

(h) The state board shall meet at a minimum at least one (1) time each month. The state board shall establish the date of the next monthly meeting during the monthly meeting of the state board. In addition to the monthly meeting required under this subsection, the state board shall meet at the call of the chairperson.

(i) This subsection expires July 1, 2024. The governor shall appoint a member who has the qualifications described in subsection (a)(2)(D) for the first appointment made by the governor to fill a vacancy on the state board after March 31, 2020.

SECTION 2. IC 20-19-9.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 9.1. Indiana Standards and Assessment Accommodation Task Force

Sec. 1. As used in this chapter, "task force" refers to the Indiana standards and assessment accommodation task force established by section 2 of this chapter.

Sec. 2. (a) The Indiana standards and assessment accommodation task force is established. The task force shall review:

- (1) the accommodations provided for by Indiana's statewide assessment to determine if appropriate accommodations are available to accurately measure a student's learning; and
- (2) Indiana's English and language arts academic standards to explore the possibility of separating the academic standard of reading comprehension into a separate reading academic standard and a comprehension academic standard.

On or before November 1, 2020, the task force shall issue a final report and shall make recommendations to the general assembly in an electronic format under IC 5-14-6.

(b) The task force consists of fourteen (14) members as follows:

- (1) One (1) member of the majority party of the house of representatives appointed by the speaker of the house of representatives.
- (2) One (1) member of the majority party of the senate appointed by the president pro tempore of the senate.
- (3) One (1) member of the minority party of the house of representatives appointed by the speaker of the house of representatives in consultation with the minority floor leader of the house of representatives.
- (4) One (1) member of the minority party of the senate appointed by the president pro tempore of the senate in consultation with the minority floor leader of the senate.
- (5) The member of the state board described in IC 20-19-2-2.2(a)(3).
- (6) The member of the state board described in IC 20-19-2-2.2(a)(4).
- (7) One (1) member representing The Arc of Indiana appointed by The Arc of Indiana.

(8) One (1) member who is an assessment expert with experience in special education assessments appointed by The Arc of Indiana.

(9) One (1) member representing Decoding Dyslexia Indiana appointed by Decoding Dyslexia Indiana.

(10) One (1) member who is a special education administrator appointed by the Indiana Council of Administrators of Special Education (ICASE).

(11) One (1) member who is a special education teacher jointly appointed by the co-chairs of the task force.

(12) One (1) member who is an assessment expert appointed by the state board.

(13) The department's director of curriculum and instruction.

(14) One (1) member representing the department's office of student assessment appointed by the department.

(c) The members described in subsection (b)(1) and (b)(2) shall serve as co-chairpersons for the task force. The task force shall meet at the call of the co-chairpersons.

(d) A quorum consists of the majority of the members of the task force.

(e) The affirmative votes of a majority of the members of the task force are required for the task force to take action on any measure.

Sec. 3. (a) A member of the task force who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) A member of the task force 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.

(c) A member of the task force 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 current appropriations made to the legislative council or the legislative services agency.

Sec. 4. The legislative services agency shall staff the task force.

Sec. 5. This chapter expires July 1, 2021.

SECTION 3. IC 20-32-5.1-6, AS ADDED BY P.L.242-2017, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) The state board shall:

(1) authorize and oversee the department's development and implementation of the Indiana's Learning Evaluation Assessment Readiness Network (ILEARN) program, including:

- (A) establishment of criteria for requests for proposals for statewide assessments developed or authorized under this chapter;
- (B) establishment of criteria for membership of evaluation teams; and
- (C) establishment of criteria for content and format of the statewide assessment; and

(2) require the department to conduct ongoing analysis of whether the statewide assessment results are predictive of

success in college and career training programs.

(b) The passing scores on a statewide assessment must be determined by statistically valid and reliable methods as determined by independent experts selected by the state board.

(c) **The state board, in consultation with The Arc of Indiana and Indiana Council of Administrators of Special Education (ICASE), shall select one (1) or more individuals who specialize in special education who shall, in turn, be consulted with by the state board as part of the state board's oversight of the development and implementation of the Indiana's Learning Evaluation Assessment Readiness Network (ILEARN) program.**

(d) The state superintendent, with the approval of the state board, is responsible for the development, implementation, and monitoring of the Indiana's Learning Evaluation Assessment Readiness Network (ILEARN) program.

(e) The department shall prepare detailed design specifications for the statewide assessment developed under this chapter that must do the following:

- (1) Take into account the academic standards adopted under IC 20-31-3.
- (2) Include testing of students' higher level cognitive thinking in each subject area tested.

(f) A statewide assessment described in section 7 of this chapter may be in a form that allows the department and the state board, to the extent possible, to compare the proficiency of Indiana students to the proficiency of students in other states. A statewide assessment may consist of original test items for Indiana's exclusive use if the state board determines that:

- (1) developing original test items for Indiana's exclusive use will result in cost savings; or
- (2) it would be impractical to develop a statewide assessment adequately aligned to Indiana's academic standards without including original test items developed for Indiana's exclusive use.

SECTION 4. IC 20-32-5.1-18.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 18.4. Notwithstanding any other law, a student's score on the statewide assessment may not be the primary factor or measure used to determine whether a student is eligible for a particular course or program.**

SECTION 5. IC 20-32-5.1-18.5, AS ADDED BY P.L.287-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 18.5. (a) The department shall, make every reasonable attempt to the extent permitted under federal law, provide the same voice-to-text, text-to-speech, screen reader, or human reader and calculator accommodations to a particular student in grades 6 through 12 on every section of the statewide assessment program as if that accommodation is provided as part of the student's:**

- (1) individualized education program;
- (2) service plan developed under 511 IAC 7-34; or
- (3) choice scholarship 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) **The department must submit any guidance or recommendations the department plans to distribute to a school corporation or school that attempts to affect in any manner based on statewide assessment accommodations which instructional methods are included or excluded from a program or plan described in subsection (a) to the state board for approval.**

(c) This subsection expires January 1, 2020. The state board shall provide a report to the legislative council in an electronic format under IC 5-14-6, explaining in detail the extent that:

- (1) individualized education programs;
- (2) service plans developed under 511 IAC 7-34; or

- (3) choice scholarship special education plans developed under 511 IAC 7-49;

were altered to align to the statewide assessment program.

SECTION 6. IC 20-32-5.1-18.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 18.8. (a) As used in this section, "school" means the following:**

- (1) A school maintained by a school corporation.
- (2) A charter school.
- (3) An accredited nonpublic school.

(b) **The department, in consultation with The Arc of Indiana and the Indiana Council of Administrators of Special Education (ICASE), shall develop a notice for a parent of a student who:**

- (1) is enrolled in grade 3, 4, or 5; and
- (2) has an accommodation that:
 - (A) is provided as part of the 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; and
 - (B) the student is not allowed to use on all or part of the statewide assessment.

(c) **The notice developed under subsection (b) must inform the parent of a student described in subsection (b) that the student is not allowed to use the accommodation described in subsection (b)(2) on all or part of the statewide assessment.**

(d) **The department shall distribute a copy of the notice to each school.**

(e) **Not later than February 1, 2021, and not later than February 1, 2022, each school shall do the following:**

- (1) **Provide the notice developed under subsection (b) to a parent of a student described in subsection (b) at the annual review of the student's:**
 - (A) individualized education program;
 - (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.

If a parent does not attend the annual review, the school shall provide a copy of the notice to the parent by certified mail or personal delivery.

- (2) **Discuss and determine, at the annual review described in subdivision (1) in which a parent of the student participates, whether the student may be eligible to opt out of any applicable section of the statewide assessment.**

(f) **This section expires July 1, 2022.**

SECTION 7. **An emergency is declared for this act.**

(Reference is to ESB 346 as reprinted February 28, 2020.)

HOUCHIN BEHNING
STOOPS DELANEY
Senate Conferees House Conferees

Roll Call 370: yeas 96, nays 0. Report adopted.

CONFERENCE COMMITTEE REPORT
ESB 438-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 438 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 15-16-4-3, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "adulterated" refers to a pesticide or pesticide product if:

- (1) the strength or purity of the pesticide ~~falls below~~ **does not meet** the professed standard or quality as expressed on its labeling under which it is sold;
- (2) any substance has been substituted wholly or in part for the pesticide product; or
- (3) any valuable constituent of the pesticide product has been wholly or in part removed.

SECTION 2. IC 15-16-4-10, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. As used in this chapter, "device" means any instrument or contrivance intended for trapping, destroying, repelling, or mitigating ~~insects or rodents or destroying, repelling, or mitigating~~ any pest. The term does not include:

- (1) equipment used for the application of pesticides when sold separately from the pesticides;
- (2) firearms; or
- (3) simple mechanical devices, including barriers, traps, or adhesives, or other simple contrivances that are not subject to this chapter as determined by the pesticide review board.

SECTION 3. IC 15-16-4-14, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. As used in this chapter, "~~fungi~~" means ~~all nonchlorophyll-bearing thallophytes (all nonchlorophyll-bearing plants of a lower order than mosses and liverworts), including:~~

- ~~(1) rusts;~~
- ~~(2) smuts;~~
- ~~(3) mildews;~~
- ~~(4) molds;~~
- ~~(5) yeasts;~~
- ~~(6) bacteria; and~~
- ~~(7) viruses;~~

~~except those on or in a living human or other animal. "fungus" has the meaning set forth in IC 15-16-5-14.~~

SECTION 4. IC 15-16-4-18, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. As used in this chapter, "immediate container" means the part of a container that is in direct contact with a pesticide. **product. In the case of a pesticide product that is a device, the term includes the device itself.**

SECTION 5. IC 15-16-4-28, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. As used in this chapter, "person" means: ~~any:~~

- (1) **an** individual;
- (2) **a** partnership;
- (3) **an** association;
- (4) **a** fiduciary;
- (5) **a** corporation; or
- (6) **an** organized group of persons;

whether incorporated or not.

SECTION 6. IC 15-16-4-34, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. As used in this chapter, "plant regulator" means any substance or mixture of substances, intended through physiological action, for:

- (1) accelerating or retarding the rate of growth or rate of maturation; or
- (2) altering the behavior of ornamental or crop plants or

the produce of ornamental or crop plants.

The term does not include substances ~~to the extent they that~~ are intended **solely** as plant nutrients, trace elements, nutritional chemicals, plant inoculants, and soil amendments.

SECTION 7. IC 15-16-4-56, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 56. For more than one (1) pesticide product to be considered the same pesticide product, each pesticide product must exhibit the same:

- (1) product name;
- (2) registrant name;
- (3) United States Environmental Protection Agency registration number, **and if applicable;**
- (4) labeling, **claims, and branding; and**
- (5) ingredient statement.**

SECTION 8. IC 15-16-4-61, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 61. (a) Each pesticide product that is:

- (1) produced, distributed, sold, displayed, or offered for sale within Indiana; or
- (2) delivered for transportation or transported:
 - (A) in intrastate commerce; or
 - (B) between points within Indiana through any point outside Indiana;

must be registered in the office of the state chemist.

(b) The application for registration must be made on a form provided by the state chemist that includes the following information:

- (1) The name and address of the:
 - (A) applicant; and
 - (B) person whose name will appear on the label, if a person other than the applicant.
- (2) The complete brand name of the pesticide **product.**
- (3) A complete copy of the labeling accompanying the pesticide **product.**
- ~~(4) A statement of all claims to be made for it, including directions for use;~~
- ~~(5) If requested by the state chemist, a full description of the tests made and the results of the tests upon which the claims are based. In the case of renewal of registration, a statement shall be required only with respect to information that is different from that furnished when the pesticide was registered or last reregistered.~~

SECTION 9. IC 15-16-4-62, AS AMENDED BY P.L.99-2012, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 62. (a) Each registrant shall pay an annual, nonrefundable **application** fee of one hundred seventy dollars (\$170) for each application for each pesticide product submitted for registration **or reregistration.**

(b) Each registration expires January 1 of each year.

(c) All fees collected by the state chemist under this chapter shall be paid to the treasurer of Purdue University, who shall deposit the fees in a special restricted account designated by the treasurer of the board of trustees of Purdue University.

(d) From the account described in subsection (c), the treasurer shall pay all expenses incurred in administering this chapter, including expenses for the following:

- (1) The employment of:
 - (A) inspectors;
 - (B) investigators;
 - (C) researchers;
 - (D) analysts;
 - (E) administrators; and
 - (F) clerical and service staff.
- (2) Expenses in procuring samples and printing results of inspections.
- (3) Purchasing:
 - (A) supplies;

- (B) equipment; and
- (C) services.
- (4) Necessary remodeling.
- (5) Other expenses of the office of the state chemist.
- (6) The transfer of ten dollars (\$10) from each fee paid under subsection (a) on an annual basis to the office of Purdue pesticide programs to provide education about the safe and effective use of pesticides.

The treasurer is not required to use any other funds, except those collected as registration fees, to pay any expenses incurred in the administration of this chapter. The dean of agriculture shall make an annual financial report to the governor showing total receipts and expenditures of all fees received under this chapter.

(e) A registrant who registers or pays an annual fee after December 31 of any year shall pay a late fee of one hundred seventy dollars (\$170) as well as the annual fee.

(f) Excess funds from the collection of fees under this chapter are subject to IC 15-16-2-36.

SECTION 10. IC 15-16-4-64, AS ADDED BY P.L.120-2008, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 64. (a) The state chemist ~~shall~~ **may** require the submission of the complete formula of any pesticide product, including: ~~the:~~

- (1) ~~the~~ confidential statement of formula;
- (2) ~~the~~ analytical methods for the analysis of the pesticide formulation and the analysis of residues of the pesticide product in environmental media; ~~and~~
- (3) ~~the~~ analytical standards of the pesticide product;
- (4) ~~the~~ safety data sheet;
- (5) ~~the~~ physical sample of the pesticide product; and
- (6) ~~a~~ **statement of all claims to be made for the pesticide product, including a full description of the tests made and the results of the tests upon which the claims are based.**

In the case of a federally registered product, this requirement may be waived.

(b) The state chemist shall register a pesticide product if:

- (1) the state chemist determines that the composition of the pesticide product warrants the proposed claims for the pesticide product;
- (2) the pesticide product, its labeling, and other material required to be submitted comply with the requirements of section 61 of this chapter; and
- (3) the state chemist determines that the person submitting the application for registration has complied with the requirements of this chapter, **including satisfying all outstanding judgments resulting from a violation of this chapter, after any action has been finalized under section 64.5 of this chapter.**

(c) The state chemist shall notify the applicant that the pesticide product, labeling, or other material required to be submitted fails to comply with the law if the state chemist determines:

- (1) that the proposed claims for the pesticide product; or
- (2) the pesticide product, its labeling, and other material required to be submitted;

does not comply with this chapter, **including satisfying all outstanding judgments resulting from a violation of this chapter, after any action has been finalized under section 64.5 of this chapter.**

(d) If the state chemist notifies an applicant under subsection (c), the state chemist shall give the applicant an opportunity to make the necessary corrections. If upon receipt of notice, the applicant does not make the corrections, the state chemist may refuse to register the pesticide product.

(e) The state chemist, in accordance with the procedures specified in this section, may deny, suspend, or cancel the registration of a pesticide whenever the state chemist determines that:

- (1) the pesticide product;
- (2) the pesticide product's labeling; or
- (3) the person submitting the application for registration of the pesticide product;

does not comply with this chapter, **including satisfying all outstanding judgments resulting from a violation of this chapter, after any action has been finalized under section 64.5 of this chapter.**

(f) If:

- (1) an application for registration is refused; or
- (2) the state chemist proposes to deny, suspend, or cancel a registration;

notice of the action and information concerning the person's right to obtain a review under section 64.5 of this chapter must be given to the applicant or registrant.

SECTION 11. IC 15-16-4-69, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 69. (a) Subject to this section, if a person violates this chapter or a rule adopted under this chapter, the state chemist under IC 4-21.5-3-6 may warn, cite, or impose a civil penalty on the person or:

- (1) deny;
- (2) suspend;
- (3) revoke; or
- (4) amend;

the person's registration under this chapter.

(b) The state chemist may impose civil penalties **under this section** only in accordance with the schedule of civil penalties adopted by the board. The board shall establish a schedule of the civil penalties that may be imposed under subsection (a) by rule adopted under IC 4-22-2. The rule adopted under this subsection may not provide for a civil penalty that exceeds the following:

- (1) Two hundred fifty dollars (\$250) for a person's first violation.
- (2) Five hundred dollars (\$500) for a person's second violation.
- (3) One thousand dollars (\$1,000) for a person's third violation and each subsequent violation.

~~(c) If a violation is of a continuing nature, the state chemist may impose a civil penalty for each day that the violation occurred.~~

~~(d) (c)~~ A proceeding under IC 4-21.5-3 that involves the imposition of a civil penalty may be consolidated with any other proceeding commenced under IC 4-21.5 to enforce this chapter or the rules adopted under this chapter.

~~(e) (d)~~ Money collected for civil penalties imposed under this section shall be credited to the office of Purdue pesticide programs. The money may be used only to provide education about pesticides.

SECTION 12. IC 15-16-4-73, AS ADDED BY P.L.120-2008, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 73. (a) Except as provided in subsection (f), if the state chemist:

- (1) finds any pesticide product:
 - (A) upon any premises; or
 - (B) in any means of conveyance; where it is held for purposes of, or during or after, distribution or sale; and
- (2) determines that the pesticide product:
 - (A) is in violation of this chapter; or
 - (B) has been or is intended to be:
 - (i) distributed;
 - (ii) sold; or
 - (iii) used;

in violation of this chapter; the state chemist may issue an order under subsection (b).

- (b) The state chemist may issue a written or printed:
 - (1) stop sale;
 - (2) use; or

(3) removal;
order to the owner or custodian of a pesticide product.

(c) Except as provided in subsection (d), after receiving an order under subsection (b), the owner or custodian of a pesticide product may not:

- (1) sell;
- (2) use; or
- (3) remove;

the pesticide product described in the order.

(d) The owner or custodian of a pesticide product who receives an order under subsection (b) may:

- (1) sell;
- (2) use; or
- (3) remove;

the pesticide product only in accordance with the order or until the pesticide product is released in writing by the state chemist or by order of a court.

(e) When a stop sale order is issued under subsection (b), the state chemist shall **immediately** issue a notification to the dealer or registrant of the pesticide product **within thirty (30) days** that states the following:

- (1) A stop sale order has been issued on the pesticide product.
- (2) A reference to the specific language of the law or rule that is believed to have been violated.

(f) Labels of pesticide devices may be submitted to the state chemist for ~~approval~~ **evaluation of the need for registration under this chapter** before the sale of the pesticide device.

SECTION 13. IC 15-16-5-7, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. As used in this chapter, "commercial applicator" means a certified applicator, whether or not a private applicator with respect to some uses, who uses or supervises the use of ~~pesticides~~ **pesticide products** for any purpose or on any property other than as provided by section 30 of this chapter.

SECTION 14. IC 15-16-5-10, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. As used in this chapter, "device" ~~means any instrument or contrivance, other than a firearm, that is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life other than bacteria, viruses, or other microorganisms on or in living humans or other living animals. The term does not include equipment used for the application of pesticides when sold separately from the pesticides.~~ **has the meaning set forth in IC 15-16-4-10.**

SECTION 15. IC 15-16-5-16, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. As used in this chapter, "licensed applicator for hire" means any licensed certified commercial applicator who is employed by a licensed pesticide business to use or to supervise the use of any pesticide **product** on the property of another and who has assumed direct responsibility for the use or supervision of the use of ~~pesticides~~ **pesticide products** by the business.

SECTION 16. IC 15-16-5-19, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. As used in this chapter, "licensed pesticide business" means any licensed person that owns, operates, or manages a business that is engaged in or professes to be engaged in:

- (1) using any pesticide **product**, including restricted use pesticides; or
- (2) making diagnostic inspections or reports to determine infestations of wood destroying pests.

SECTION 17. IC 15-16-5-29, AS ADDED BY P.L.2-2008,

SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. As used in this chapter, "plant regulator" ~~means any substance or mixture of substances intended, through physiological action, for:~~

- (1) accelerating or retarding the rate of growth or rate of maturation; or
- (2) altering the behavior of plants or the produce of plants.

~~The term does not include substances to the extent they are intended as plant nutrients, trace elements, nutritional chemicals, plant inoculants, or soil amendments.~~ **has the meaning set forth in IC 15-16-4-34.**

SECTION 18. IC 15-16-5-34, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 34. As used in this chapter, "restricted use pesticide" ~~means:~~

- (1) any pesticide classified as restricted by the administrator of the United States Environmental Protection Agency; or
- (2) a pesticide that the board has determined to be unduly hazardous to persons, animals, plants, wildlife, waters, or lands other than the pests the pesticide is intended to prevent, destroy, control, or mitigate.

has the meaning set forth in IC 15-16-4-37.

SECTION 19. IC 15-16-5-39.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 39.6. The board shall establish a working group to review civil penalties. Before December 1, 2020, the working group shall make recommendations concerning civil penalties to the:**

- (1) board; and
- (2) general assembly in an electronic format under **IC 5-14-6.**

SECTION 20. IC 15-16-5-45, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 45. (a) The state chemist shall adopt rules to establish categories and qualifications to certify and license persons to use pesticides and to make diagnostic inspections and reports for wood destroying pests under this chapter. Each category is subject to separate testing procedures and requirements. A person is not required to pay an additional license fee if the person desires to be licensed in more than one (1) of the license categories provided for by the state chemist under this section.

(b) The state chemist, in adopting rules under this section, shall establish **examination content** and standards for the certification of persons who use pesticides or who make diagnostic inspections and reports for wood destroying pests. **The examination content and standards must relate to the following:**

- (1) **The hazards involved in the use and handling of pesticides, or to the use and handling of the pesticide or class of pesticides covered by the individual's certification.**
- (2) **The job responsibilities of the individual using pesticides that are covered by the individual's certification.**
- (3) **Any relevant information addressed in 40 CFR Part 171.**

~~and must be relative to the hazards involved. In determining standards, the state chemist shall consider the characteristics of the pesticide formulation, including the acute dermal and inhalation toxicity, the persistence, mobility, and susceptibility to biological concentration, the use experience that may reflect an inherent misuse or an unexpected good safety record that does not always follow laboratory toxicological information, the relative hazards of patterns of use, including granular soil applications, ultra-low volume or dust aerial applications, or air blast sprayer applications, and the extent of the intended use. The state chemist shall observe the relevant regulations of Section 4 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.).~~

(c) The state chemist may require a person certified under this chapter as a commercial applicator or a private applicator to renew the person's certification, under requirements and standards established by the state chemist, to assure that the person maintains a level of competence and ability to use pesticides safely and properly.

(d) An individual who is certified and licensed under this chapter must be at least eighteen (18) years of age, as proven by a valid government issued identification or an equivalent form of identification.

SECTION 21. IC 15-16-5-47, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 47. (a) A license issued under this chapter is not transferable except in the event of disability or death of the licensee. The state chemist may transfer a license **to an individual who is a certified applicator** by issuing a temporary permit to provide for the operation of the business until the expiration of the permanent license.

(b) A **certificate certification** issued under this chapter is not transferable.

SECTION 22. IC 15-16-5-48, AS ADDED BY P.L.120-2008, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 48. (a) Subject to section 55 of this chapter, a person may not engage in or profess to engage in the business of:

- (1) using a pesticide; or
- (2) making diagnostic inspections or reports to determine infestations of wood destroying pests;

on the property of another for hire at any time without a pesticide business license issued by the state chemist. The state chemist shall require an annual license fee of forty-five dollars (\$45) for each pesticide business license that is issued.

(b) A pesticide business license must be obtained for each **unique** business location or **business name** from which pesticide use or application is conducted.

(c) The application for a license must be on a form provided by the state chemist. Each application must contain information necessary for the administration of this chapter.

(d) The state chemist may not issue a pesticide business license until the applicant or a pesticide applicator in the applicant's hire who uses or supervises the use of a pesticide on the property of another is certified by passing an examination to demonstrate to the state chemist the applicant's or applicator's knowledge of the:

- (1) use of pesticides under the category for which the applicant or applicator has applied; and
- (2) nature and effect of pesticides the applicant or applicator may apply under the categories.

At least one (1) licensed applicator for hire must be associated with each location from which pesticides are used for hire.

(e) The state chemist may renew any pesticide business license.

(f) Subject to subsections (a), (b), (c), and (d) and section 65 of this chapter, if:

- (1) the state chemist finds the applicant qualified to engage in the business of using pesticides or making diagnostic inspections or reports to determine infestations of wood destroying pests on the property of another;
- (2) the applicant files evidence of financial responsibility required under section 58 of this chapter; and
- (3) the applicant applying for a license involving aerial application of pesticides has met all of the requirements of:

- (A) the Federal Aviation Administration;
- (B) the Indiana department of transportation; and
- (C) any other applicable federal or state statutes or regulations to operate the equipment described in the application;

the state chemist may issue a pesticide business license limited to the categories for which the applicant or a pesticide applicator

in the applicant's hire is qualified. The license expires January 1 of the year following issue unless it has been invalidated, revoked, or suspended earlier by the state chemist. A surety bond or certificate of liability insurance in force or certificate of financial responsibility required under section 58 of this chapter must be maintained and in effect on a continuing basis.

(g) The state chemist may limit a license or the operation of a business to the use of certain pesticides, or to certain areas, or to certain types of equipment if the applicant is only so qualified.

(h) If a license is not issued as applied for, the state chemist shall inform the applicant in writing of the reasons the license was not issued.

SECTION 23. IC 15-16-5-55, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 55. Section 48 of this chapter relating to **pesticide business** licenses and requirements for their issuance does not apply to the following:

(1) A farmer who applies pesticides for the farmer's own use or with ground equipment or manually for the farmer's neighbors if:

- (A) the farmer operates farm property and operates and maintains pesticide application equipment primarily for the farmer's own use;
- (B) the farmer is not engaged in the business of applying pesticides for hire and the farmer does not publicly profess to be a pesticide business;
- (C) the farmer operates the farmer's pesticide application equipment only in the vicinity of the farmer's own property and for the accommodation of the farmer's neighbors **without any compensation**; and
- (D) the farmer is certified as a private applicator if the farmer uses restricted use pesticides.

(2) A veterinarian who uses pesticides as an incidental part of the veterinarian's practice, if the veterinarian is not regularly engaged in or does not profess to be engaged in the business of using pesticides for hire.

(3) Research personnel applying **general use** pesticides only to bona fide experimental plots.

(4) A person who uses nonrestricted general use pesticides for purposes of disinfecting or sanitizing, unless a license is required by a rule established by the board.

SECTION 24. IC 15-16-5-59, AS ADDED BY P.L.120-2008, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 59. (a) Commercial applicators, **private applicators**, and licensed pest inspectors shall maintain records concerning:

- (1) the application of restricted use pesticides;
- (2) the application of pesticides for hire;**
- (3) the application of pesticides on golf courses;**
- (4) the application of pesticides on school property;**
- ~~(5)~~ **(5) diagnostic inspections to determine infestations of wood destroying pests; and**
- ~~(6)~~ **(6) any relevant information that the state chemist determines by rule is necessary for purposes of this chapter.**

~~(b)~~ **The state chemist may require certified applicators to maintain records related to applications of state restricted pesticide uses:**

- ~~(c)~~ **(b) Records required under this section must be kept for:**
 - (1) two (2) years after the date of the inspection or the application of the pesticide; or
 - (2) the time specified by rule.

~~(d)~~ **(c) The state chemist shall be provided access to the records by the commercial applicator or licensed pest inspector: required to be maintained under this section.**

SECTION 25. IC 15-16-5-65, AS AMENDED BY P.L.99-2012, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 65. Subject

to section 66 of this chapter, the state chemist under IC 4-21.5-3-6 may warn, cite, or impose a civil penalty on a person for a violation under this chapter. The state chemist may also deny, suspend, revoke, or modify any provision of any license, permit, registration, or certification issued under this chapter if the state chemist finds that the applicant or the holder of a license, permit, registration, or certification has committed any of the following acts, each of which is a violation of this chapter:

- (1) Made false or fraudulent claims either verbally or through any media misrepresenting the effect of pesticide products or methods to be used.
- (2) Recommended, used, or supervised the use of any registered pesticide product in a manner inconsistent with its labeling approved by the United States Environmental Protection Agency or Indiana state registration for that pesticide, or in violation of the United States Environmental Protection Agency or Indiana state restrictions on the use of that pesticide product.
- (3) Used known ineffective or improper pesticide products or known ineffective amounts of pesticides.
- (4) Operated faulty or unsafe equipment.
- (5) Operated in a careless or negligent manner.
- (6) Neglected or, after notice, refused to comply with this chapter, the rules adopted under this chapter, or of any lawful order of the state chemist or the board.
- (7) Refused or neglected to:
 - (A) keep and maintain the records required by this chapter; or
 - (B) make reports and supply information when required or requested by the state chemist in the course of an investigation or inspection.
- (8) Made false or fraudulent records, invoices, or reports.
- (9) Engaged in or professed to be engaged in the business of:
 - (A) using a pesticide or any other product regulated under this chapter or by rules adopted under this chapter; or
 - (B) making a diagnostic inspection to determine infestations of a wood destroying pest; for hire on the property of another without having a business license issued by the state chemist.
- (10) Used ~~a restricted use or supervised the use of a pesticide product that is required to be used under this chapter by a person who is certified, licensed, or permitted~~ without having ~~an applicator; a person who is certified, licensed, or permitted under this chapter in direct supervision; conducting the use.~~
- (11) Used fraud or misrepresentation in ~~making an application the qualification or application~~ for, or renewal of, a license, permit, registration, or certification.
- (12) Refused or neglected to comply with any limitations or restrictions on or in a duly issued license, permit, registration, or certification.
- (13) Aided or abetted a person to evade this chapter, conspired with a person to evade this chapter, or allowed a license, permit, registration, or certification to be used by another person.
- (14) Made false or misleading statements during or after an inspection concerning any infestation or infection of pests.
- (15) Impersonated any federal, state, county, or city inspector, investigator, or official.
- (16) Knowingly purchased or used a pesticide product that was not registered under IC 15-16-4.
- (17) Failed to continuously maintain financial responsibility required under section 58 of this chapter or to provide proof of financial responsibility to the state chemist when requested.

(18) Intentionally altered a duly issued license, permit, registration, or certification.

(19) Recklessly, knowingly, or intentionally impeded or prevented the state chemist or the state chemist's agent from performing a duty of the state chemist.

SECTION 26. IC 15-16-5-66, AS ADDED BY P.L.2-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 66. (a) The state chemist may impose civil penalties **under this section** only in accordance with the schedule of civil penalties adopted by the board.

(b) The board shall establish a schedule of civil penalties that may be imposed under section 65 of this chapter by rule adopted under IC 4-22-2. The rule adopted under this subsection may not provide for a civil penalty that exceeds the following:

(1) For a violation committed by a person who is required to be certified as a private applicator, one hundred dollars (\$100).

(2) For a violation by a person who is not described in subdivision (1), the following:

(A) Two hundred fifty dollars (\$250) for a person's first violation.

(B) Five hundred dollars (\$500) for a person's second violation.

(C) One thousand dollars (\$1,000) for a person's third violation and each subsequent violation.

~~(e) If a violation is of a continuing nature, the state chemist may impose a civil penalty for each day that the violation occurred.~~

~~(d) (c)~~ A proceeding under IC 4-21.5-3 that involves a civil penalty may be consolidated with any other proceeding commenced under IC 4-21.5 to enforce this chapter or the rules adopted under this chapter.

~~(e) (d)~~ Money collected for civil penalties imposed under section 65 of this chapter shall be credited to the office of Purdue pesticide programs. The money may be used only to provide education about pesticides.

SECTION 27. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "policy" refers to the FY 2019 pesticide enforcement response policy developed by the state chemist.**

(b) The state chemist shall suspend its enforcement of the policy.

(c) This SECTION expires July 1, 2021.

SECTION 28. **An emergency is declared for this act.**

(Reference is to ESB 438 as printed February 21, 2020.)

LEISING LEHE

LANANE WRIGHT

Senate Conferees House Conferees

Roll Call 371: yeas 92, nays 4. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 2:49 p.m. with the Speaker in the Chair.

Upon request of Representative Pryor, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 372: 71 present. The Speaker declared a quorum present.

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 65

The Speaker handed down Senate Concurrent Resolution 65, sponsored by Representatives Frye and Ziemke:

A CONCURRENT RESOLUTION recognizing Matthew Clifford on being named the 2019 Indiana Middle School Principal of the Year for District 10 by the Indiana Association of School Principals.

Whereas, The Indiana Association of School Principals recognized Matthew Clifford, Principal of Greensburg Junior High School, as the 2019 Indiana Middle School Principal of the Year for District 10;

Whereas, Matthew received his Bachelor of Music Education Degree from DePauw University, and in 2000 he was recognized by the Indiana Music Educator's Association as the Outstanding Future Music Educator of the Year;

Whereas, After graduation, Matthew began his teaching career as a music teacher and high school band director at Greensburg High School;

Whereas, In 2012, Matthew earned a master's degree in Educational Leadership and Supervision from Ball State University;

Whereas, Matthew began his education administration career in 2013 when he became Principal of Greensburg Junior High School;

Whereas, Among his accomplishments as Principal, Matthew changed the school's master schedule to accommodate targeted academic intervention in English and language arts and math to increase instructional time in all classes, volunteered his school to pilot the one-to-one Digital Learning Initiative in the school district, and brought the alternative school program back into the middle school, with changes to improve academic success, attendance, and behavioral statistics; and

Whereas, Matthew is a transformational leader who has shifted from being a building manager to being an education leader, and his work earned recognition by the Indiana Association of School Principals as the 2019 Middle School Principal of the Year for District 10: Therefore,

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

SECTION 1. That the Indiana General Assembly recognizes Matthew Clifford on being named the 2019 Indiana Association of School Principals District 10 Middle School Principal of the Year.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Matthew Clifford.

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

House Resolution 69

Representative Eberhart introduced House Resolution 69:

A HOUSE RESOLUTION honoring former State Representative Edmund M. Mahern.

Whereas, Mr. Edmund M. Mahern was one of the first baby boomers, born two seconds after midnight on January 1, 1946;

Whereas, Mr. Mahern is recognized as a lifelong advocate in the Democratic Party, having served as a national delegate in at least three conventions and serving as a member of the Democrat National and State Committees from 1988 to 1992;

Whereas, Mr. Mahern first ran for office in 1975 and led the ticket as an at large candidate for the Indiana City-County Council, even though he did not win;

Whereas, Mr. Mahern went on to serve as the Indiana state coordinator of the Jimmy Carter and Walter Mondale

presidential committees, Governor Frank O'Bannon's appointee to the congressional redistricting commission following the 2000 census, and state representative of House District 97 from 1996 to 2006;

Whereas, Representative Mahern was a voice of reason during contentious debate in the course of his tenure as a legislator;

Whereas, Representative Mahern earned the trust and respect of legislators from both sides of the aisle and from both chambers, as well as activists, for his ability to bring people together in support of meaningful change for Hoosiers;

Whereas, Mr. Mahern counseled, invested in, and guided countless civic-minded youths, interns, and young adults, inspiring many to continue down the path of public service; and

Whereas, Mr. Mahern continues to serve, especially in the Garfield Park neighborhood, where he works on local boards to promote activism in his community and bring forth ideas and initiatives to help make his community a better place: Therefore,

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

SECTION 1. That the House of Representatives honors former State Representative Edmund M. Mahern for his contributions to his community and the state of Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the office of State Representative Sean Eberhart for distribution.

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

House Resolution 70

Representative Barrett introduced House Resolution 70:

A HOUSE RESOLUTION honoring Kevin Handley Jr., Jayden Shipp, and Derrick Lamb.

Whereas, Three Richmond, Indiana, students helped Team Indiana win the 2019 World Youth Football Championship in Canton, Ohio, on December 9, 2019;

Whereas, Kevin Handley Jr., Jayden Shipp, and Derrick Lamb played in a championship competition that spanned 10 games from November 23 to December 9;

Whereas, Handley, Shipp, and Lamb, as part of Team Indiana, competed against teams from across the United States and helped Team Indiana outscore its opponents 204-47;

Whereas, The eighth-grade trio from Dennis Intermediate school have known one another since they were 6 years old, according to an article published by the Palladium-Item in Richmond, Indiana; and

Whereas, Handley, Shipp, and Lamb plan to attend Richmond High School in the Fall of 2020, where they hope to build upon their success in football: Therefore,

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

SECTION 1. That the House of Representatives honors Kevin Handley Jr., Jayden Shipp, and Derrick Lamb in their accomplishment as 2019 World Youth Football Champions.

SECTION 2. That the House of Representatives wishes them continued success in their athletic careers.

SECTION 3. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the office of State Representative Brad Barrett for distribution.

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

House Resolution 71

Representatives Carbaugh and Leonard introduced House Resolution 71:

A HOUSE RESOLUTION recognizing the Vietnam Wall Memorial.

Whereas, It is fitting and appropriate to honor the courage and sacrifice of Vietnam War veterans;

Whereas, More than 58,000 brave service members lost their lives in this conflict, and more than 300,000 were wounded or permanently disabled;

Whereas, An estimated 1,587 individuals are unaccounted for, as reported by the Defense POW/MIA Accounting Agency, as of March 6, 2020;

Whereas, A replica of the Vietnam Veterans Memorial Wall, located in Washington D.C., will be permanently installed at the Veterans National Memorial Shrine and Museum in Fort Wayne by Veterans Day, November 11, 2020;

Whereas, This replica of the Vietnam Wall Memorial will be constructed at 80% scale of the original wall and stand eight feet tall and 360 feet long; and

Whereas, The Vietnam Wall Memorial will be another outstanding addition to the Veterans National Memorial Shrine and Museum in Fort Wayne and will bring thousands of visitors: Therefore,

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

SECTION 1. That all citizens of Indiana are encouraged to visit the Vietnam Wall Memorial, after its placement by Veterans Day, November 11, 2020.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the office of State Representative Martin Carbaugh for distribution.

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

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action:

Engrossed Senate Bills 350, 408, 148, 398, 319 and 229

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action:

Engrossed Senate Bills 350, 408, 148, 398, 319 and 229

LEONARD, Chair

Motion prevailed.

Representatives Austin, Baird, Carbaugh, Dvorak, Kirchofer, Lehe, Lehman, Morrison, Morris, Pressel, Smaltz, Speedy and Torr, who had been present, are now excused.

**CONFERENCE COMMITTEE REPORT
ESB 319-1**

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 319 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 20-28-5-25, AS ADDED BY P.L.143-2019, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 25. (a) This section applies to a professional growth plan that begins after July 1, 2019.

(b) Fifteen (15) of the total number of professional growth experience points required to renew a practitioner license or an accomplished practitioner license ~~must~~ may be obtained through the completion of one (1) or more of the following:

(1) ~~An externship with a company. Working for or with a local company in a capacity that includes an understanding of the current and future economic needs of the company and community and a process to disseminate that information to students.~~

(2) Professional development provided by the state, a local business, or a community partner that provides opportunities for schools and employers to partner in promoting career navigation.

(3) Professional development provided by the state, a local business, or a community partner that outlines the:

(A) current and future economic needs of the community, state, nation, and globe; and

(B) ways in which the current and future economic needs described in clause (A) can be disseminated to students.

(4) **Participation in mentoring or coaching students who are involved in, working with students who are involved in, and exposing students to real world competitions or any other types of programs that provide career skills, including competitions or programs involving or provided by the following:**

(A) Robotics.

(B) Tests of Engineering Aptitude, Mathematics and Science (TEAMS).

(C) Technology Student Association (TSA).

(D) Future Health Professionals (HOSA).

(E) Distributive Education Clubs of America (DECA).

(F) Future Farmers of America (FFA).

(c) This section may not be construed to limit the types of professional development that qualify for professional growth experience points.

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

(Reference is to ESB 319 as printed February 28, 2020.)

ROGERS BEHNING

MELTON KLINKER

Senate Conferees House Conferees

Roll Call 373: yeas 83, nays 0. Report adopted.

Representatives Lehe, Pressel and Torr, who had been excused, are now present.

Representatives Bosma, Boy, Macer, Pfaff, Steuerwald and Wesco, who had been present, are now excused.

CONFERENCE COMMITTEE REPORT
ESB 350-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 350 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-7-7.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 7.7. Indianapolis Metropolitan Planning Organization

Sec. 1. This chapter applies to an eligible political subdivision located within the metropolitan planning area of the MPO.

Sec. 2. The following definitions apply throughout this chapter:

(1) "Eligible political subdivision" means any of the following:

- (A) A county.
- (B) A municipality.
- (C) An urban mass transportation system (as described in IC 36-9-4).

(2) "Metropolitan planning area" of the MPO means the aggregate geographic territory of the following political subdivisions:

- (A) A county having a population of more than seven hundred thousand (700,000).
- (B) All eligible political subdivisions in a county having a population of more than seven hundred thousand (700,000).
- (C) All counties immediately adjacent to a county having a population of more than seven hundred thousand (700,000).
- (D) All eligible political subdivisions in a county immediately adjacent to a county having a population of more than seven hundred thousand (700,000).

(3) "MPO" means the Indianapolis metropolitan planning organization established by section 3 of this chapter.

Sec. 3. The Indianapolis metropolitan planning organization is established.

Sec. 4. (a) An eligible political subdivision that:

- (1) is not a member of the MPO; and
- (2) is in a county adjacent to a county that:
 - (A) is a member of the MPO; or
 - (B) contains a member of the MPO;

may join the MPO under this chapter.

(b) An eligible political subdivision described in subsection (a) may join the MPO under this chapter only if:

- (1) the governing body of the eligible political subdivision adopts a resolution authorizing the eligible political subdivision to become a member of the MPO; and
- (2) the MPO adopts a resolution authorizing the eligible political subdivision to become a member of the MPO.

(c) An eligible political subdivision becomes a member of the MPO upon the passage of a resolution under subsection (b)(2) authorizing the eligible political subdivision to become

a member of the MPO.

(d) The MPO shall notify the governor's office promptly in writing when a new member joins the MPO.

Sec. 5. The purpose of the MPO is to institute and maintain a comprehensive planning and programming process for transportation policy and to assist the central Indiana regional development authority in carrying out its duties under IC 36-7.7. The MPO shall coordinate its activities with all member units in the counties and the member units of the central Indiana regional development authority and shall coordinate and assist the planning programs of member units, the central Indiana regional development authority, and the state that relate to its purposes.

Sec. 6. (a) This section applies to any eligible political subdivision authorized to join the MPO under section 4 of this chapter.

(b) An eligible political subdivision described in subsection (a) may withdraw from the MPO without the approval of the MPO. However, the withdrawal of a county does not affect the membership of eligible political subdivisions within that county that are already members of the MPO. The MPO shall provide a process for withdrawal from the MPO in the MPO's bylaws.

(c) The MPO shall notify the governor's office promptly in writing when a member withdraws from the MPO.

Sec. 7. (a) Each eligible political subdivision described in section 2 of this chapter and each eligible political subdivision that joins the MPO under section 4 of this chapter is considered a member of the MPO.

(b) The highest ranking elected official, executive director, or board president of each MPO member shall serve on the MPO policy board.

(c) A member of the MPO policy board described in subsection (b) may appoint a proxy of record to serve in the member's place as a member of the MPO policy board. The proxy of record has the same authority to act and vote on all matters as does the member.

Sec. 8. The MPO may adopt bylaws and rules for the transaction of business and shall keep a record of its resolutions, transactions, findings, and determinations. The MPO's record is a public record.

Sec. 9. The MPO may perform any function or duty necessary to carry out the purposes authorized by 23 CFR 450.300 through 23 CFR 450.340 or in support of the purposes of the central Indiana regional development authority authorized by IC 36-7.7.

Sec. 10. After review and recommendation by the executive board, the MPO may appoint an executive director, who serves at the pleasure of the MPO.

Sec. 11. Before October 1, 2021, the MPO shall do the following:

- (1) Develop a comprehensive asset management report, in collaboration with the Indiana department of transportation centralized electronic statewide asset management data base developed under IC 8-14-3-3, which analyzes and compiles the transportation asset management plans of each eligible political subdivision that is a member of the MPO.
- (2) Present the comprehensive asset management report described in subdivision (1) to:
 - (A) the city-county council of the consolidated city;
 - (B) the fiscal and legislative bodies of each entity that is a member of the MPO; and
 - (C) the budget committee.

SECTION 2. IC 36-7.7 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

ARTICLE 7.7. CENTRAL INDIANA REGIONAL DEVELOPMENT AUTHORITY
Chapter 1. Applicability

Sec. 1. This article applies only to eligible political subdivisions described in IC 36-7.7-2-7 that are located in the Indianapolis-Carmel-Anderson Metropolitan Statistical Area as defined by the United States Census Bureau.

Sec. 2. This article expires July 1, 2025.

Chapter 2. Definitions

Sec. 1. Except as otherwise provided, the definitions in this chapter apply throughout this article.

Sec. 2. "Airport authority" refers to an airport authority established under IC 8-22-3.

Sec. 3. "Commuter transportation district" refers to a commuter transportation district established under IC 8-5-15.

Sec. 4. "Comprehensive development plan" refers to a comprehensive strategic economic development plan prepared under IC 36-7.7-3-4.

Sec. 5. "Development authority" refers to the central Indiana regional development authority established under IC 36-7.7-3-1.

Sec. 6. "Economic development project" means an economic development project described in IC 6-3.6-2-8.

Sec. 7. "Eligible political subdivision" means any of the following:

- (1) A county.
- (2) A municipality.
- (3) An airport authority.
- (4) A commuter transportation district.
- (5) A regional transportation authority.
- (6) A public transportation corporation under IC 36-9-4.

Sec. 8. "Strategy committee" refers to the strategy committee composed of members selected according to the terms of the preliminary development plan.

Sec. 9. "Preliminary development plan" means a preliminary strategic economic development plan prepared under IC 36-7.7-3-3.

Sec. 10. "Regional transportation authority" means a regional transportation authority established under IC 36-9-3.

Chapter 3. Development Authority and Board

Sec. 1. (a) In order to establish a development authority under this article, the fiscal bodies of a combination of any two (2) or more counties or municipalities described in subsection (b) must adopt substantially similar resolutions to adopt a preliminary development plan prepared under section 3 of this chapter for the development authority.

(b) A development authority may be established by any of the following:

- (1) One (1) or more counties and one (1) or more adjacent counties.
- (2) One (1) or more counties and one (1) or more municipalities in adjacent counties.
- (3) One (1) or more municipalities and one (1) or more municipalities in adjacent counties.

(c) If a development authority is established under subsection (a), the development authority shall promptly notify the Indiana economic development corporation of the establishment of the development authority by submitting a copy of the preliminary development plan to the Indiana economic development corporation.

(d) When a county establishes a development authority under subsection (a) with another unit, any municipality in the county does not also become a member of the development authority, unless the fiscal body of the municipality also adopts the preliminary development plan prepared under section 3 of this chapter for the development authority.

(e) A county or municipality may become a member of the development authority under this section only if the county or municipality is not a member of a development authority under IC 36-7.6. If a county or municipality is a

member of another development authority established under IC 36-7.6, the county or municipality must withdraw its membership in that development authority before the county's or municipality's adoption of a preliminary development plan under subsection (a). A county or municipality may be a member of only one (1) development authority.

(f) If not already members, Marion County and the city of Indianapolis are required to join the central Indiana regional development authority if sixty percent (60%) or more of the eligible political subdivisions located within the Indianapolis-Carmel-Anderson Metropolitan Statistical Area as defined by the United States Census Bureau become members of the central Indiana regional development authority. If Marion County and the city of Indianapolis are required to become members of the central Indiana regional development authority under this subsection, Marion County and the city of Indianapolis do not incur any financial obligation because of the fact they have become members of the central Indiana regional development authority. Marion County or the city of Indianapolis can incur a financial obligation in relation to the central Indiana regional development authority only by voluntarily entering into an agreement to undertake the financial obligation.

(g) Notwithstanding any other law, any of the following governmental units may immediately withdraw from the development authority to which they belong in order to join the central Indiana regional development authority:

- (1) The city of Westfield.
- (2) The city of Carmel.
- (3) The city of Greenwood.
- (4) Marion County.

Sec. 2. A development authority established under this chapter is a separate body corporate and politic that shall carry out the purposes of this article by:

- (1) acquiring, constructing, equipping, owning, and financing projects and facilities to or for the benefit of eligible political subdivisions under this article; and
- (2) funding and developing:
 - (A) airport authority projects;
 - (B) commuter transportation district and other rail projects and services;
 - (C) regional transportation authority projects and services;
 - (D) economic development projects;
 - (E) intermodal transportation projects;
 - (F) regional trail or greenway projects;
 - (G) regional transportation infrastructure projects under IC 36-9-43; and
 - (H) any other capital infrastructure project that enhances the region with the goal of attracting people or business;
 that are of regional importance.

Sec. 3. Units that wish to establish a development authority under this chapter must prepare and adopt a preliminary strategic economic development plan that includes provisions and general information concerning the following:

- (1) The participating members of the development authority.
- (2) The membership of the strategy committee under section 5 of this chapter.
- (3) A timeline for submitting the comprehensive development plan under section 4 of this chapter.
- (4) A strategy for attracting (or any projected) investments, grants, matching funds, or local tax revenue.

Sec. 4. (a) A development authority established under this chapter shall prepare a comprehensive strategic economic development plan to serve as a roadmap to diversify and strengthen the regional economy, establish

regional goals and objectives, develop and implement a regional action plan, identify ways to eliminate duplicative government services within the region, and identify investment priorities and funding sources.

(b) The comprehensive development plan must incorporate and comply with the requirements and content for comprehensive economic development strategies under 13 CFR 303.7 and be developed with broad based and diverse community participation, and may contain the following:

- (1) An analysis of economic and community development problems and opportunities including incorporation of any relevant material or suggestions from other government sponsored or supported plans.
- (2) A background and history of the economic development situation of the region, with a discussion of the economy, including as appropriate, geography, population, labor force, resources, and the environment.
- (3) A discussion of community participation in the planning efforts.
- (4) Identification of particular strengths or assets that can be leveraged for economic benefit and goals and objectives for taking advantage of those strengths and assets to solve the economic development problems of the region.
- (5) A plan of action, including suggested projects, to achieve the goals and objectives.
- (6) Performance measures to be used to evaluate whether and to what extent goals and objectives have been or are being met.
- (7) Strategies for:
 - (A) ensuring access to affordable health care;
 - (B) ensuring access to affordable child care;
 - (C) establishing workforce pipelines for those exiting recovery and reentry programs;
 - (D) recreation and entertainment;
 - (E) coordinating with local businesses to ensure the supply of high technology or high demand job apprenticeships;
 - (F) leveraging technology to improve delivery of government services;
 - (G) eliminating duplicative government services within the region;
 - (H) increasing the supply of affordable homes and other housing;
 - (I) building connectivity between the business community and local schools;
 - (J) incentivizing or attracting out-of-state residents and businesses to relocate to the region; and
 - (K) branding and marketing the region as a means to recruit and retain businesses and people.
- (8) Data analyses of other workforce and quality of place measures including, without limitation, detailed information for the most recent three (3) year period for which data is available for the following:
 - (A) Workforce availability compared to job postings.
 - (B) Commercial and industrial electricity prices.
 - (C) Local road and infrastructure spending.
 - (D) Access to fixed broadband and mobile connectivity meeting Federal Communications Commission standards for businesses and residents.
 - (E) Total employment in firms that are zero (0) to five (5) years old.
 - (F) Net job creation in firms that are zero (0) to five (5) years old.
 - (G) Net job creation in firms that are more than five (5) years old.
 - (H) Venture capital invested.
 - (I) Summary of the region's health related metrics including the following:
 - (i) Adult smoking rate.
 - (ii) Adult obesity rate.
 - (iii) Drug related deaths.

(9) The proposed projects and programs to be undertaken or financed by the development authority.

(10) The following information for each project and program included under subdivision (9):

- (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.

Sec. 5. (a) A development authority established under this chapter is governed by a strategy committee.

(b) A strategy committee is composed of members according to the terms of the preliminary development plan adopted by the fiscal bodies of development authority members under section 1 of this chapter.

(c) The removal of a member and the filling of a vacancy on the strategy committee shall be made according to the terms of the development authority preliminary development plan.

(d) Each member of a strategy committee, 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 investment board.

(e) A member of a strategy committee is not entitled to receive any compensation for performance of the member's duties.

Sec. 6. (a) In January of each year, a strategy committee shall hold an organizational meeting at which the strategy committee shall elect the following officers from the members of the strategy committee:

- (1) A chair.
- (2) A vice chair.
- (3) A secretary-treasurer.

(b) The affirmative vote of at least a majority of the members of the strategy committee is necessary to elect an officer under subsection (a).

(c) An officer elected under subsection (a) serves from the date of the officer's election until the officer's successor is elected and qualified.

Sec. 7. (a) A strategy committee shall meet at least quarterly.

(b) The chair of a strategy committee or any two (2) members of a strategy committee may call a special meeting of the strategy committee.

(c) A majority of the appointed members of a strategy committee constitutes a quorum.

(d) The affirmative votes of at least a majority of the appointed members of a strategy committee are necessary to authorize any action of the strategy committee.

Sec. 8. A strategy committee shall adopt the bylaws and rules that the strategy committee considers necessary for the proper conduct of the strategy committee's duties and the safeguarding of the development authority's funds and property.

Sec. 9. (a) Only one (1) development authority may be established under this article. However, a county or municipality described in subsection (b) may join a development authority established under section 1 of this chapter if the fiscal body of the county or municipality:

- (1) adopts an ordinance authorizing the county or municipality to become a member of the development authority; and
- (2) adopts a substantially similar resolution to adopt the preliminary development plan of the development authority as set forth under section 1 of this chapter.

A development authority shall notify the Indiana economic development corporation promptly in writing when a new member joins the development authority.

(b) The following counties or municipalities may join a development authority established under section 1 of this chapter:

- (1) In the case of a county, a county that is adjacent to a county that:
 - (A) is a member of the development authority; or
 - (B) contains a member of the development authority.
- (2) In the case of a municipality, a municipality that is located in a county that:
 - (A) is a member of the development authority;
 - (B) is adjacent to a county that is a member of the development authority; or
 - (C) is adjacent to a county containing a member of the development authority.

Sec. 10. A county or municipality that establishes or joins a development authority under this chapter shall be a member of the development authority for not less than five (5) years or until the expiration of this article.

Chapter 4. Compliance and Audit Requirements

Sec. 1. (a) A development authority shall comply with IC 5-22 (public purchasing), IC 36-1-12 (public work projects), and any applicable federal bidding statutes and regulations. An eligible political subdivision that receives a loan, a grant, or other financial assistance from a development authority or enters into a lease with a development authority must comply with applicable federal, state, and local public purchasing and bidding laws and regulations. However, a purchasing agency (as defined in IC 5-22-2-25) of an eligible political subdivision may:

- (1) assign or sell a lease for property to a development authority; or
- (2) enter into a lease for property with a development authority;

at any price and under any other terms and conditions as may be determined by the eligible political subdivision and the development authority. However, before making an assignment or a sale of a lease or entering into a lease under this section that would otherwise be subject to IC 5-22, the eligible political subdivision or its purchasing agent must obtain or cause to be obtained a purchase price for the property to be subject to the lease from the lowest responsible and responsive bidder in accordance with the requirements for the purchase of supplies under IC 5-22.

(b) In addition to the provisions of subsection (a), with respect to projects undertaken by a development authority, the development authority shall set a goal for participation by minority business enterprises and women's business enterprises. The goals must be consistent with:

- (1) the participation goals established by the counties and municipalities that are members of the development authority; and
- (2) the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services.

Sec. 2. (a) The state board of accounts shall, pursuant to IC 5-11-1-7 and IC 5-11-1-24, allow each development authority to contract with a certified public accountant for an annual financial audit of the development authority. The certified public accountant may not have a significant financial interest in a project, facility, or service funded by or leased by or to any development authority. The certified public accountant selected by a development authority must be approved by the state examiner and is subject to the direction of the state examiner while performing an annual financial audit under this article.

(b) The certified public accountant shall present an audit report not later than four (4) months after the end of each

calendar year and shall make recommendations to improve the efficiency of development authority operations. The certified public accountant shall also perform a study and evaluation of internal accounting controls and shall express an opinion on the controls that were in effect during the audit period.

(c) A development authority shall pay the cost of the annual financial audit under subsection (a). In addition, the state board of accounts may at any time conduct an audit of any phase of the operations of a development authority. The development authority shall pay the cost of any audit by the state board of accounts.

(d) The state board of accounts may waive the requirement that a certified public accountant perform an annual financial audit of a development authority for a particular year if the development authority certifies to the state board of accounts that the development authority had no financial activity during that year.

Chapter 5. Development Authority Powers and Duties

Sec. 1. A development authority shall do the following:

- (1) Assist in the coordination of local efforts concerning projects that are of regional importance.
- (2) Assist a county, a municipality, a commuter transportation district, an airport authority, and a regional transportation authority in coordinating regional transportation and economic development efforts.
- (3) Fund projects that are of regional importance, as provided in this article.

Sec. 2. (a) A development authority may do any of the following:

- (1) Finance, improve, construct, reconstruct, renovate, purchase, acquire, and equip land and projects that are of regional importance.
- (2) Finance and construct additional improvements to projects or other capital improvements owned by the development authority.
- (3) Construct or reconstruct highways, roads, and bridges.
- (4) Acquire land or all or a part of one (1) or more projects from an eligible political subdivision by purchase.
- (5) Acquire all or a part of one (1) or more projects from an eligible political subdivision by purchase to fund or refund indebtedness incurred on account of the projects to enable the eligible political subdivision to make a savings in debt service obligations or lease rental obligations or to obtain relief from covenants that the eligible political subdivision considers to be unduly burdensome.
- (6) Make grants or provide other financial assistance to or on behalf of the following:
 - (A) A commuter transportation district.
 - (B) An airport authority.
 - (C) A regional transportation authority. A loan, a loan guarantee, a grant, or other financial assistance under this clause may be used by a regional transportation authority for acquiring, improving, operating, maintaining, financing, and supporting the following:
 - (i) Bus services (including fixed route services and flexible or demand-responsive services) that are a component of a public transportation system.
 - (ii) Bus terminals, stations, or facilities or other regional bus authority projects.
 - (D) A county.
 - (E) A municipality.
- (7) Provide funding to assist a railroad that is providing commuter transportation services in a county containing territory included in the development authority.

(8) Provide funding to assist an airport authority located in a county containing territory included in the development authority in the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of an airport facility or airport project.

(9) Provide funding for intermodal transportation projects and facilities.

(10) Provide funding for regional trails and greenways.

(11) Provide funding for economic development projects.

(12) Provide funding for regional transportation infrastructure projects under IC 36-9-43.

(13) Hold, use, lease, rent, purchase, acquire, and dispose of by purchase, exchange, gift, bequest, grant, condemnation, lease, or sublease, on the terms and conditions determined by the development authority, any real or personal property.

(14) After giving notice, enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a project.

(15) Make or enter into all contracts and agreements necessary or incidental to the performance of the development authority's duties and the execution of the development authority's powers under this article.

(16) Sue, be sued, plead, and be impleaded.

(17) Design, order, contract for, construct, reconstruct, and renovate a project or improvements to a project.

(18) Appoint an executive director and employ appraisers, real estate experts, engineers, architects, surveyors, attorneys, accountants, auditors, clerks, construction managers, and any consultants or employees who are necessary or desired by the development authority in exercising its powers or carrying out its duties under this article.

(19) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a political subdivision, or any other public or private source.

(20) Use the development authority's funds to match federal grants or make loans, loan guarantees, or grants to carry out the development authority's powers and duties under this article.

(21) Except as prohibited by law, take any action necessary to carry out this article.

(b) Projects funded by a development authority must be of regional importance.

Sec. 3. A development authority may enter into an agreement with another development authority or any other entity to:

(1) jointly equip, own, lease, and finance projects and facilities; or

(2) otherwise carry out the purposes of the development authority;

in any location.

Sec. 4. A development authority shall, before April 1 of each year, issue a report to the legislative council, the budget committee, the Indiana economic development corporation, and the executive, fiscal body, and legislative body of each member of the development authority concerning the operations and activities of the development authority during the preceding calendar year. The report to the legislative council must be in an electronic format under IC 5-14-6.

Chapter 6. Regional Strategy Fund

Sec. 1. (a) A strategy committee shall establish and administer a regional strategy fund.

(b) A regional strategy fund consists of the following:

(1) Any payments required under an interlocal agreement for a project that specifically states:

(A) the amount for which each member is

responsible; and

(B) the term of the agreement.

The transfers allowed by this subdivision may be made from any local revenue of the county or municipality, including property tax revenue, distributions, incentive payments, money deposited in the county's or municipality's local major moves construction fund under IC 8-14-16, money received by the county or municipality under a development agreement (as defined by IC 36-1-8-9.5), or any other local revenue that is not otherwise restricted by law or committed for the payment of other obligations.

(2) Money received from the federal government.

(3) Gifts, contributions, donations, and private grants made to the fund.

(4) Money transferred to the development authority under an interlocal agreement.

Sec. 2. A development authority and an eligible political subdivision may enter into common wall (party wall) agreements or other agreements concerning easements or licenses. These agreements shall be recorded with the recorder of the county in which the project is located.

Sec. 3. (a) All:

(1) property owned by a development authority; and

(2) revenue of a development authority;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5.

(b) All securities issued under this chapter are exempt from the registration requirements of IC 23-19 and other securities registration statutes.

SECTION 3. An emergency is declared for this act.

(Reference is to ESB 350 as reprinted March 3, 2020.)

HOLDMAN T. BROWN

J. D. FORD PORTER

Senate Conferees ouse Conferees

Roll Call374: yeas 80, nays 0. Report adopted.

Representatives Carbaugh, Morrison and Morris, who had been excused, are now present.

Representatives Barrett and Soliday, who had been present, are now excused.

CONFERENCE COMMITTEE REPORT

ESB 398-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 398 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 20-26-13-10, AS AMENDED BY HEA 1305-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) Except as provided in section 11 of this chapter, the four (4) year graduation rate for a cohort in a high school is the percentage determined under STEP FIVE of the following formula:

STEP ONE: Determine the grade 9 enrollment at the beginning of the reporting year three (3) years before the reporting year for which the graduation rate is being determined.

STEP TWO: Add:

(A) the number determined under STEP ONE; and

(B) the number of students who:

(i) have enrolled in the high school after the date on

which the number determined under STEP ONE was determined; and

(ii) have the same expected graduation year as the cohort.

STEP THREE: Subtract from the sum determined under STEP TWO the number of students who have left the cohort for any of the following reasons:

- (A) Transfer to another public or nonpublic school.
- (B) Except as provided in IC 20-33-2-28.6 and subsection (b), removal by the student's parents under IC 20-33-2-28 to provide instruction equivalent to that given in the public schools.
- (C) Withdrawal because of a long term medical condition or death.
- (D) Detention by a law enforcement agency or the department of correction.
- (E) Placement by a court order or the department of child services.
- (F) Enrollment in a virtual school.
- (G) Leaving school, if the student attended school in Indiana for less than one (1) school year and the location of the student cannot be determined.
- (H) Leaving school, if the location of the student cannot be determined and the student has been reported to the Indiana clearinghouse for information on missing children and missing endangered adults.
- (I) Withdrawing from school before graduation, if the student is a high ability student (as defined in IC 20-36-1-3) who is a full-time student at an accredited institution of higher education during the semester in which the cohort graduates.
- (J) Withdrawing from school before graduation pursuant to providing notice of withdrawal under section 17 of this chapter.
- (K) Participating in the high school equivalency pilot program under IC 20-30-8.5, unless the student fails to successfully complete the high school equivalency pilot program in the two (2) year period.**

STEP FOUR: Determine the total number of students determined under STEP TWO who have graduated during the current reporting year or a previous reporting year.

STEP FIVE: Divide:

- (A) the number determined under STEP FOUR; by
- (B) the remainder determined under STEP THREE.

(b) This subsection applies to a high school in which:

- (1) for a:
 - (A) cohort of one hundred (100) students or less, at least ten percent (10%) of the students left a particular cohort for a reason described in subsection (a) STEP THREE clause (B); or
 - (B) cohort of more than one hundred (100) students, at least five percent (5%) of the students left a particular cohort for a reason described in subsection (a) STEP THREE clause (B); and
- (2) the students described in subdivision (1)(A) or (1)(B) are not on track to graduate with their cohort.

A high school must submit a request to the state board in a manner prescribed by the state board requesting that the students described in this subsection be included in the subsection (a) STEP THREE calculation. The state board shall review the request and may grant or deny the request. The state board shall deny the request unless the high school demonstrates good cause to justify that the students described in this subsection should be included in the subsection (a) STEP THREE calculation. If the state board denies the request the high school may not subtract the students described in this subsection under subsection (a) STEP THREE.

SECTION 2. IC 20-26-13-11, AS AMENDED BY HEA 1305-2020, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) A

student who has left school is not included in clauses (A) through ~~(J)~~ **(K)** of STEP THREE of the formula established in section 10(a) of this chapter unless the school can provide written proof that the student has left the school for one (1) of the reasons set forth in clauses (A) through ~~(J)~~ **(K)** of STEP THREE of section 10(a) of this chapter. If the location of the student is unknown to the school, the principal of the school shall send a certified letter to the last known address of the student, inquiring about the student's whereabouts and status. If the student is not located after the certified letter is delivered or if no response is received, the principal may submit the student's information, including last known address, parent or guardian name, student testing number, and other pertinent data to the state attendance officer. The state attendance officer, using all available state data and any other means available, shall attempt to locate the student and report the student's location and school enrollment status to the principal so that the principal can appropriately send student records to the new school or otherwise document the student's status.

(b) The department shall conduct a review of each school's graduation cohort on a schedule determined by the department.

(c) If a school cannot provide written proof that a student should be included in clauses (A) through ~~(J)~~ **(K)** of STEP THREE of section 10(a) of this chapter, the student is considered a dropout.

SECTION 3. IC 20-26-13-13, AS AMENDED BY HEA 1305-2020, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 13. For any school that cannot provide written proof supporting the school's determination to include a student under any one (1) of clauses (A) through ~~(J)~~ **(K)** of STEP THREE of section 10(a) of this chapter, the department shall require the publication of the corrected graduation rate in the next school year's report required under IC 20-20-8-3.

SECTION 4. IC 20-26-13-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16.5. **(a) A student must be subtracted under clause (K) of STEP THREE of section 10(a) of this chapter when a student transitions from a traditional high school to the high school equivalency pilot program under IC 20-30-8.5.**

(b) This section expires June 30, 2024.

SECTION 5. IC 20-26-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 20. Patriotic Youth Membership Organizations

Sec. 1. As used in this chapter, "organization" means any youth organization listed in Title 36 of the United States Code that has an educational purpose and promotes patriotism and civic involvement.

Sec. 2. As used in this chapter, "public school" means the following:

- (1) A school maintained by a school corporation.**
- (2) A charter school.**

Sec. 3. An organization may request that a public school allow representatives of the organization to provide oral, written, or oral and written information regarding the organization, including information regarding how the organization furthers the educational interests and civic involvement of students consistent with good citizenship and moral instruction provided under IC 20-30-5-6 and IC 20-30-5-5, to students of the public school on school property.

Sec. 4. Upon request by an organization under section 3 of this chapter, a public school shall provide at least one (1) time each school year, a day and time, which may be during the school day as approved by the public school, for the representatives of the organization to provide information to students on school property as described in section 3 of this chapter.

Sec. 5. (a) A public school shall conduct an expanded criminal history check of a representative of an organization before the representative may provide information to students at a public school as described in section 4 of this chapter. The representative may be required to provide a written consent for the public school to conduct the expanded criminal history check. The representative of the organization is responsible for all costs associated with obtaining the expanded criminal history check.

(b) A public school may refuse to allow a representative to provide information as described in section 4 of this chapter if the representative has been convicted of a felony listed in IC 20-28-5-8(c) or IC 20-28-5-8(d).

SECTION 6. IC 20-30-5-7, AS AMENDED BY P.L.97-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) Each school corporation shall include in the school corporation's curriculum the following studies:

- (1) Language arts, including:
 - (A) English;
 - (B) grammar;
 - (C) composition;
 - (D) speech; and
 - (E) second languages.
- (2) Mathematics.
- (3) Social studies and citizenship, including the:
 - (A) constitutions;
 - (B) governmental systems; and
 - (C) histories;

of Indiana and the United States, including an enhanced study of the Holocaust in each high school United States history course. As part of the United States government credit awarded for the general, Core 40, Core 40 with academic honors, and Core 40 with technical honors designation, each high school shall administer the naturalization examination provided by the United States Citizenship and Immigration Services.

- (4) Sciences, including, after June 30, 2021, computer science.
- (5) Fine arts, including music and art.
- (6) Health education, physical fitness, safety, and the effects of alcohol, tobacco, drugs, and other substances on the human body.
- (7) Additional studies selected by each governing body, subject to revision by the state board.

(b) Each:

- (1) school corporation;
- (2) charter school; and
- (3) accredited nonpublic school;

shall offer the study of ethnic and racial groups as a one (1) semester elective course in its high school curriculum at least once every school year.

(c) The course described in subsection (b) may be offered by the school corporation, charter school, or accredited nonpublic school through a course access program administered by the department.

(d) Not later than November 1, 2022, and not later than November 1 each year thereafter, the department shall report to the general assembly in an electronic format under IC 5-14-6 the following:

- (1) The number of students who took the naturalization examination described in subsection (a)(3).
- (2) The number of students who passed the naturalization examination described in subsection (a)(3) by a score of not less than sixty percent (60%) on their first attempt.
- (3) The pass rate of the naturalization examination regarding the students who passed as described in subdivision (2).

(e) Not more than thirty (30) days after the department reports to the general assembly the information under subsection (d), the department shall post the pass rate under subsection (d)(3) on the department's Internet web site.

SECTION 7. IC 20-30-8.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 8.5. High School Equivalency Pilot Program

Sec. 1. This section applies to the following school corporations:

- (1) Richmond Community Schools.
- (2) Metropolitan School District of Washington Township Schools.
- (3) Metropolitan School District of Warren Township Schools.

Sec. 2. As used in this chapter, an "eligible student" means a student who has completed less than fifty percent (50%) of the required number of credits necessary to graduate upon entering the student's fourth year of high school or any subsequent semester.

Sec. 3. As used in this chapter, "program" refers to the high school equivalency pilot program established by section 6 of this chapter.

Sec. 4. As used in this chapter, "provider" is a current grantee receiving WIOA Title II money from the department of workforce development and that provides academic instruction and education services at the elementary or high school level that:

- (1) include adult education, literacy activities, workplace activities, English language acquisition activities, integrated English literacy and civics education, workforce preparation activities, or integrated education and training;
- (2) transition to postsecondary education and training; and
- (3) provide an ability to obtain employment.

Sec. 5. As used in this chapter, "WIOA" refers to the federal Workforce Innovation and Opportunity Act.

Sec. 6. (a) The high school equivalency pilot program is established. The purpose of the program is to allow an eligible student to enroll in a program to earn a high school equivalency.

(b) An eligible student who successfully completes the program within two (2) years shall be removed from the graduation cohort and will no longer be counted as a dropout.

(c) Not more than five percent (5%) of a participating school's cohort may participate in the program at one (1) time.

Sec. 7. An eligible student may participate in the program in lieu of meeting the graduation requirements in IC 20-32-4-1.5.

Sec. 8. In addition to successfully achieving their high school equivalency, an eligible student shall:

- (1) demonstrate employability skills through a:
 - (A) project based learning experience;
 - (B) service based learning experience; or
 - (C) work based learning experience; and
- (2) complete one (1) of the following:
 - (A) A certification class approved by the department of workforce development.
 - (B) Indiana specific college ready benchmarks set by the commission for higher education that meet or exceed college ready benchmarks set by the college board and ACT.
 - (C) Completion of the ASVAB and enlistment and service in one (1) of the branches of the armed forces of the United States.
 - (D) Entry into an apprenticeship program recognized by the state that includes a post secondary credential upon completion.

Sec. 9. (a) A school corporation may contract with a provider to provide services for the program. However, the program may not receive money from WIOA Title II or state appropriated adult education funding. If contracting with a provider, the school corporation shall ensure the following:

- (1) The provider is a WIOA Title II funded organization.
- (2) Teachers provided by the provider hold a current teaching license from any state, and teachers of core subjects are qualified in the subjects to which they are assigned.
- (3) The provider has provided one (1) or more dropout recovery or high school equivalency programs and testing for at least two (2) years prior to providing a program under this section.

(b) All contracts entered into by a school corporation and a provider shall include requirements for the protection of all personally identifiable student information that shall comply with all applicable state and federal laws and regulations.

Sec. 10. (a) If a school corporation decides to participate in the program, the school corporation shall fund the program from the school corporation's budget or from:

- (1) gifts, donations, and bequests;
- (2) grants, including federal grants and grants from private entities;
- (3) funds from any other source; and
- (4) a combination of the resources described in subdivisions (1), (2), and (3).

(b) Not later than sixty (60) days after the identification of the source of the funds, the governing body of a school corporation shall conduct a public hearing at a location within the school corporation to present and discuss the source of the funds. The governing body may conduct the meeting in conjunction with a regular meeting of the governing body.

(c) The school corporation may only use state tuition support received for a student who participates in the program or funds donated to the program to administer the program.

Sec. 11. If an eligible student enrolled in a school corporation participates in the program, the eligible student may not be a student of an adult education center (as described in IC 22-4.1-20) or an adult high school (as defined under IC 20-24-1-2.3).

Sec. 12. Not later than July 1, 2021, and not later than July 1 of each year thereafter, participating school corporations shall submit a report to the general assembly in an electronic format under IC 5-14-6 concerning the program that includes the following:

- (1) The number of students eligible for the program.
- (2) The number of eligible students who participated in the program.
- (3) The number of credits upon entry to the program.
- (4) The number of eligible students who successfully achieved their high school equivalency through the program.
- (5) A list of credentials earned upon completion of the program.
- (6) A report concerning:
 - (A) eligible students':
 - (i) job placement outcomes; and
 - (ii) matriculation into higher education; and
 - (B) any other information concerning outcomes; as of one (1) year and two (2) years after an eligible student has successfully completed the program.
- (7) Recommendations on improvements to the program.
- (8) An estimated cost to each school corporation for the program.

(9) To the extent possible, the use of the funding received by the school corporation for an eligible student participating in the program during the previous school year and metrics of student achievement and demographics, including:

- (A) the amount of funding received that was used for each course or program of instruction included in the program;
- (B) the amount of funding received that was used for transportation costs for students who participate in the program;
- (C) the amount of funding received that was used for any other purposes relating to the cost of education for an eligible student who participated in the program; and
- (D) metrics of eligible student achievement and demographic information for those eligible students who participated in the program during the previous school year, including a comparison to the metrics of student achievement and demographic information for those students who were not participants in the program.

(10) Any other relevant consideration.

Sec. 13. This chapter expires June 30, 2024.

SECTION 8. IC 22-4.1-18-3, AS ADDED BY P.L.7-2011, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The department shall administer the testing program provided in this chapter. All administrative costs of this program must be funded through appropriations of the general assembly.

(b) The test shall be:

- (1) a nationally administered high school equivalency exam utilizing college and career readiness standards that includes subtests of reading, mathematics, science, social studies, and writing; and
- (2) available in a pencil and paper and online formats.

(c) The test vendor shall provide:

- (1) annual in-person and online training;
- (2) an annual national and Indiana statistical report;
- (3) a dedicated customer service line;
- (4) at least one (1) practice test available in both pencil and paper and online formats;
- (5) at least two (2) retests for each subtest, free of charge; and
- (6) a nationally based research report on the long term outcomes for candidates who passed the test, which shall be presented to the department, governor's workforce cabinet, the chairman of the house committee on education, and the chairman of the senate committee on education and career development.

SECTION 9. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to an appropriate interim study committee for study during the 2020 interim the topics of:

- (1) whether the state should encourage robotics classes and clubs for students in kindergarten through grade 12; and
- (2) if so, what forms that encouragement should take, in any combination of:
 - (A) one (1) or more programs of grants, competitive prizes, or other funding methods;
 - (B) additional teacher training;
 - (C) cooperative arrangements with postsecondary educational institutions; or
 - (D) other feasible methods.

(b) This SECTION expires January 1, 2021.

SECTION 10. An emergency is declared for this act.

(Reference is to ESB 398 as reprinted February 28, 2020.)

RAATZ JORDAN
STOOPS DELANEY
Senate Conferees ouse Conferees

Roll Call 375: yeas 81, nays 0. Report adopted.

Representatives Baird and Soliday, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
ESB 408-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 408 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 4-38-2-2, AS ADDED BY P.L.293-2019, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. "Adjusted gross receipts" means:

(1) the total of all cash and property (including checks received by a certificate holder, whether collected or not) received **from authorized sports wagering offered** by a certificate holder; ~~from sports wagering~~; minus

(2) the total of:

(A) all cash paid out as winnings to sports wagering patrons, including the cash equivalent of any merchandise or thing of value awarded as a prize; and

(B) uncollectible gaming receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from sports wagering; or

(ii) two percent (2%) of the total of all sums (including checks, whether collected or not) less the amount paid out as winnings to sports wagering patrons.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the certificate holder from sports wagering.

SECTION 2. IC 6-2.5-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Except as provided in subsection (b) **or (c)**, "unitary transaction" includes all items of personal property and services which are furnished under a single order or agreement and for which a total combined charge or price is calculated.

(b) "Unitary transaction" does not include a transaction that meets one (1) of the exceptions in section 11.5(d) of this chapter.

~~(b)~~ (c) "Unitary transaction" as it applies to the furnishing of public utility commodities or services means the public utility commodities and services which are invoiced in a single bill or statement for payment by the consumer.

SECTION 3. IC 6-2.5-1-5, AS AMENDED BY P.L.188-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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; ~~or~~

(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 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)~~ **(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 6-2.5-1-11.5, AS ADDED BY P.L.153-2006, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11.5. (a) This section applies to retail transactions occurring after December 31, 2007.

(b) "Bundled transaction" means a retail sale of two (2) or more products, except real property and services to real property, that are:

- (1) distinct;
- (2) identifiable; and
- (3) sold for one (1) nonitemized price.

(c) The term does not include a retail sale in which the sales price of a product varies, or is negotiable, based on other products that the purchaser selects for inclusion in the transaction.

(d) The term does not include a retail sale that:

- (1) is comprised of:
 - (A) a service that is the true object of the transaction; and
 - (B) tangible personal property that:
 - (i) is essential to the use of the service; and
 - (ii) is provided exclusively in connection with the service;
- (2) includes both taxable and nontaxable products in which:
 - (A) the seller's purchase price; or
 - (B) the sales price;

of the taxable products does not exceed ten percent (10%) of the total purchase price or the total sales price of the bundled products; or

(3) includes both exempt tangible personal property and taxable tangible personal property:

- (A) any of which is classified as:
 - (i) food and food ingredients;
 - (ii) drugs;
 - (iii) durable medical equipment;
 - (iv) mobility enhancing equipment;
 - (v) over-the-counter drugs;
 - (vi) prosthetic devices; or
 - (vii) medical supplies; and
- (B) for which:
 - (i) the seller's purchase price; or
 - (ii) the sales price;

of the taxable tangible personal property is fifty percent (50%) or less of the total purchase price or the total sales price of the bundled tangible personal property.

The determination under clause (B) must be made on the basis of either individual item purchase prices or individual item sale prices.

(e) A transaction that meets one (1) of the exceptions in

subsection (d) shall be excluded from the definition of unitary transaction under section 1(a) of this chapter.

SECTION 5. IC 6-2.5-2-1, AS AMENDED BY P.L.108-2019, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) An excise tax, known as the state gross retail tax, is imposed on retail transactions made in Indiana.

(b) The person who acquires property in a retail transaction is liable for the tax on the transaction and, except as otherwise provided in this chapter, shall pay the tax to the retail merchant as a separate added amount to the consideration in the transaction. ~~The A~~ **A retail merchant that has either physical presence in Indiana as described in subsection (c) or that meets one (1) or both of the thresholds in subsection (d) shall collect the tax as agent for the state.**

(c) A retail merchant has physical presence in Indiana when the retail merchant:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesperson, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana; or

(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1.

~~(e)~~ **(d)** A retail merchant that does not have a physical presence in Indiana shall, as an agent for the state, collect the gross retail tax on a retail transaction made in Indiana, remit the gross retail tax as provided in this article, and comply with all applicable procedures and requirements of this article as if the retail merchant has a physical presence in Indiana, if the retail merchant meets either of the following conditions for the calendar year in which the retail transaction is made or for the calendar year preceding the calendar year in which the retail transaction is made:

(1) The retail merchant's gross revenue from any combination of:

- (A) the sale of tangible personal property that is delivered into Indiana;
- (B) a product transferred electronically into Indiana; or
- (C) a service delivered in Indiana;

exceeds one hundred thousand dollars (\$100,000).

(2) The retail merchant sells any combination of:

- (A) tangible personal property that is delivered into Indiana;
- (B) a product transferred electronically into Indiana; or
- (C) a service delivered in Indiana;

in two hundred (200) or more separate transactions.

~~(d)~~ **(e)** A marketplace facilitator must include both transactions made on its own behalf and transactions facilitated for sellers under IC 6-2.5-4-18 for purposes of establishing the requirement to collect gross retail ~~or use~~ tax without having a physical presence in Indiana for purposes of subsection ~~(e)~~: **(d)**. In addition, except in instances where the marketplace facilitator has not met the thresholds in subsection ~~(e)~~: **(d)**, the transactions of the seller made through the marketplace are not counted toward the seller for purposes of determining whether the seller has met the thresholds in subsection ~~(e)~~: **(d)**.

SECTION 6. IC 6-2.5-2-2, AS AMENDED BY P.L.87-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) The state

gross retail tax is measured by the gross retail income received by a retail merchant in a retail unitary **or bundled** transaction and is imposed at seven percent (7%) of that gross retail income.

(b) If the tax computed under subsection (a) 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.

(c) A seller may elect to round the tax under subsection (b) on a transaction on an item basis or an invoice basis. However, a seller may not round the tax under subsection (b) to circumvent the tax that would otherwise be imposed on a transaction using an invoice basis.

SECTION 7. IC 6-2.5-3-1, AS AMENDED BY P.L.242-2015, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. For purposes of this chapter:

(a) "Use" means the exercise of any right or power of ownership over tangible personal property.

(b) "Storage" means the keeping or retention of tangible personal property in Indiana for any purpose except temporary storage.

(c) "A retail merchant engaged in business in Indiana" includes any retail merchant who makes retail transactions in which a person acquires personal property or services for use, storage, or consumption in Indiana and who:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesman, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana;

(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1; or

(4) may be required by the state to collect tax under this article to the extent allowed under the Constitution of the United States and federal law.

(d) (c) "Temporary storage" means the keeping or retention of tangible personal property in Indiana for a period of not more than one hundred eighty (180) days and only for the purpose of the subsequent use of that property solely outside Indiana.

(e) (d) Notwithstanding any other provision of this section, tangible or intangible property that is:

(1) owned or leased by a person that has contracted with a commercial printer for printing; and

(2) located at the premises of the commercial printer;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or used in any way by the person. A commercial printer with which a person has contracted for printing shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

SECTION 8. IC 6-2.5-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. The use tax is measured by the gross retail income received in a retail unitary **or bundled** transaction and is imposed at the same rates as the state gross retail tax under IC 6-2.5-2-2. For purposes of this chapter, transactions described in ~~IC 6-2.5-3-2(b) and (c)~~ **section 2(b) and 2(c) of this chapter** shall be treated as retail transactions within the meaning of IC 6-2.5-1-2.

SECTION 9. IC 6-2.5-3-4 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) The storage, use, and consumption of tangible personal property in Indiana is exempt from the use tax if:

(1) the property was acquired in a retail transaction ~~in Indiana~~ and the state gross retail tax has been paid on the acquisition of that property; or

(2) the property was acquired in a transaction that is wholly or partially exempt from the state gross retail tax under any part of IC 6-2.5-5, except IC 6-2.5-5-24(b), and the property is being used, stored, or consumed for the purpose for which it was exempted.

(b) If a person issues a state gross retail or use tax exemption certificate for the acquisition of tangible personal property and subsequently uses, stores, or consumes that property for a nonexempt purpose, then the person shall pay the use tax.

SECTION 10. IC 6-2.5-3-6, AS AMENDED BY P.L.182-2009(ss), SECTION 175, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) For purposes of this section, "person" includes an individual who is personally liable for use tax under IC 6-2.5-9-3.

(b) The person who uses, stores, or consumes the tangible personal property acquired in a retail transaction is personally liable for the use tax.

(c) The person liable for the use tax shall pay the tax to the retail merchant from whom the person acquired the property; and the retail merchant shall collect the tax as an agent for the state, if the retail merchant is engaged in business in Indiana or if the retail merchant has departmental permission to collect the tax. ~~In all other cases, the person shall pay the use tax to the department.~~

(d) Notwithstanding subsection (c), a person liable for the use tax imposed in respect to a vehicle, watercraft, or aircraft under section 2(b) of this chapter shall pay the tax:

(1) to the titling agency when the person applies for a title for the vehicle or the watercraft;

(2) to the registering agency when the person registers the aircraft; or

(3) to the registering agency when the person registers the watercraft because it is a United States Coast Guard documented vessel;

unless the person presents proof to the agency that the use tax or state gross retail tax has already been paid with respect to the purchase of the vehicle, watercraft, or aircraft or proof that the taxes are inapplicable because of an exemption under this article.

(e) At the time a person pays the use tax for the purchase of a vehicle to a titling agency pursuant to subsection (d), the titling agency shall compute the tax due based on the presumption that the sale price was the average selling price for that vehicle, as determined under a used vehicle buying guide to be chosen by the titling agency. However, the titling agency shall compute the tax due based on the actual sale price of the vehicle if the buyer, at the time the buyer pays the tax to the titling agency, presents documentation to the titling agency sufficient to rebut the presumption set forth in this subsection and to establish the actual selling price of the vehicle.

SECTION 11. IC 6-2.5-3.5-26, AS ADDED BY P.L.227-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014 (RETROACTIVE)]: Sec. 26. (a) The gasoline use tax collected under this chapter is considered equivalent to the state gross retail tax that would be collected by a retail merchant in a retail sale and replaces the obligation of the retail merchant to collect the state gross retail tax on the sale of gasoline.

(b) **Except for the exemption under IC 6-2.5-5-8 for property acquired for resale in the ordinary course of business**, the exemptions set forth in IC 6-2.5-5 apply to the gasoline use tax imposed by this chapter.

SECTION 12. IC 6-2.5-4-1, AS AMENDED BY

P.L.227-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) A person is a retail merchant making a retail transaction when the person engages in selling at retail.

(b) A person is engaged in selling at retail when, in the ordinary course of the person's regularly conducted trade or business, the person:

- (1) acquires tangible personal property for the purpose of resale; and
- (2) transfers that property to another person for consideration.

(c) For purposes of determining what constitutes selling at retail, it does not matter whether:

- (1) the property is transferred in the same form as when it was acquired;
- (2) the property is transferred alone or in conjunction with other property or services; or
- (3) the property is transferred conditionally or otherwise.

(d) Notwithstanding subsection (b), a person is not selling at retail if the person is making a wholesale sale as described in section 2 of this chapter. However, in the case of sales of gasoline (as defined in IC 6-6-1.1-103), a person shall collect the gasoline use tax as provided in IC 6-2.5-3.5.

(e) The gross retail income received from selling at retail 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 service; and
- (2) except as provided in subsection (g), any bona fide 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 subsection, a transfer is considered to have occurred after delivery of the property to the purchaser.

(f) Notwithstanding subsection (e):

- (1) in the case of retail sales of special fuel (as defined in IC 6-6-2.5-22), the gross retail income received from selling at retail 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(a) 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 received from selling at retail is the total sales price of the cigarettes including the tax imposed under IC 6-7-1.

(g) Gross retail income does not include income that represents 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. However, the exclusion under this subsection only applies if 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.

SECTION 13. IC 6-2.5-4-18, AS ADDED BY P.L.108-2019, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 18. (a) A marketplace facilitator shall be considered the retail merchant of each retail transaction (including a retail transaction under section 4 of this chapter) that is facilitated for sellers on its marketplace when it does any of the following on behalf of the seller:

- (1) Collects the sales price or purchase price of the seller's products.
- (2) Provides access to payment processing services, either directly or indirectly.
- (3) Charges, collects, or otherwise receives fees or other consideration for transactions made on its electronic marketplace.

(b) Regardless of whether a transaction under subsection (a) was made by the marketplace facilitator on its own behalf or facilitated on behalf of a seller, a marketplace facilitator is required to do the following with each retail transaction made on its marketplace:

(1) Collect and remit the gross retail tax, even if a seller for whom a transaction was facilitated:

- (A) does not have a registered retail merchant certificate; or
- (B) would not have been required to collect gross retail tax had the transaction not been facilitated by the marketplace facilitator.

(2) Comply with all applicable procedures and requirements imposed under this article as the retail merchant in such transaction.

(c) The gross retail income from a transaction under this section is equal to the total amount of consideration paid by the purchaser, including the payment of any fee, commission, or other charge by the marketplace facilitator, except that the gross retail income does not include any taxes on the transaction that are imposed directly on the consumer other than taxes described under ~~section 1(f)(2) of this chapter:~~ **IC 6-2.5-1-5(c)(2).**

SECTION 14. IC 6-2.5-6-6 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 6: ~~When possible, the department shall coordinate the reporting and payment of the state gross retail and use taxes with the reporting and payment of the gross income tax.~~

SECTION 15. IC 6-2.5-6-14.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14.1. ~~Notwithstanding the refund provisions of this article as incorporated from the gross income tax law (IC 6-2-1, repealed),~~ A retail merchant is not entitled to a refund of state gross retail or use taxes unless the retail merchant refunds those taxes to the person from whom they were collected.

SECTION 16. IC 6-2.5-8-1, AS AMENDED BY P.L.234-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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 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 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) A retail merchant engaged in business in Indiana as defined in IC 6-2.5-3-1(c) who makes retail transactions that are only subject to the use tax must obtain a registered retail merchant's certificate before making those transactions. The retail merchant may obtain the certificate by following the same procedure as a retail merchant under subsections (b) and (c); except that the retail merchant must also include on the application:

(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 transactions;

(2) the location of all of the retail merchant's places of business in Indiana, including offices and distribution houses; and

(3) any other information that the department requests.

The department may also require that this information be updated before renewal of a registered retail merchant's certificate.

~~(k)~~ (j) The department may permit an out-of-state retail merchant to collect the ~~use 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 ~~use gross retail tax due on all sales of tangible personal property retail transactions~~ that the out-of-state retail merchant knows is intended for use in are sourced to Indiana pursuant to IC 6-2.5-13-1.

~~(l)~~ (k) Except as provided in subsection ~~(m)~~; (l), the department shall submit to the township assessor, or the county assessor if there is no township assessor for the township, before ~~March 15~~ **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; ~~and~~

(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).

~~(m)~~ (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)~~ (k) to the county assessor.

SECTION 17. IC 6-2.5-9-9, AS ADDED BY P.L.247-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) Notwithstanding any other law and regardless of whether the department initiates an audit or any other collection or enforcement procedure, the department may bring a declaratory judgment action under IC 34-14-1 in any circuit court or superior court against a person that the department believes meets the criteria of ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** in order to establish that:

(1) the person has an obligation to collect state gross retail tax as provided in ~~IC 6-2.5-2-1(c); IC 6-2.5-2-1(d);~~ and

(2) the person's obligation to collect state gross retail tax as provided in ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** is valid under state and federal law.

(b) A court in which an action for a declaratory judgment is brought under subsection (a) shall act on the declaratory judgment action as expeditiously as possible.

(c) IC 34-52-1-1(b) and all other provisions authorizing attorney's fees do not apply to a declaratory judgment action brought under subsection (a) or to any appeal from a judgment in a declaratory judgment action brought under subsection (a).

(d) The following apply if the department files a declaratory judgment action under this section:

(1) The department and other state agencies and state entities may not, during the pendency of the declaratory judgment action (including any appeals from a judgment in the declaratory judgment action), enforce the obligation to collect state gross retail tax as provided in ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** against any person that does not affirmatively consent or otherwise remit the gross retail tax on a voluntary basis. However, this subdivision does not apply to a person if there is a previous judgment from a court establishing the validity of the obligation to collect state gross retail tax with respect to that person.

(2) The prohibition under subdivision (1) on the enforcement of the obligation to collect state gross retail tax as provided in ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** does not apply if:

- (A) a court enters a final judgment on the merits declaring that the obligation to collect state gross retail tax as provided in ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** is valid; and
- (B) the final judgment of the court is no longer subject to appeal.

(e) An obligation to remit the gross retail tax as required by ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** may not be applied retroactively before the effective date of that subsection on July 1, 2017.

SECTION 18. IC 6-2.5-9-10, AS ADDED BY P.L.247-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) A taxpayer complying with ~~IC 6-2.5-2-1(c)~~, **IC 6-2.5-2-1(d)**, voluntarily or otherwise, may seek only a refund under IC 6-8.1-9 of taxes, interest, and penalties that have been paid to and collected by the department. However, a refund may not be granted on the basis that the taxpayer lacked a physical presence in Indiana and complied with ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** voluntarily.

(b) ~~IC 6-2.5-2-1(c)~~, **IC 6-2.5-2-1(d)**, section 9 of this chapter, and this section do not limit the ability of any taxpayer to obtain a refund for any other reason, including a mistake of fact or mathematical miscalculation of the applicable tax.

(c) A retail merchant that remits gross retail tax voluntarily or otherwise under ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** is not liable to a purchaser who claims that the sales tax has been overcollected if ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** is later found unlawful.

(d) ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)** does not affect the obligation of any purchaser to remit use tax as required under IC 6-2.5-3.

SECTION 19. IC 6-2.5-9-11, AS ADDED BY P.L.247-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. The general assembly finds the following:

- (1) The inability to effectively collect the gross retail tax or use tax from remote sellers that deliver tangible personal property, products transferred electronically, or services directly into Indiana is seriously eroding the tax base of Indiana and causing revenue losses and imminent harm to Indiana through the loss of critical funding for state and local services.
- (2) Gross retail tax and use tax revenues are essential in funding state and local services.
- (3) Despite the fact that a use tax is imposed on the storage, use, or consumption of tangible personal property in Indiana if the property was acquired in a retail transaction, many remote sellers actively market sales as "tax free" or as "no sales tax" transactions.
- (4) The structural advantages of remote sellers, including the absence of point-of-sale tax collection, and the general growth of the online retail industry make clear that further erosion of Indiana's gross retail tax base is likely in the near future.
- (5) Remote sellers that make a substantial number of deliveries into Indiana or have large gross revenues from Indiana benefit extensively from Indiana's market (including the economy generally) and from the infrastructure in Indiana.
- (6) In contrast with the expanding harms caused to Indiana from this exemption of gross retail tax collection obligations for remote sellers, the costs of that collection have fallen. Given modern computing and software options, it is neither unusually difficult nor burdensome for remote sellers to collect and remit gross retail taxes associated with sales into Indiana.

(7) The Supreme Court of the United States should reconsider its doctrine that prevents, under certain circumstances, states from requiring remote sellers to collect gross retail tax, and as the findings of this section make clear, this argument has grown stronger, and the cause more urgent, with time.

(8) Given the urgent need for the Supreme Court of the United States to reconsider this doctrine, it is necessary for the general assembly to enact ~~IC 6-2.5-2-1(c)~~, **IC 6-2.5-2-1(d)**, clarifying the state's immediate intent to require collection of gross retail taxes by remote sellers.

(9) Expedient review is necessary and appropriate because, while it may be reasonable notwithstanding this law for remote sellers to continue to refuse to collect the gross retail tax in light of existing federal constitutional doctrine, such a refusal causes imminent harm to Indiana.

(10) It is the intent of the general assembly to apply Indiana's gross retail tax and use tax obligations to the limit of federal and state constitutional doctrines and to specify that Indiana law permits the state to immediately argue in any litigation that such a constitutional doctrine should be changed to permit the obligation to collect state gross retail tax as provided in ~~IC 6-2.5-2-1(c)~~ **IC 6-2.5-2-1(d)**.

SECTION 20. IC 6-2.5-10-2 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 2: The provisions of the adjusted gross income tax law (~~IC 6-3~~), which do not conflict with the provisions of this article and which deal with any of the following subjects, apply for the purposes of imposing, collecting, and administering the state gross retail and use taxes under this article:

- (1) Filing of returns.
- (2) Auditing of returns.
- (3) Investigation of tax liability.
- (4) Determination of tax liability.
- (5) Notification of tax liability.
- (6) Assessment of tax liability.
- (7) Collection of tax liability.
- (8) Examination of taxpayer's books and records.
- (9) Legal proceedings.
- (10) Court actions.
- (11) Remedies.
- (12) Privileges.
- (13) Taxpayer and departmental relief.
- (14) Statutes of limitations.
- (15) Hearings.
- (16) Refunds.
- (17) Remittances.
- (18) Imposition of penalties and interest.
- (19) Maintenance of departmental records.
- (20) Confidentiality of taxpayer's returns.
- (21) Duties of the secretary of state and the treasurer of state.
- (22) Administration.

SECTION 21. IC 6-3-1-3.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 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 ~~or both~~: **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 ~~subdivision~~, **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.
- SECTION 22. IC 6-3-1-11, AS AMENDED BY P.L.234-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (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, ~~2019~~ **2020**.
- (b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~2019~~ **2020**, that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~2019~~ **2020**, 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, ~~2019~~ **2020**, 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, ~~2019~~ **2020**, and that affects:
- (1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);
 - (2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);
 - (3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);
 - (4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);
 - (5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or
 - (6) taxable income (as defined in Section 832 of the

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

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

(1) Section 1367(a)(2) of the Internal Revenue Code pertaining to an adjustment of basis of the stock of shareholders.

(2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal Revenue Code pertaining to the treatment of certain dividends of regulated investment companies.

(3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code pertaining to regulated investment companies qualified entity treatment.

(4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code pertaining to the modification of tax treatment of certain payments to controlling exempt organizations.

(5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code pertaining to the limitations on percentage depletion in the case of oil and gas wells.

(6) Section 451(i)(3) of the Internal Revenue Code pertaining to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy for qualified electric utilities.

(7) Section 954(c)(6) of the Internal Revenue Code pertaining to the look-through treatment of payments between related controlled foreign corporation under foreign personal holding company rules.

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

SECTION 23. IC 6-3-2-6, AS AMENDED BY P.L.146-2008, SECTION 318, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 6. (a) Each taxable year, an individual who rents a dwelling for use as the individual's principal place of residence may deduct from the individual's adjusted gross income (as defined in IC 6-3-1-3.5(a)), the lesser of:

(1) the amount of rent paid by the individual with respect to the dwelling during the taxable year; or

(2) three thousand dollars (\$3,000).

(b) Notwithstanding subsection (a):

(1) ~~a husband and wife a married couple~~ filing a joint adjusted gross income tax return for a particular taxable year may not claim a deduction under this section of more than three thousand dollars (\$3,000); **and**

(2) **a married individual filing a separate return for a particular taxable year may not claim a deduction under this section of more than one thousand five hundred dollars (\$1,500).**

(c) The deduction provided by this section does not apply to an individual who rents a dwelling that is exempt from Indiana property tax.

(d) For purposes of this section, a "dwelling" includes a single family dwelling and unit of a multi-family dwelling.

SECTION 24. IC 6-3-2-9, AS AMENDED BY P.L.99-2007, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 9. (a) An individual who:

(1) retired on disability before the end of the taxable year; and

(2) had a permanent and total disability, as determined under subsection (c), at the time of retirement;

is entitled to a deduction from the individual's adjusted gross

income for that taxable year in the amount determined under subsection (b).

(b) The deduction provided by subsection (a) is the amount determined using the following STEPS:

STEP ONE: Determine the amount received by the individual during the taxable year through an accident and health plan for personal injuries or sickness to the extent that:

(A) these amounts are attributable to contributions by the individual's employer that were not includable in the individual's gross income or are paid by the employer; and

(B) these amounts constitute wages or payments in lieu of wages for a period during which the employee is absent from work because of permanent and total disability.

STEP TWO: Determine for each week of the taxable year the amount by which each weekly payment referred to in STEP ONE exceeds one hundred dollars (\$100), then add these amounts.

STEP THREE: Determine the amount by which the individual's federal adjusted gross income for the taxable year, as defined by Section 62 of the Internal Revenue Code, exceeds fifteen thousand dollars (\$15,000), **or seven thousand five hundred dollars (\$7,500) in the case of a married individual filing a separate return.**

STEP FOUR: Subtract from the amount determined in STEP ONE the amount determined in STEP TWO and the amount determined in STEP THREE.

(c) For purposes of this section, an individual has a permanent and total disability if the individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months. An individual may not be considered to have a permanent and total disability unless the individual furnishes proof of the existence of the disability as the department of revenue may require.

SECTION 25. IC 6-3-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) **Subject to subsection (b),** the amount deducted and withheld as tax under ~~IC 6-3-4-8, IC 6-3-4-12, and IC 6-3-4-13~~ **IC 6-3-4 or IC 6-5.5-2-8** during any taxable year shall be allowed as a credit to the taxpayer against the tax imposed on ~~him~~ **the taxpayer** by IC 6-3-2.

(b) **For each taxable year, the credit provided to a taxpayer by subsection (a) is reduced to the extent that the amount deducted and withheld as tax under IC 6-3-4 or IC 6-5.5-2-8 during the taxable year is applied as a credit against the tax imposed by IC 6-5.5.**

SECTION 26. IC 6-3-4-13.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2020]: Sec. 13.5. (a) The following definitions apply throughout this section:

(1) "Initial recipient" means a person or entity to whom prize money is paid by a payor.

(2) "Payor" means a promoter, sanctioning body, or designee of the promoter or sanctioning body that first pays prize money to a race team or any other person or entity. The term does not include a subsequent person or entity who pays or distributes any part of the prize money.

(3) "Prize money" with respect to a racing event at a qualified motorsports facility means any purse or other amounts earned for placement or participation in a race or part of a race, including qualification. The term does not include amounts earned based on placement or participation in more than one (1) race unless the races are conducted at a qualified

motorsports facility.

(4) "Qualified motorsports facility" has the meaning set forth in IC 5-1-17.5-14.

(5) "Race team" has the meaning set forth in IC 6-3-2-3.2(a).

(6) "Ultimate recipient" means the person or entity to whom any tax withheld under this section is to be credited for purposes of this article or IC 6-5.5. The term may apply to an initial recipient.

(b) Whenever a payor pays prize money to an initial recipient, the payor shall deduct and retain from the prize money the applicable amount prescribed in the withholding instructions described in section 8 of this chapter. The following provisions apply to a payor and the money required to be deducted and retained by the payor under this section:

(1) Money deducted and retained by a payor under this section immediately becomes the money of the state and every payor who deducts and retains money under this section holds the money in trust for the state.

(2) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties apply to a payor under this section. For these purposes, the payor shall be considered the taxpayer and any amount required to be remitted to the department under this section shall be considered to be the tax of the payor.

(3) The payor is liable to the state for the payment of the tax required to be deducted and retained under this section. The payor is not liable to any initial recipient or ultimate recipient for the amount deducted from the payment of prize money and paid to the department in compliance, or intended compliance, with this section.

(c) A payor shall remit to the department the amount required to be deducted and retained under subsection (b) not later than thirty (30) days after the end of the month in which the prize money is paid. At the time of the remittance, the payor shall provide to the department a list of all initial recipients and the amount withheld on behalf of each initial recipient on forms prescribed by the department.

(d) Not later than thirty (30) days after the end of the calendar year for which tax is withheld under this section, an initial recipient shall provide a statement to each ultimate recipient and to the department listing the amounts withheld under subsection (b) on behalf of the ultimate recipients. The statement must be made in the manner prescribed by the department. A statement from the initial recipient to the ultimate recipient is evidence of tax withheld by the payor in favor of the ultimate recipient unless the statement from the initial recipient is determined to be erroneous or fraudulent.

(e) This section does not impose a duty to withhold amounts from prize money on an entity other than a payor. However, an initial recipient or ultimate recipient may otherwise have a duty to withhold amounts from prize money under sections 8, 12, 13, or 15 of this chapter.

SECTION 27. IC 6-3-4-16.7, AS ADDED BY P.L.234-2019, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16.7. (a) For taxable years ending after December 31, 2019, a partnership that is required to provide twenty-five (25) or more reports schedules K-1 of form IT-65 to partners under section 12(b) of this chapter or a corporation that is required to provide twenty-five (25) or more reports schedules K-1 of form IT-20S to shareholders under section 13(b) of this chapter must file all such reports schedules in an electronic format specified by the department.

(b) For taxable years ending after December 31, 2021, an estate or trust required to provide ten (10) or more reports schedules K-1 of form IT-41 to beneficiaries under section 15(b) of this chapter must file all such reports in an electronic

format specified by the department.

(c) If the department receives a form IT-65, form IT-20S, or form IT-41 with more than fifty (50) schedules K-1 in a format other than the electronic format specified by the department, the department may provide written notification to the partnership, estate, or trust that the department will consider the schedules to not be filed until the schedules have been filed in the specified electronic format.

SECTION 28. IC 6-3.1-16.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]:

Chapter 16.1. Historic Rehabilitation Tax Credit

Sec. 1. (a) For purposes of this section, "department" refers to:

- (1) the department of natural resources; or
- (2) the office of community and rural affairs.

(b) This section applies notwithstanding:

- (1) the cap of zero dollars (\$0) on the amount of historic rehabilitation tax credits allowed in a state fiscal year beginning after June 30, 2016, as set forth in IC 6-3.1-16-14 (before its expiration); and
- (2) the expiration of the historic rehabilitation tax credit chapter (IC 6-3.1-16) on January 1, 2019.

(c) If a taxpayer was granted a historic rehabilitation tax credit by the department before January 1, 2016, for a qualified expenditure made before June 30, 2016, under IC 6-3.1-16 (before its expiration) for use in a taxable year other than the year in which the preservation or rehabilitation of the historic property was performed and the certification of the credit was provided by the department, the credit described in this subsection may nevertheless be claimed in the subsequent year for which the credit was granted by the department and may be carried forward as set forth in this section.

(d) If the credit provided by this section exceeds a taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried over to succeeding taxable years and used as a credit against the tax otherwise due and payable by the taxpayer under IC 6-3 during those taxable years. Each time that the credit is carried over to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year. The credit provided by this chapter may be carried forward and applied to succeeding taxable years for fifteen (15) taxable years following the taxable year in which the taxpayer is first entitled to claim the credit under this chapter.

(e) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's tax liability for that taxable year before any credit carryover is applied against that liability under subsection (d).

(f) A taxpayer is not entitled to any carryback or refund of any unused credit.

(g) All of the provisions under IC 6-3.1-16 (before its expiration) shall be considered to be in effect for credits claimed under this chapter, except to the extent expressly inconsistent with this chapter.

SECTION 29. IC 6-3.1-20-4, AS AMENDED BY P.L.250-2015, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 4. (a) Except as provided in subsections (b) and (c), an individual is entitled to a credit under this chapter if:

- (1) the individual's Indiana income for the taxable year is less than eighteen thousand six hundred dollars (\$18,600); and
- (2) the individual pays property taxes in the taxable year on a homestead that:
 - (A) the individual:
 - (i) owns; or

(ii) is buying under a contract that requires the individual to pay property taxes on the homestead, if the contract or a memorandum of the contract is recorded in the county recorder's office; and

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

(b) An individual is not entitled to a credit under this chapter for a taxable year for property taxes paid on the individual's homestead if the individual claims the deduction under IC 6-3-1-3.5(a)(13) for the homestead for that same taxable year.

(c) In the case of a married individual filing a separate return, the income amount in subsection (a) shall be fifty percent (50%) of the amount listed in that subsection.

SECTION 30. IC 6-3.1-20-5, AS AMENDED BY P.L.166-2014, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 5. (a) Each year, an individual described in section 4 of this chapter is entitled to a refundable credit against the individual's state income tax liability in the amount determined under this section.

(b) In the case of an individual with Indiana income of less than eighteen thousand dollars (\$18,000) for the taxable year, the amount of the credit is equal to the lesser of:

- (1) three hundred dollars (\$300); or
- (2) the amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(c) In the case of an individual with Indiana income that is at least eighteen thousand dollars (\$18,000) but less than eighteen thousand six hundred dollars (\$18,600) for the taxable year, the amount of the credit is equal to the lesser of the following:

- (1) An amount determined under the following STEPS:
STEP ONE: Determine the result of:
 - (i) eighteen thousand six hundred dollars (\$18,600); minus
 - (ii) the individual's Indiana income for the taxable year.
 STEP TWO: Determine the result of:
 - (i) the STEP ONE amount; multiplied by
 - (ii) five-tenths (0.5).
- (2) The amount of property taxes described in section 4(a)(2) of this chapter paid by the individual in the taxable year.

(d) If the amount of the credit under this chapter exceeds the individual's state tax liability for the taxable year, the excess shall be refunded to the taxpayer.

(e) In the case of a married individual filing a separate return, the income and dollar amounts in subsections (b) and (c) shall be fifty percent (50%) of the amounts listed in those subsections.

SECTION 31. IC 6-5.5-1-21 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 21. (a) "Loans arising in factoring" means:

- (1) a loan or extension of credit secured by one (1) or more accounts receivable; or
- (2) a sale of one (1) or more accounts receivable in which the purchaser has recourse against the seller for an uncollected accounts receivable.

(b) The term does not refer to:

- (1) a sale of one (1) or more accounts receivable without recourse; or
- (2) an assignment of an account receivable.

SECTION 32. IC 6-6-1.1-606.5, AS AMENDED BY P.L.234-2019, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 606.5. (a) Every person included within the terms of section 606(a) and 606(c) of this chapter shall register with the administrator before engaging in those activities. The administrator shall issue a transportation

license to a person who registers with the administrator under this section.

(b) Every person included within the terms of section 606(a) of this chapter who transports gasoline in a vehicle on the highways in Indiana for purposes other than use and consumption by that person may not make a delivery of that gasoline to any person in Indiana other than a licensed distributor except:

- (1) when the tax imposed by this chapter on the receipt of the transported gasoline was charged and collected by the parties; and
- (2) under the circumstances described in section 205 of this chapter.

(c) Every person included within the terms of section 606(c) of this chapter who transports gasoline in a vehicle upon the highways of Indiana for purposes other than use and consumption by that person may not, on the journey carrying that gasoline to points outside Indiana, make delivery of that fuel to any person in Indiana.

~~(d) Every transporter of gasoline included within the terms of section 606(a) and 606(c) of this chapter who transports gasoline upon the highways of Indiana for purposes other than use and consumption by that person shall at the time of registration and on an annual basis list with the administrator a description of all vehicles, including the vehicles' license numbers, to be used on the highways of Indiana in transporting gasoline from:~~

- ~~(1) points outside Indiana to points inside Indiana; and~~
- ~~(2) points inside Indiana to points outside Indiana.~~

~~(e) The description that subsection (d) requires shall contain the information that is reasonably required by the administrator including the carrying capacity of the vehicle. When the vehicle is a tractor-trailer type, the trailer is the vehicle to be described. When additional vehicles are placed in service or when a vehicle previously listed is retired from service during the year, the administrator shall be notified within ten (10) days of the change so that the listing of the vehicles may be kept accurate.~~

~~(f) (d) A distributor's or an Indiana transportation license is required for a person or the person's agent acting in the person's behalf to operate a vehicle for the purpose of delivering gasoline within the boundaries of Indiana when the vehicle has a total tank capacity of at least eight hundred fifty (850) gallons.~~

~~(g) (e) The operator of a vehicle to which this section applies shall at all times when engaged in the transporting of gasoline on the highways have with the vehicle an invoice or manifest showing the origin, quantity, nature, and destination of the gasoline that is being transported.~~

~~(h) (f) The department shall provide for relief if a shipment of gasoline is legitimately diverted from the represented destination state after the shipping paper has been issued by a terminal operator or if a terminal operator failed to cause proper information to be printed on the shipping paper. Provisions for relief under this subsection:~~

- ~~(1) must require that the shipper or its agent obtain a diversion number within twenty-four (24) hours of the diversion and report the number on the shipper's or agent's monthly return to the department; and~~
- ~~(2) must be consistent with the refund provisions of this chapter.~~

SECTION 33. IC 6-6-2.5-42 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 42. (a) Each application for a license under section 41 of this chapter shall be made upon a form prepared and furnished by the department. It shall be subscribed to by the applicant and shall contain the information as the department may reasonably require for the administration of this chapter, including the applicant's federal identification number and, with respect to the applicant for an exporter's license, a copy of the applicant's license to purchase or handle special fuel tax free in the specified destination state or states for which the export license is to be issued.

(b) The department shall investigate each applicant for a license under this section. No license shall be issued if the department determines that any one (1) of the following exists:

- (1) The application is not filed in good faith.
- (2) The applicant is not the real party in interest.
- (3) The license of the real party in interest has been revoked for cause.
- (4) Other reasonable cause for non-issuance exists.

(c) Applicants, including corporate officers, partners, and individuals, for a license issued by the commissioner may be required to submit their fingerprints to the commissioner at the time of applying. Officers of publicly held corporations and their subsidiaries shall be exempt from this fingerprinting provision. Fingerprints required by this section must be submitted on forms prescribed by the commissioner. The commissioner may forward to the Federal Bureau of Investigation or any other agency for processing all fingerprints submitted by license applicants. The receiving agency shall issue its findings to the commissioner. The license application fee shall be used to pay the costs of the investigation. The commissioner may maintain a file of fingerprints.

SECTION 34. IC 6-6-2.5-43 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 43. (a) Each licensed transporter shall at the time of licensing and on an annual basis, list with the commissioner a description of all vehicles, including license numbers, to be used on the highways of Indiana in transporting special fuel from points outside Indiana to points inside Indiana and from points inside Indiana to points outside Indiana:

(b) The description required in subsection (a) must comply with what is reasonably required by the commissioner, including the carrying capacity of the vehicle. If the vehicle is a tractor-trailer type vehicle, the trailer is the vehicle that must be described. When additional vehicles are placed in service or when a vehicle previously listed is retired from service during the year, the commissioner shall be notified not more than ten (10) days after the change so that the listing of the vehicles may be kept accurate:

SECTION 35. IC 6-6-4.1-21 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 21. A carrier subject to the taxes imposed under section 4 of this chapter, section 4.3 of this chapter (before its repeal), and section 4.5 of this chapter (before its repeal) who fails to file a quarterly report as required by section 10 of this chapter shall pay a civil penalty of three hundred dollars (\$300) for each report that is not filed:

SECTION 36. IC 6-8.1-3-7.1, AS AMENDED BY P.L.108-2019, SECTION 133, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7.1. (a) **As used in this section, "fiscal officer" has the meaning set forth means:**

- (1) a fiscal officer (as defined in IC 36-1-2-7); and
- (2) in the case of a county, the county treasurer.

(b) The department shall enter into an agreement with the fiscal officer of an entity that has adopted an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9 to furnish the fiscal officer annually with:

- (1) the name of each business collecting the taxes listed in this subsection; and
- (2) the amount of money collected from each business.

For an innkeeper's tax or food and beverage tax remitted through a marketplace facilitator, the information must include the name of each business and the amount of money collected from each business by a marketplace facilitator acting on behalf of the business.

(c) The agreement must provide that the department must provide the information in an electronic format that the fiscal officer can use, as well as a paper copy:

(d) The agreement must include a provision that, unless in accordance with a judicial order, the fiscal officer, employees of the fiscal officer, former employees of the fiscal officer, counsel of the fiscal officer, agents of the fiscal officer, or any other person may not divulge the names of the businesses, the amount

of taxes paid by the businesses, or any other information disclosed to the fiscal officer by the department.

(e) The department shall also enter into an agreement with the fiscal officer of a capital improvement board of managers:

- (1) created under IC 36-10-8 or IC 36-10-9; and
- (2) that is responsible for expenditure of funds from:
 - (A) an innkeeper's tax, a food and beverage tax, or an admissions tax under IC 6-9;
 - (B) the supplemental auto rental excise tax under IC 6-6-9.7; or
 - (C) the state gross retail taxes allocated to a professional sports development area fund, a sports and convention facilities operating fund, or other fund under IC 36-7-31 or IC 36-7-31.3;

to furnish the fiscal officer annually with the name of each business collecting the taxes listed in this subsection, and the amount of money collected from each business. An agreement with a fiscal officer under this subsection must include a nondisclosure provision the same as is required for a fiscal officer under subsection (d).

SECTION 37. IC 6-8.1-3-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) The department may prescribe qualifications a person must have to represent a taxpayer before the department. However, a person may not represent a taxpayer before the department, unless:

- (1) the taxpayer is present at all times when the representation occurs; or
- (2) the person representing the taxpayer has a properly executed power of attorney authorizing him the person to represent the taxpayer.

(b) **Notwithstanding any other law, the department may require a power of attorney relating to a listed tax to be completed on a form prescribed by the department.**

(c) **The department may accept a power of attorney that names an entity as a representative of a taxpayer, subject to rules adopted under IC 4-22-2, including emergency rules adopted in the manner provided in IC 4-22-2-37.1. Notwithstanding this article or IC 30-5, the department may adopt rules under IC 4-22-2, including emergency rules adopted in manner provided in IC 4-22-2-37.1, allowing a change of individuals acting on behalf of the entity without requiring a new or amended power of attorney to be completed by the taxpayer.**

SECTION 38. IC 6-8.1-3-17, AS AMENDED BY P.L.214-2018(ss), SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17. (a) Before an original tax appeal is filed with the tax court under IC 33-26, the commissioner, or the taxpayer rights advocate office to the extent granted the authority by the commissioner, may settle any tax liability dispute if a substantial doubt exists as to:

- (1) the constitutionality of the tax under the Constitution of the State of Indiana;
- (2) the right to impose the tax;
- (3) the correct amount of tax due;
- (4) the collectability of the tax; or
- (5) whether the taxpayer is a resident or nonresident of Indiana.

(b) After an original tax appeal is filed with the tax court under IC 33-26, and notwithstanding IC 4-6-2-11, the commissioner may settle a tax liability dispute with an amount in contention of twenty-five thousand dollars (\$25,000) or less. Notwithstanding IC 6-8.1-7-1(a), the terms of a settlement under this subsection are available for public inspection.

(c) The department shall establish an amnesty program for taxpayers having an unpaid tax liability for a listed tax that was due and payable for a tax period ending before January 1, 2013. A taxpayer is not eligible for the amnesty program:

- (1) for any tax liability resulting from the taxpayer's failure to comply with IC 6-3-1-3.5(b)(3) with regard to the tax imposed by IC 4-33-13 or IC 4-35-8; or

(2) if the taxpayer participated in any previous amnesty program under:

- (A) this section (as in effect on December 31, 2014); or
- (B) IC 6-2.5-14.

The time in which a voluntary payment of tax liability may be made (or the taxpayer may enter into a payment program acceptable to the department for the payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer) under the amnesty program is limited to the period determined by the department, not to exceed eight (8) regular business weeks ending before the earlier of the date set by the department or January 1, 2017. The amnesty program must provide that, upon payment by a taxpayer to the department of all listed taxes due from the taxpayer for a tax period (or payment of the unpaid listed taxes in full in the manner and time established in a written payment program agreement between the department and the taxpayer), entry into an agreement that the taxpayer is not eligible for any other amnesty program that may be established and waives any part of interest and penalties on the same type of listed tax that is being granted amnesty in the current amnesty program, and compliance with all other amnesty conditions adopted under a rule of the department in effect on the date the voluntary payment is made, the department:

- (1) shall abate and not seek to collect any interest, penalties, collection fees, or costs that would otherwise be applicable;
- (2) shall release any liens imposed;
- (3) shall not seek civil or criminal prosecution against any individual or entity; and
- (4) shall not issue, or, if issued, shall withdraw, an assessment, a demand notice, or a warrant for payment under IC 6-8.1-5-1, IC 6-8.1-5-3, IC 6-8.1-8-2, or another law against any individual or entity;

for listed taxes due from the taxpayer for the tax period for which amnesty has been granted to the taxpayer. Amnesty granted under this subsection is binding on the state and its agents. However, failure to pay to the department all listed taxes due for a tax period invalidates any amnesty granted under this subsection for that tax period. The department shall conduct an assessment of the impact of the tax amnesty program on tax collections and an analysis of the costs of administering the tax amnesty program. As soon as practicable after the end of the tax amnesty period, the department shall submit a copy of the assessment and analysis to the legislative council in an electronic format under IC 5-14-6. The department shall enforce an agreement with a taxpayer that prohibits the taxpayer from receiving amnesty in another amnesty program.

(d) For purposes of subsection (c), a liability for a listed tax is due and payable if:

- (1) the department has issued:
 - (A) an assessment of the listed tax under IC 6-8.1-5-1;
 - (B) a demand for payment under IC 6-8.1-5-3; or
 - (C) a demand notice for payment of the listed tax under IC 6-8.1-8-2;
- (2) the taxpayer has filed a return or an amended return in which the taxpayer has reported a liability for the listed tax; or
- (3) the taxpayer has filed a written statement of liability for the listed tax in a form that is satisfactory to the department.

(e) The department may waive interest and penalties if the general assembly enacts a change in a listed tax for a tax period that increases a taxpayer's tax liability for that listed tax after the due date for that listed tax and tax period. However, such a waiver shall apply only to the extent of the increase in tax liability and only for a period not exceeding sixty (60) days after the change is enacted. The department may adopt rules, including emergency rules, or issue guidelines to carry out this subsection.

SECTION 39. IC 6-8.1-3-27 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 27. (a) The appropriate county officer, as designated by the county executive, in each county shall, before September 1, 2021, and before September 1 of every year thereafter, submit parcel level data, in a standard developed by the state GIS officer pursuant to IC 4-23-7.3-14, to the state GIS officer. This data may be used by the department's tax systems to identify each taxing unit within which each taxpayer's residence is located.**

(b) Beginning January 1, 2022, the department shall integrate the geographic information system data developed and updated by the state GIS officer.

(c) Before July 1, 2022, and before every July 1 thereafter, the department, consulting with the state GIS officer, shall submit a report to the general assembly in an electronic format under IC 5-14-6 concerning the implementation and use of geographic information systems under this section.

SECTION 40. IC 6-8.1-4-4, AS AMENDED BY P.L.257-2017, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 4. (a) The department shall establish a registration center to service owners of motor carriers or entities that otherwise own or operate commercial motor vehicles.**

(b) The registration center is under the supervision of the department through the motor carrier services division.

(c) A motor carrier or an entity that is otherwise an owner or operator of a commercial motor vehicle may apply to the registration center for the following:

- (1) Vehicle registration (IC 9-18.1).
- (2) Motor carrier fuel tax annual permit.
- (3) Proportional use credit certificate (IC 6-6-4.1-4.7).
- (4) Certificate of operating authority.
- (5) Oversize vehicle permit (IC 9-20-3).
- (6) Overweight vehicle permit (IC 9-20-4).
- (7) Payment of the commercial vehicle excise tax imposed under IC 6-6-5.5.

(d) The commissioner may deny an application described in subsection (c) if the applicant fails to do any of the following with respect to a listed tax:

- (1) File all tax returns or information reports.
- (2) Pay all taxes, penalties, and interest.

(e) The commissioner may:

- (1) deny an application for an oversize vehicle permit, an overweight vehicle permit, or a single oversize-overweight permit; or
- (2) suspend any permit issued to a person;

if the applicant or permit holder is delinquent in paying escort fees to the state police department.

(f) The commissioner may suspend or revoke any registration, permit, certificate, or authority if the person to whom the registration, permit, certificate, or authority is issued fails to do any of the following with respect to a listed tax:

- (1) File all tax returns or information reports.
- (2) Pay all taxes, penalties, and interest.

(g) Funding for the development and operation of the registration center shall be taken from the motor carrier regulation fund (IC 8-2.1-23-1).

(h) The department shall recommend to the general assembly other functions that the registration center may perform.

SECTION 41. IC 6-8.1-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 1.5. (a) This section applies to:**

- (1) department audits, investigations, or reviews; and
- (2) amended returns filed by a taxpayer;

that result in an adjustment to a net operating loss, capital loss, credit, or other tax attribute that does not result in an assessment or refund denial for any taxable year at the time of the adjustment.

(b) A taxpayer may request a secondary review of any adjustments made by the department or by the taxpayer within sixty (60) days from the date of notice of the adjustments based on:

- (1) the department's audit, investigation, or review; or
- (2) the amended return filed by the taxpayer;

whichever is applicable.

(c) If a taxpayer requests a secondary review under this section, the department shall review the taxpayer's request and may, upon the request of the taxpayer, conduct a conference regarding the adjustment.

(d) Upon completion of the department's secondary review, the department shall either:

- (1) determine that the previous adjustments were correct; or
- (2) issue revised adjustments of relevant tax attributes.

(e) A taxpayer and the department may enter into a binding agreement to resolve, in whole or in part, any issues relating to one (1) or more adjustments.

(f) Except as provided in subsection (e), for purposes of:

- (1) IC 6-8.1-5-1;
- (2) IC 6-8.1-9-1; or
- (3) an appeal related to subdivision (1) or (2);

an adjustment described in subsection (a) or the result of the department's secondary review under subsection (d) does not constitute a final determination and may not be construed to treat any adjustment as finally determined.

SECTION 42. IC 6-8.1-5-2, AS AMENDED BY P.L.256-2017, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2020]: 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 either of 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) 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) 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) 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) Except as otherwise provided in subsection (j), 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) 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 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 43. IC 6-8.1-7-1, AS AMENDED BY P.L.234-2019, SECTION 32, AND AS AMENDED BY P.L.285-2019, SECTION 2, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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)~~ ~~IC 6-2.5-8-1(f)~~ **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 malt excise tax (IC 7.1-4-5);~~
- ~~(6) (5) the vehicle excise tax (IC 6-6-5);~~
- ~~(7) (6) the commercial vehicle excise tax (IC 6-6-5.5); and~~
- ~~(8) (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 may be released for the purpose of reporting the status of the person's license.

(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 44. IC 6-8.1-9-1, AS AMENDED BY P.L.86-2018, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2020]: 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), ~~and (k), and (l)~~, 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 ~~decision 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 ~~decision; determination~~, the person may appeal the ~~decision; 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 **later 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 ~~letter of findings; or 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 ~~later~~ **latest** of:

- (1) the date determined under subsection (a); ~~or~~
- (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) through IC 6-8.1-5-2(j)(3), December 31, 2021.

(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.

~~(k)~~ (l) If an agreement to extend the assessment time period is entered into under IC 6-8.1-5-2(h), 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 45. IC 6-8.1-9-2, AS AMENDED BY P.L.242-2015, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 2020]: 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) 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 46, IC 6-8.1-10-5, AS AMENDED BY P.L.293-2013(ts), SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 5. (a) If a person makes a tax payment with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment on the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels; a penalty of ten percent (10%) of the unpaid tax or the value of the check, credit card, debit card, or electronic funds transfer, whichever is smaller, is imposed:

(b) When a penalty is imposed under subsection (a), the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has ten (10) days after the date the notice is mailed to pay the tax and the penalty either in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the ten (10) day period, the penalty is increased to thirty percent (30%) multiplied by the value of the check, credit card, debit card, or electronic funds transfer, or the unpaid tax, whichever is smaller:

(c) If a person has been assessed a penalty under subsection (a) more than one (1) time, the department may require all future payments for all listed taxes to be remitted with guaranteed funds:

(d) If the person subject to the penalty under this section can show that there is reasonable cause for the check, credit card, debit card, or electronic funds transfer not being honored, the department may waive the penalty imposed under this section:

(a) As used in this section, "payment instrument" means:

- (1) a check;
- (2) a credit card;
- (3) a debit card;
- (4) an electronic funds transfer; or
- (5) any other instrument in payment by any commercially allowable means.

(b) If a person makes a payment to the department for an amount due to the department with a payment instrument and the department is unable to obtain payment on the payment instrument for the full amount of the attempted payment when the payment instrument is presented for payment through the normal banking channels, the department shall:

- (1) notify the person that the department was unable to obtain payment on the full amount of the payment instrument; and
- (2) assess a penalty of thirty-five dollars (\$35) not more than thirty (30) days after the department was unable to obtain payment.

(c) If the department determines that the person made a payment described in subsection (b) fraudulently or otherwise knowing that the department would be unable to obtain payment on the payment instrument for the full amount of the attempted payment when the payment instrument is presented for payment through normal banking channels, the penalty is equal to one hundred percent (100%) of the amount on which the department was unable to obtain payment, but not less than thirty-five dollars (\$35). The following apply:

- (1) A penalty assessment under this subsection shall be made not more than three (3) years after the department was unable to obtain payment.
- (2) The penalty under this subsection shall not be made in addition to the penalty under subsection (b)(2). However, nothing shall prohibit the department from issuing a penalty under this subsection with regard to

a payment after a penalty under subsection (b)(2) was issued.

(3) If a penalty under this subsection is reduced to the amount specified in subsection (b)(2), the department may issue a new assessment for the penalty within thirty (30) days after the final determination of the penalty reduction.

(d) If the department is unable to obtain payment on a payment instrument, the amount on which the department was unable to obtain payment shall not be considered to be a payment of that amount.

(e) The following apply:

(1) Any penalty under subsection (b)(2) is due not less than twenty (20) days after the department issues the assessment under subsection (b)(2).

(2) If the person fails to pay the penalty provided under this section in full within the time specified by the department, the department may file a tax warrant for the unpaid portion of the penalty in the manner provided under IC 6-8.1-8-2.

(3) For purposes of this article, a penalty under subsection (b)(2) shall not be considered to be a proposed assessment under IC 6-8.1-5-1.

(f) If a person receives a penalty under subsection (c), the penalty shall be treated as a proposed assessment as provided in IC 6-8.1-5-1. However, if the person pays the penalty under subsection (c) and files a claim for refund of the penalty, notwithstanding IC 6-8.1-9-1, the payment of the penalty shall not be refunded unless the person protested the penalty pursuant to IC 6-8.1-5-1 in a timely manner.

(g) The following apply:

(1) If the penalty under subsection (b)(2) relates to an attempted payment of a liability for which the department has filed a tax warrant under IC 6-8.1-8-2 or for which the department files a tax warrant under IC 6-8.1-8-2 prior to the expiration of the period specified in subsection (e), the tax warrant may include the amount of the penalty provided in this section prior to the expiration of the period specified in subsection (e).

(2) If a penalty under this section is included as part of a proposed assessment under IC 6-8.1-5-1, the filing of a tax warrant for the penalty under this section shall be timely if the tax warrant for the penalty:

- (A) was filed on or before the day as a timely filed tax warrant for the proposed assessment;
- (B) was filed as part of the tax warrant for the proposed assessment; or
- (C) was otherwise filed within the period allowable under IC 6-8.1-8-2.

(h) The following apply:

(1) The department may waive the penalty under this section if the person establishes that the person acted with reasonable cause in the attempted payment.

(2) If the department determines that the penalty under subsection (b)(2) shall not be waived, including a reduction of a penalty under subsection (c) to the amount specified in subsection (b)(2), the determination is not subject to administrative or judicial review.

(3) If the department determines that the penalty under this section should be waived, but the liability for the penalty has advanced to a tax warrant:

- (A) the amount due under the tax warrant shall be reduced by the amount of any penalty under this section included in the tax warrant but not paid; or
- (B) if the person has paid the penalty under this section, the department shall refund the penalty under this section paid by the person.

(4) Nothing shall prohibit judicial review of a penalty

under this section if the penalty was imposed on a payment instrument upon which the department was able to collect the full amount of the payment instrument upon presentation of the payment through the normal banking channels.

(i) If a person has been subject to a penalty under this section more than one (1) time during a twenty-four (24) month period, or has been subject to a penalty under subsection (c) that has not been reduced or waived, the department may require the person to remit all future payments for all listed taxes with guaranteed funds.

SECTION 47. IC 6-8.1-11-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The department shall appoint an employee to serve as a taxpayer rights advocate who whose office shall act as an intermediary between taxpayers and the department to facilitate the resolution of taxpayer complaints and problems including unsatisfactory treatment of taxpayers by department employees: not resolved through the normal administrative channels or operational procedures within the department.

(b) The taxpayer rights advocate office shall perform the following duties:

- (1) Receive and evaluate complaints and make appropriate recommendations to the commissioner.
- (2) Identify statutes and regulations as well as policies and practices of the department that might inhibit the equitable treatment of taxpayers, and recommend alternatives to the commissioner.
- (3) Provide expeditious service to taxpayers whose problems are not resolved through normal channels, including but not limited to:
 - (A) assisting taxpayers with matters that have been pending for an unreasonable length of time;
 - (B) assisting with matters where the taxpayer has been unable to communicate with the department; and
 - (C) working with department personnel to resolve the most complex and sensitive taxpayer problems.

SECTION 48. IC 6-8.1-16.3-5 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 5: (a) As used in this section; "fund" means the department of state revenue pilot program fund established by subsection (b):

- (b) The department of state revenue pilot program fund is established:
- (c) The fund shall be used to assist implementation and administration of the pilot program:
- (d) The fund may consist of one (1) or more of the following:
 - (1) Appropriations made by the general assembly;
 - (2) Donations made or gifts donated to the fund;
 - (3) Any proceeds derived from agreements or contracts made with third parties;
- (e) The fund shall be administered by the department.
- (f) The expenses of administering the pilot program and the fund shall be paid for by the fund:
- (g) Unless otherwise provided by state or federal law; expenses associated with the pilot program shall be paid for by fund proceeds:
- (h) Any money in the fund at the end of a state fiscal year does not revert to the state general fund:
- (i) Money in the fund is continuously appropriated to the department of state revenue to carry out the purposes of the fund:

SECTION 49. IC 6-8.1-16.3-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2020]: Sec. 5.5. (a) Any balance remaining on June 30, 2020, in the state revenue pilot program fund established by section 5 of this chapter (before its repeal) is transferred to the motor carrier regulation fund established by IC 8-2.1-23-1.

(b) Notwithstanding any other law, any proceeds derived

from agreements or a contract made with third parties under this chapter, and any other revenue received under this chapter, that would have been deposited in the state revenue pilot program fund established by section 5 of this chapter (before its repeal) shall be deposited in the motor carrier regulation fund established by IC 8-2.1-23-1.

SECTION 50. IC 8-2.1-23-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. Money in the motor carrier regulation fund does not revert to the state general fund. However, if the amount of money in the fund at the end of a fiscal year exceeds five hundred thousand dollars (\$500,000); the treasurer of state shall transfer the excess from the fund to the motor vehicle highway account established in IC 8-14-1.

SECTION 51. [EFFECTIVE JANUARY 1, 2021] (a) IC 6-8.1-10-5, as amended by this act, shall be effective for attempted payments made after December 31, 2020.

(b) This SECTION expires January 1, 2024.

SECTION 52. [EFFECTIVE APRIL 1, 2020] (a) IC 6-8.1-9-1(k), as added by this act, shall apply to extend the statute of limitations for refund claims described in IC 6-8.1-9-1(k):

- (1) that have expired before April 1, 2020, under IC 6-8.1-9-1(a); or
 - (2) that would otherwise expire after March 31, 2020, under IC 6-8.1-9-1(a);
- to December 31, 2020.

(b) This SECTION expires July 1, 2021.

SECTION 53. [EFFECTIVE JULY 1, 2009 (RETROACTIVE)] IC 6-8.1-5-2(g), as amended by this act, is intended to be a clarification of the law and not a substantive change in the law and as such shall be applied for purposes of erroneous refunds issued after June 30, 2009.

SECTION 54. An emergency is declared for this act.

(Reference is to ESB 408 as reprinted March 3, 2020.)

HOLDMAN T. BROWN
MELTON PORTER

Senate Conferees ouse Conferees

Roll Call 376: yeas 83, nays 0. Report adopted.

Representative Barrett, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
ESB 229-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 229 pctfully 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 13-18-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Except as provided in subsection (b), a person proposing a wetland activity in a state regulated wetland must obtain a permit under this chapter to authorize the wetland activity.

(b) A permit is not required for the following wetland activities:

- (1) The discharge of dirt, sand, rock, stone, concrete, or other inert fill materials in a de minimis amount.
- (2) A wetland activity at a surface coal mine for which the department of natural resources has approved a plan to:
 - (A) minimize, to the extent practical using best technology currently available, disturbances and

adverse effects on fish and wildlife;

(B) otherwise effectuate environmental values; and

(C) enhance those values where practicable.

(3) Any activity listed under Section 404(f) of the Clean Water Act, including:

(A) normal farming, silviculture, and ranching activities, such as plowing, seeding, cultivating, minor drainage, harvesting for the production of food, fiber, and forest products, or upland soil and water conservation practices;

(B) maintenance, including emergency reconstruction of recently damaged parts, of currently serviceable structures such as dikes, dams, levees, groins, riprap, breakwaters, causeways, and bridge abutments or approaches, and transportation structures;

(C) construction or maintenance of farm or stock ponds or irrigation ditches, or the maintenance of drainage ditches;

(D) construction of temporary sedimentation basins on a construction site that does not include placement of fill material into the navigable waters; and

(E) construction or maintenance of farm roads or forest roads, or temporary roads for moving mining equipment, where the roads are constructed and maintained, in accordance with best management practices, to assure that:

(i) flow and circulation patterns and chemical and biological characteristics of the navigable waters are not impaired;

(ii) the reach of the navigable waters is not reduced; and

(iii) any adverse effect on the aquatic environment will be otherwise minimized.

(4) The maintenance or reconstruction (as defined in IC 36-9-27-2) of a regulated drain in accordance with IC 36-9-27-29(2) as long as the work takes place within the current easement, and the reconstruction does not substantially change the characteristics of the drain to perform the function for which it was designed and constructed.

(c) The goal of the permitting program for wetland activities in state regulated wetlands is to:

(1) promote a net gain in high quality isolated wetlands; and

(2) assure that compensatory mitigation will offset the loss of isolated wetlands allowed by the permitting program.

(Reference is to ESB 229 as reprinted March 3, 2020.)

SPARTZ WOLKINS
DORIOT PRESCOTT

Senate Conferees ouse Conferees

Roll Call 377: yeas 55, nays 29. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 5:32 p.m. with the Speaker in the Chair.

Upon request of Representative Pierce, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 378: 71 present. The Speaker declared a quorum present.

RESOLUTIONS ON FIRST READING

House Resolution 72

Representative Beck introduced House Resolution 72:

A HOUSE RESOLUTION congratulating Hobart Police Department Corporal Kevin Garber Jr. and K-9 Butch.

Whereas, Corporal Kevin Garber Jr. and K-9 Butch from the Hobart Police Department are the first place champion team winning the 18th annual American Police Canine Association (APCA) Winter Sniff Off;

Whereas, The winning team completed the challenge in four minutes, 54 seconds, 60 hundredths and 0 points;

Whereas, The Hobart Police Department K-9 Unit consists of seven teams and is led by Commander A. Simon Gresser;

Whereas, The Hobart Police Department K-9 Unit strives to utilize canines in their natural abilities and specialized areas to preserve life and property and suppress the criminal element; and

Whereas, The APCA competitions showcase the hard work and dedication of Corporal Garber and Butch in the course of protecting their community: Therefore,

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

SECTION 1. That the House of Representatives congratulates Hobart Police Department Corporal Kevin Garber Jr. and K-9 Butch on winning the 2020 American Police Canine Association Winter Sniff Off.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit copies of this resolution to the office of State Representative Lisa Beck for distribution.

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

CONFEREES AND ADVISORS APPOINTED

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

EHB 1065	Conferee:	Representative Jordan replacing Representative Porter
	Advisor:	Remove Representative Jordan as advisor
ESB 367	Conferee:	Representative Pressel replacing Representative Harris
	Advisor:	Remove Representative Pressel as advisor

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1003, 1045, 1066, 1113, 1131 and 1235
Engrossed Senate Bills 1, 47, 80 and 295

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020, and that House Rule 163.3 be suspended so that the following conference committee

reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1003, 1045, 1066, 1113, 1131 and 1235
Engrossed Senate Bills 1, 47, 80 and 295

LEONARD, Chair

Motion prevailed.

Representatives Austin, Bosma, Boy, Dvorak, Kirchofer, Lehman, Macer, Pfaff, Smaltz, Speedy, Steuerwald and Wesco, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
ESB 148-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 148 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 16-18-2-188.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 188.7. "Industrialized residential structure", for purposes of IC 16-41-27, has the meaning set forth in IC 16-41-27-2.1.**

SECTION 2. IC 16-41-27-1, AS AMENDED BY P.L.87-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. This chapter recognizes mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures** as suitable and necessary dwelling units in Indiana. The state department may do the following:

- (1) Require reasonable standards of health, sanitation, and safety in using the dwelling units.
- (2) Require:
 - (A) persons dwelling in mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures**; and
 - (B) mobile home community operators;
 to comply with the standards.
- (3) Authorize local boards to enforce the standards adopted.

SECTION 3. IC 16-41-27-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 2.1. (a) As used in this chapter, "industrialized residential structure" means a structure that is both an industrialized building system (as defined in IC 22-12-1-14) and a one (1) or two (2) family private residence.**

- (b) The term does not include either of the following:**
- (1) A manufactured home.**
 - (2) A mobile home.**

SECTION 4. IC 16-41-27-3, AS AMENDED BY P.L.87-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. As used in this chapter, "local board" means a local agency of government authorized to enforce the standards of health and sanitation prescribed for:

- (1) mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures**; and
- (2) mobile home communities by the state department.

SECTION 5. IC 16-41-27-5, AS AMENDED BY

P.L.1-2007, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) As used in this chapter, "mobile home community" means one (1) or more parcels of land:

- (1) that are subdivided and contain individual lots that are leased or otherwise contracted;
- (2) that are owned, operated, or under the control of one (1) or more persons; and
- (3) on which a total of at least five (5) mobile homes, ~~or~~ manufactured homes, **or industrialized residential structures** are located for the purpose of being occupied as principal residences.

(b) The term includes the following:

- (1) All real and personal property used in the operation of the mobile home community.
- (2) A single parcel of land.
- (3) Contiguous but separately owned parcels of land that are jointly operated.
- (4) Parcels of land:

- (A) that are separated by other parcels of land; and
- (B) that are:
 - (i) jointly operated; and
 - (ii) connected by a private road.

(5) One (1) or more parcels of land, if at least two (2) of the mobile homes, ~~or~~ manufactured homes, **or industrialized residential structures** located on the land are:

- (A) accessible from a private road or interconnected private roads;
- (B) served by a common water distribution system; or
- (C) served by a common sewer or septic system.

SECTION 6. IC 16-41-27-9, AS AMENDED BY P.L.87-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. A mobile home community must be in the personal charge of an adult attendant or caretaker designated by the owner or operator of the mobile home community at the times when mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures** in the mobile home community are occupied by tenants. The caretaker present at the time of a violation of this chapter is equally responsible with the owner or operator of the mobile home community for a violation of this chapter.

SECTION 7. IC 16-41-27-11, AS AMENDED BY P.L.87-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) A mobile home community shall dispose of sewage through the use of a public sewerage system if the sewerage system is available within a reasonable distance from the mobile home community. If a public sewerage system is not available, sewage may be disposed of in accordance with rules adopted under section 8 of this chapter. A water carriage system of collecting sewage shall be used. The mobile home community operator shall require the owner of a mobile home to provide a watertight and odor-tight connection of a type acceptable to the state department under rules adopted by the state department.

(b) All occupied mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures** shall be connected to the sewerage system of the mobile home community at all times. All sewer connections not in use must be closed in a manner that does not:

- (1) emit odor; or
- (2) cause a breeding place for flies.

(c) Sewerage systems other than water carriage systems may not be approved for a mobile home community, except nonwater carriage systems may be provided for emergency use only during a temporary failure of a water or an electric system.

SECTION 8. IC 16-41-27-12, AS AMENDED BY P.L.87-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. Suitable garbage containers or a garbage disposal system and trash containers shall be made available in a sanitary manner to each occupied mobile home, ~~and~~ manufactured home, **and industrialized residential structure**. The garbage and trash of the mobile home community must be disposed of in a manner approved by the state department.

SECTION 9. IC 16-41-27-15, AS AMENDED BY P.L.87-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 15. Streets must be at least ten (10) feet wide and sufficiently wide to prevent vehicular and pedestrian traffic problems. Adequate area must be provided for the parking of vehicles. All roads in a mobile home community shall be maintained to be dust proof. Each mobile home, ~~and~~ manufactured home, **and industrialized residential structure** in a mobile home community shall have ready and free access to the road in a community.

SECTION 10. IC 16-41-27-16.6, AS ADDED BY P.L.31-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16.6. (a) Each year during National Fire Prevention Week, the operator of a mobile home community is encouraged to provide a written reminder to the owners of all manufactured homes **and industrialized residential structures** in the mobile home community to replace the batteries in all weather radios and smoke detectors contained in their manufactured homes **or industrialized residential structures**.

(b) Any reminder, assistance, or instructions provided by an operator of a mobile home community concerning the function of a weather radio or smoke detector contained in a manufactured home **or industrialized residential structure** shall not subject the operator or an owner or employee of the mobile home community to liability for the functionality of that weather radio or smoke detector.

SECTION 11. IC 16-41-27-24, AS AMENDED BY P.L.87-2005, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 24. (a) An inspection fee must be submitted to the state department with each license application. The fee is two hundred dollars (\$200) for a total of not more than fifty (50) mobile home, ~~and~~ manufactured home, **and industrialized residential structure** sites and one hundred fifty dollars (\$150) for each increment of not more than fifty (50) additional sites. Units of state and local government are exempt from the fee.

(b) This subsection does not apply to an application made after an enforcement action. A penalty fee of two hundred dollars (\$200) for a total of not more than fifty (50) mobile home, ~~and~~ manufactured home, **and industrialized residential structure** sites and one hundred fifty dollars (\$150) for each increment of not more than fifty (50) additional sites may be imposed by the state department for an application for license renewal filed after the license has expired.

SECTION 12. IC 16-41-27-29, AS AMENDED BY P.L.198-2016, SECTION 648, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 29. (a) Subject to subsection (b), the owner, operator, or caretaker of a mobile home community has a lien upon the property of a guest in the same manner, for the same purposes, and subject to the same restrictions as an innkeeper's lien or a hotel keeper's lien.

(b) With regard to a lienholder:

- (1) if the property has a properly perfected secured interest; and
- (2) the lienholder has notified the owner, operator, or caretaker of the mobile home community of the lienholder's lien by certified mail;

the maximum amount of the innkeeper's lien may not exceed the actual late rent owed for not more than a maximum of sixty (60)

days immediately preceding notification by certified mail to the lienholder that the owner of the property has vacated the property or is delinquent in the owner's rent.

(c) If the notification to the lienholder under subsection (b) informs the lienholder that the lienholder will be responsible to the owner, operator, or caretaker of the mobile home community for payment of rent from the time the notice is received until the mobile home, ~~or~~ manufactured home, **or industrialized residential structure** is removed from the mobile home community, the lienholder is liable for the payment of rent that accrues after the notification.

SECTION 13. IC 16-41-27-31, AS AMENDED BY P.L.235-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 31. (a) Each mobile home community operator shall maintain a register open for inspection by the township assessor or county assessor responsible for assessing mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures** located in the mobile home community under IC 6-1.1-7 and by the state department or the state department's representatives.

(b) This subsection applies to entries made in a register described in subsection (a) before January 1, 2020. The register must contain the following for each mobile home and manufactured home in a mobile home community:

- (1) The names and ages of all occupants.
- (2) The name of the owner of the mobile home or manufactured home.

(c) This subsection applies to entries made in a register described in subsection (a) after December 31, 2019. The register must contain the following for each mobile home, ~~and~~ manufactured home, **and industrialized residential structure** in a mobile home community:

- (1) The name of the owner of the mobile home, ~~or~~ manufactured home, **or industrialized residential structure** at the time the entry is made, as shown on the title to the mobile home, ~~or~~ manufactured home, **or industrialized residential structure**.
- (2) The vehicle identification number of the mobile home, ~~or~~ manufactured home, **or industrialized residential structure**.
- (3) Beginning after September 30, 2020, a copy of the title held by the owner of the mobile home, ~~or~~ manufactured home, **or industrialized residential structure** at the time the entry is made.

SECTION 14. IC 16-41-27-32, AS AMENDED BY P.L.136-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 32. (a) A governmental body other than the state department of health may not license or regulate mobile home communities, except for the following:

- (1) Local boards may enforce the standards of health and sanitation prescribed for mobile homes, manufactured homes, **industrialized residential structures**, and mobile home communities by the state department.
- (2) **Subject to IC 36-7-2-12**, county and municipal authorities within their respective jurisdictions have jurisdiction regarding zoning and building codes and ordinances pertaining to mobile home communities.
- (3) Local boards may regulate the construction and operation of groups of a combined total of not more than four (4) mobile homes, ~~and~~ manufactured homes, **and industrialized residential structures** in accordance with standards that are compatible with standards set by the state department for mobile home communities.

(b) A governmental body other than the state department of health may not regulate mobile homes, or manufactured homes, or industrialized residential structures regarding habitability or minimum housing conditions unless the regulation is applicable in the same manner to other forms of residential housing in the jurisdiction.

(c) A governmental body may not regulate or restrict the use, occupancy, movement, or relocation of a mobile home, or manufactured home, or industrialized residential structure based upon the age of the mobile home, or manufactured home, or industrialized residential structure.

(d) A government body may not regulate or restrict the ability of a:

- (1) mobile home community:
 - (A) owner; or
 - (B) manager; or
- (2) manufactured home community:
 - (A) owner; or
 - (B) manager;

to obtain a dealer's license or to sell a mobile home, or manufactured home, or industrialized residential structure located within the owner's or manager's mobile home community or manufactured housing community.

SECTION 15. IC 16-41-27-32.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 32.5. In addition to any other requirement applicable to a mobile home community under this chapter, an industrialized residential structure may be located in a mobile home community if all of the following conditions are met:**

- (1) The industrialized residential structure is certified under IC 22-15-4.
- (2) The industrialized residential structure is placed on a lot that is not used for a mobile home or manufactured home within the mobile home community.
- (3) The industrialized residential structure complies with all requirements related to:
 - (A) utility line placement;
 - (B) adequate site drainage;
 - (C) spacing and setbacks;
 - (D) minimum recreation area;
 - (E) water, sewer, or septic service; and
 - (F) any other similar requirement;

to which a mobile home or manufactured home in a mobile home community is subject.

SECTION 16. IC 16-41-27-35 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 35. (a) A mobile home community operator shall provide each owner of a mobile home, manufactured home, or industrialized residential structure located in the mobile home community written notice of the operator's intent to close the mobile home community not later than one hundred eighty (180) days before the date of the intended closure.**

(b) A mobile home community operator who violates this section commits a deceptive act that is actionable by the attorney general or a consumer under IC 24-5-0.5-4 and is subject to the remedies and penalties under IC 24-5-0.5.

SECTION 17. IC 32-31-1-20, AS AMENDED BY P.L.266-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 20. (a) Subject to IC 36-1-3-8.5, this section does not apply to privately owned real property for which government funds or benefits have been allocated from the United States government, the state, or a political subdivision for the express purpose of providing reduced rents to low or moderate income tenants.**

(b) A unit (as defined in IC 36-1-2-23) may not regulate

rental rates for privately owned real property, through a zoning ordinance or otherwise, unless the regulation is authorized by an act of the general assembly.

(c) A unit (as defined in IC 36-1-2-23) may not regulate, through an ordinance or otherwise, any of the following aspects of a landlord-tenant relationship with respect to privately owned real property located in the unit unless the regulation is authorized by an act of the general assembly:

- (1) The screening process used by a landlord in approving tenants to lease privately owned real property.
- (2) Security deposits.
- (3) Lease applications.
- (4) Leasing terms and conditions.
- (5) Disclosures concerning the:
 - (A) property;
 - (B) lease; or
 - (C) rights and responsibilities of the parties; involved in a landlord-tenant relationship.
- (6) The rights of the parties to a lease.
- (7) Any fees charged by a landlord.
- (8) Any other aspects of the landlord-tenant relationship.

Any ordinance or regulation that violates this subsection is void and unenforceable.

SECTION 18. IC 32-31-8.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 8.5. Retaliatory Acts by Landlords

Sec. 1. The definitions in IC 32-31-3 apply throughout this chapter.

Sec. 2. As used in this chapter, "protected activity" means any of the following actions taken by a tenant:

- (1) Complaining to a governmental entity responsible for enforcing an applicable building or housing code about a violation with respect to the rental premises that materially affects health or safety.
- (2) Complaining to a landlord in writing concerning the landlord's violation of IC 32-31-5-6 or IC 32-31-8-5.
- (3) Bringing an action against the landlord under IC 32-31-6 or IC 32-31-8.
- (4) Organizing or becoming a member of a tenant's organization.
- (5) Testifying in a court proceeding or an administrative hearing against the landlord.

Sec. 3. As used in this chapter, "rental premises" has the meaning set forth in IC 32-31-7-3.

Sec. 4. As used in this chapter, "retaliatory act" means any of the following actions taken by a landlord in response to a tenant's engaging in a protected activity:

- (1) Increasing the amount of the tenant's rent.
- (2) Decreasing, terminating, or interfering with services provided to the rental premises.
- (3) Bringing or threatening to bring an action for possession of the rental premises.
- (4) Bringing or threatening to bring an action to:
 - (A) evict the tenant from the rental premises; or
 - (B) otherwise terminate the tenant's rental agreement before the expiration of the term of the rental agreement.

Sec. 5. (a) Subject to subsection (b), and except as provided in subsection (c), a landlord may not engage in a retaliatory act in response to a tenant's engaging in one (1)

or more protected activities.

(b) Subsection (a) does not prohibit a landlord from doing any of the following:

(1) Declining to renew a rental agreement at the conclusion of the term of the rental agreement.

(2) Increasing a tenant's rent to that which is charged for comparable market rentals, regardless of whether the increase is effective:

(A) at the conclusion of the term of the rental agreement; or

(B) if provided for in the rental agreement, during the term of the rental agreement.

(3) Subject to applicable law, decreasing or terminating one (1) or more services provided to the rental premises, if those services are decreased or terminated to all tenants on an equal basis.

(c) A landlord may bring an action described in section 4(3) or 4(4) of this chapter (including as a petition for an emergency possessory order under IC 32-31-6) under the following circumstances, or as otherwise authorized by law:

(1) A violation described in section 2(1) of this chapter is caused primarily by the intentional or negligent acts of, or a lack of reasonable care by:

(A) the tenant;

(B) an authorized occupant of the rental premises; or

(C) a guest or invitee of the tenant.

(2) The tenant is in default with respect to rent due and has failed to cure the default within the time set forth in:

(A) IC 32-31-1-6; or

(B) the rental agreement.

(3) Compliance with an applicable building or housing code requires alteration, remodeling, or demolition of the rental premises, such that the tenant would be effectively deprived of use of the rental premises.

(4) The tenant is in noncompliance with a provision of the rental agreement, and the noncompliance materially affects the health or safety of the tenant or others.

(5) The tenant's rental agreement is for a definite term, and the tenant holds over after expiration of the term.

(6) The landlord's action for possession of the rental premises is made:

(A) in good faith; and

(B) before the tenant engages in a protected activity.

(7) The landlord seeks in good faith to take possession of the rental premises at the end of the term of the tenant's rental agreement in order to:

(A) use the rental premises as the landlord's own abode;

(B) alter, remodel, or demolish the rental premises in a manner that requires the complete displacement of the tenant's household; or

(C) terminate for a period of at least six (6) months the use of the property as a rental unit.

Sec. 6. A unit (as defined in IC 36-1-2-23) may not adopt

or enforce any:

(1) ordinance; or

(2) regulation;

concerning retaliatory acts by landlords. Any ordinance or regulation that violates this subsection is void and unenforceable.

SECTION 19. IC 36-7-2-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) Notwithstanding IC 36-7-4-1106, a unit may not adopt or enforce an ordinance, regulation, requirement, or restriction that mandates size requirements for a manufactured home (as defined in IC 36-7-4-1106) that will be placed in a mobile home community licensed under IC 16-41-27.

(b) Nothing in this section shall be construed to prohibit a unit from adopting or enforcing a requirement of an ordinance related to:

(1) transportation;

(2) water and sewer service; or

(3) another requirement concerning the use or development of land.

SECTION 20. IC 36-7-4-1106 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1106. (a) This section does not affect a requirement applicable to property that is subject to the jurisdiction of a preservation commission organized under any of the following:

(1) IC 36-7-11.

(2) IC 36-7-11.1.

(3) IC 36-7-11.2.

(4) IC 36-7-11.3.

(b) As used in this section:

(1) "Manufactured home" means a dwelling unit, designed and built in a factory, which bears a seal certifying that it was built in compliance with the federal Manufactured Housing Construction and Safety Standards Law of 1974 (42 U.S.C. 5401 et seq.).

(2) "Underfloor space" means that space between the bottom of the floor joists and the earth.

(3) "Occupied space" means the total area of earth horizontally covered by the structure, excluding accessory structures such as, but not limited to, garages, patios and porches.

(4) "Permanent foundation system" includes a pier footing foundation system that is specified as suitable in the manufacturer's installation specifications for a manufactured home.

(b) (c) Comprehensive plans and ordinances adopted under the provisions of this chapter may subject dwelling units and lots to identical standards and requirements, whether or not the dwelling unit to be placed on a lot is a manufactured home or some other type of dwelling unit. These standards and requirements may include but are not limited to the following:

(1) Setback distance.

(2) Side and rear yard area.

(3) Vehicle parking space.

(4) Minimum square footage of the dwelling unit. ~~and~~

(5) Underfloor space enclosure requirements.

(6) **Aesthetics.** However, aesthetic standards and requirements pertaining to the home structure itself which are adopted under this section may only pertain to the following:

(A) Roofing materials and siding materials.

(B) Permanent foundation systems of manufactured homes that are located outside of a

mobile home community licensed under IC 16-41-27. A unit may require compatibility of a permanent foundation system with surrounding residential structures. However, the unit may not require:

- (i) a permanent foundation system that is incompatible with the structural design of the manufactured home; or**
- (ii) more than one (1) permanent foundation system for a manufactured home.**

(e) (d) METRO. Standards and requirements, specified in comprehensive plans and ordinances, adopted under this section for lots and dwelling units may not totally preclude all manufactured homes constructed after January 1, 1981, and that exceed twenty-three (23) feet in width and nine hundred fifty (950) square feet of occupied space, from being installed as permanent residences on any lot on which any other type of dwelling unit may be placed.

(f) (e) ADVISORY—AREA. Standards and requirements, specified in comprehensive plans and ordinances, adopted under this section for lots and dwelling units may not totally preclude all manufactured homes constructed after January 1, 1981, and that exceed nine hundred fifty (950) square feet of occupied space, from being installed as permanent residences on any lot on which any other type of dwelling unit may be placed.

SECTION 21. An emergency is declared for this act.

(Reference is to ESB 148 as printed February 28, 2020.)

DORIOT	MILLER
YOUNG	MANNING
Senate Conferees	House Conferees

Roll Call 379: yeas 64, nays 32. Report adopted.

Representative Wolkins, who had been present, is now excused.

CONFERENCE COMMITTEE REPORT
EHB 1003-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1003 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the 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 4-3-27-11, AS AMENDED BY P.L.143-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) As used in this section, "high school" means a high school (as defined in IC 20-18-2-7) that is:

- (1) maintained by a school corporation;
- (2) a charter school; or
- (3) **an a state** accredited nonpublic school **(as defined in IC 20-18-2-18.7).**

(b) Not later than July 1, 2019, the cabinet shall develop a comprehensive career navigation and coaching system for Indiana that does both of the following:

- (1) Provides timely, comprehensive, relevant, and useful information on careers, including at least:

(A) general and industry sector based regional, state, national, and

global information to identify both immediate and potential career opportunities arising from:

- (i) current employer needs;
- (ii) developing or foreseeable talent needs and trends; and
- (iii) other factors identified by the cabinet;

(B) state, regional, and local labor market supply and demand information from the department of workforce development, industry sectors, and other verifiable sources; and

(C) educational requirements and attainment information from employers, the department of workforce development, and other verifiable sources.

(2) Establishes strategies and identifies capacity to deliver career navigation and coaching to middle school, high school, postsecondary, and adult students, with priority being given to middle school and high school students, including at least:

(A) processes for identifying an individual's aptitude for and interest in, and the education and training required for, various career and employment opportunities;

(B) the use of career coaches and other coaching resources, including the work one system, employers, Ivy Tech Community College, Vincennes University, and other postsecondary educational institutions; and

(C) qualifications for career coaches and a training program to enable the career coaches to provide relevant information to the individuals being served.

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

(d) In developing the comprehensive career navigation and coaching system under subsection (b)(2), the cabinet shall:

(1) receive cooperation, support, and assistance from:

(A) the department of workforce development, the Indiana commission for higher education, and the department of education; and

(B) the resources, providers, and institutions that the departments and the commission listed in clause (A) use and oversee;

(2) explore approaches and models from Indiana and other states and countries;

(3) where appropriate, use pilot programs or other scaling approaches to develop and implement the comprehensive career navigation and coaching system in a cost effective and efficient manner; and

(4) work to coordinate and align resources to produce effective and efficient results to K-12 educational systems, postsecondary educational systems, the workforce development community, employers, community based

organizations, and other entities.

(e) The cabinet shall initially:

(1) focus on:

(A) students in, or of the age to be in, the last two (2) years of high school; and

(B) working age adults; and

(2) use, to the extent possible, the department of workforce development, the K-12 educational system, Ivy Tech Community College, Vincennes University, and other existing resources to implement the comprehensive career navigation and coaching system with a later expansion of the system, as appropriate, to all K-12 and postsecondary schools and institutions and their students.

(f) Not later than July 1, 2019, the cabinet shall submit to:

(1) the governor;

(2) the commission for higher education;

(3) the state board of education; and

(4) the general assembly in an electronic format under IC 5-14-6;

operating and funding recommendations to implement the comprehensive career navigation and coaching system.

SECTION 2. IC 5-2-10.1-13, AS ADDED BY P.L.211-2018(ss), SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. A charter school (as defined in IC 20-24-1-4) or an a state accredited nonpublic school (as defined in IC 20-18-2-18.7) may do one (1) or more of the following:

(1) Designate an individual to serve as the school safety specialist for the school and comply with section 9 of this chapter.

(2) Establish a school safety plan in accordance with this chapter.

(3) Establish a safe school committee as described under section 12 of this chapter.

SECTION 3. IC 5-3-1-3, AS AMENDED BY P.L.238-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) Within sixty (60) days after the expiration of each calendar year, the fiscal officer of each civil city and town in Indiana shall publish an annual report of the receipts and expenditures of the city or town during the preceding calendar year.

(b) Not earlier than August 1 or later than August 15 of each year, the secretary of each school corporation in Indiana shall publish **either:**

(1) an annual financial report; or

(2) a **summary of the annual financial report with a description of how to find and view the full annual fiscal report on the Internet. The summary must include the following:**

(A) **The total amounts for:**

(i) **approved budget receipts for each property tax fund and the total for the approved budget receipts for all of the property tax funds combined; and**

(ii) **actual receipts for each property tax fund and the total for the approved budget receipts for all of the property tax funds combined.**

(B) **The total amounts for:**

(i) **approved budget expenditures for each property tax fund and the total for the approved budget expenditures for all of the property tax funds combined; and**

(ii) **actual expenditures for all property tax funds and the total for the approved budget receipts for all of the property tax funds combined.**

(C) **The minimum teacher salary range.**

(D) **The maximum teacher salary range.**

(E) **High school extracurricular salaries for head athletic coaches and orchestra, music, and band leaders.**

(F) **The salary ranges for noncertificated employees (as defined in IC 20-29-2-11) classifications.**

(G) **The:**

(i) **lowest salary;**

(ii) **highest salary; and**

(iii) **average salary;**

for a certificated administrative staff employee.

(H) **Student enrollment disaggregated by grade level.**

(I) **The total assessed valuation for property and the property tax rate per property tax fund for the past two (2) years.**

(J) **The type of indebtedness for the school corporation and the amount of principal that is outstanding.**

(c) In the annual financial report the school corporation shall include the following:

(1) Actual receipts and expenditures by major accounts as compared to the budget advertised under IC 6-1.1-17-3 for the prior calendar year.

(2) The salary schedule for all certificated employees (as defined in IC 20-29-2-4) as of June 30, with the number of employees at each salary increment. However, the listing of salaries of individual teachers is not required.

(3) The extracurricular salary schedule as of June 30.

(4) The range of rates of pay for all noncertificated employees by specific classification.

(5) The number of employees who are full-time certificated, part-time certificated, full-time noncertificated, and part-time noncertificated.

(6) The lowest, highest, and average salary for the administrative staff and the number of administrators without a listing of the names of particular administrators.

(7) The number of students enrolled at each grade level and the total enrollment.

(8) The assessed valuation of the school corporation for the prior and current calendar year.

(9) The tax rate for each fund for the prior and current calendar year.

(10) In the education fund and operations fund, a report of the total payment made to each vendor from each fund in excess of two thousand five hundred dollars (\$2,500) during the prior calendar year. However, a school corporation is not required to include more than two hundred (200) vendors whose total payment to each vendor was in excess of two

thousand five hundred dollars (\$2,500). A school corporation shall list the vendors in descending order from the vendor with the highest total payment to the vendor with the lowest total payment above the minimum listed in this subdivision.

(11) A statement providing that the contracts, vouchers, and bills for all payments made by the school corporation are in its possession and open to public inspection.

(12) The total indebtedness as of the end of the prior calendar year showing the total amount of notes, bonds, certificates, claims due, total amount due from such corporation for public improvement assessments or intersections of streets, and any and all other evidences of indebtedness outstanding and unpaid at the close of the prior calendar year.

(d) The school corporation may provide an interpretation or explanation of the information included in the financial report.

(e) The department of education shall do the following:

(1) Develop guidelines for the preparation and form of the financial report.

(2) Provide information to assist school corporations in the preparation of the financial report.

(f) The annual reports required by this section and IC 36-2-2-19 and the abstract required by IC 36-6-4-13 shall each be published one (1) time only, in accordance with this chapter.

(g) Each school corporation shall submit to the department of education a copy of the financial report required under this section. The department of education shall make the financial reports available ~~for public inspection on the department of education's Internet web site.~~

(h) As used in this subsection, "bonds" means any bonds, notes, or other evidences of indebtedness, whether payable from property taxes, other taxes, revenues, fees, or any other source. However, the term does not include notes, warrants, or other evidences of indebtedness that have a maturity of not more than five (5) years and that are made in anticipation of and to be paid from revenues of the school corporation. Notwithstanding any other law, a school corporation may not issue any bonds unless the school corporation has filed the annual financial report required under subsection (b) with the department of education. The requirements under this subsection for the issuance of bonds by a school corporation are in addition to any other requirements imposed under any other law. This subsection applies to the issuance of bonds authorized under any statute, regardless of whether that statute specifically references this subsection or the requirements under this subsection.

SECTION 4. IC 6-3-2-22, AS ADDED BY P.L.229-2011, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 22. (a) The following definitions apply throughout this section:

(1) "Dependent child" means an individual who:

(A) is eligible to receive a free elementary or high school education in an Indiana school corporation;

(B) qualifies as a dependent (as defined in Section 152 of the Internal Revenue Code) of the taxpayer; and

(C) is the natural or adopted child of the taxpayer or, if custody of the child has been awarded in a court proceeding to someone other than the mother or father, the court appointed guardian or custodian of

the child.

If the parents of a child are divorced, the term refers to the parent who is eligible to take the exemption for the child under Section 151 of the Internal Revenue Code.

(2) "Education expenditure" refers to any expenditures made in connection with enrollment, attendance, or participation of the taxpayer's dependent child in a private elementary or high school education program. The term includes tuition, fees, computer software, textbooks, workbooks, curricula, school supplies (other than personal computers), and other written materials used primarily for academic instruction or for academic tutoring, or both.

(3) "Private elementary or high school education program" means attendance at:

(A) a nonpublic school (as defined in IC 20-18-2-12); or

(B) ~~an a state~~ accredited nonpublic school (as defined in **IC 20-18-2-18.7**);

in Indiana that satisfies a child's obligation under IC 20-33-2 for compulsory attendance at a school. The term does not include the delivery of instructional service in a home setting to a dependent child who is enrolled in a school corporation or a charter school.

(b) This section applies to taxable years beginning after December 31, 2010.

(c) A taxpayer who makes an unreimbursed education expenditure during the taxpayer's taxable year is entitled to a deduction against the taxpayer's adjusted gross income in the taxable year.

(d) The amount of the deduction is:

(1) one thousand dollars (\$1,000); multiplied by

(2) the number of the taxpayer's dependent children for whom the taxpayer made education expenditures in the taxable year.

A husband and wife are entitled to only one (1) deduction under this section.

(e) To receive the deduction provided by this section, a taxpayer must claim the deduction on the taxpayer's annual state tax return or returns in the manner prescribed by the department.

SECTION 5. IC 9-21-12-20.5, AS ADDED BY P.L.144-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20.5. (a) As used in this section, "elementary school":

(1) has the meaning set forth in IC 20-18-2-4; and

(2) includes public elementary schools and **state** accredited nonpublic elementary schools **that voluntarily become accredited under IC 20-31-4.1.**

(b) As used in this section, "governing body" has the meaning set forth in IC 20-18-2-5.

(c) If a school bus driver must load or unload an elementary school student at a location that requires the student to cross a roadway that is a U.S. route or state route as described in section 20(a)(1) of this chapter, the superintendent or the superintendent's designee shall present the school bus route described in this subsection to the governing body for approval.

SECTION 6. IC 9-27-6-3, AS AMENDED BY P.L.85-2013, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) As used in this chapter, "driver training school" means:

(1) a business enterprise that:

(A) is conducted by an individual,

an association, a partnership, a limited liability company, or a corporation for the education and training of persons, practically or theoretically, or both, to operate or drive motor vehicles or to prepare an applicant for an examination or validation under IC 9-24 for a driver's license; and

(B) charges consideration or tuition for the provision of services; or

(2) a driver education program operated under the authority of:

(A) a school corporation (as defined in IC 36-1-2-17);

(B) a **state accredited** nonpublic secondary school that voluntarily becomes accredited under ~~IC 20-19-2-8~~; **IC 20-31-4.1**;

~~(C) a nonpublic secondary school recognized under IC 20-19-2-10;~~

~~(D)~~ (C) a postsecondary proprietary educational institution (as defined in IC 22-4.1-21-9);

~~(E)~~ (D) a postsecondary credit bearing proprietary educational institution (as defined in IC 21-18.5-2-12);

~~(F)~~ (E) a state educational institution (as defined in IC 21-7-13-32); or

~~(G)~~ (F) a nonaccredited nonpublic school.

(b) The term does not include a business enterprise that educates or trains a person or prepares a person for an examination or a validation given by the bureau to operate or drive a motor vehicle as a vocation.

SECTION 7. IC 9-27-6-6, AS AMENDED BY P.L.149-2015, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) To establish or operate a driver training school, the driver training school must obtain a driver training school license from the bureau in the manner and form prescribed by the bureau.

(b) Subject to subsections (c) and (d), the bureau shall adopt rules under IC 4-22-2 that state the requirements for obtaining a driver training school license.

(c) The rules adopted under subsection (b) must permit a licensed driver training school to provide classroom training during which an instructor is present in a county outside the county where the driver training school is located to the students of:

(1) a school corporation (as defined in IC 36-1-2-17);

(2) a **state accredited** nonpublic secondary school that voluntarily becomes accredited under ~~IC 20-19-2-8~~; **IC 20-31-4.1**;

~~(3) a nonpublic secondary school recognized under IC 20-19-2-10;~~

~~(4)~~ (3) a state educational institution; or

~~(5)~~ (4) a nonaccredited nonpublic school.

However, the rules must provide that a licensed driver training school may provide classroom training in an entity listed in **subdivisions subdivision (1) through (3) or (2)** only if the governing body of the entity approves the delivery of the training to its students.

(d) The rules adopted under subsection (b) must provide that driver education instruction may not be provided to a child less than fifteen (15) years of age.

SECTION 8. IC 10-21-1-1, AS AMENDED BY P.L.50-2019, SECTION 1, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The following definitions apply throughout this chapter:

(1) "Accredited nonpublic school" means a nonpublic school ~~(as described under IC 20-18-2-12)~~ that:

(A) has voluntarily become accredited under ~~IC 20-19-2-8~~; **IC 20-31-4.1**; or

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

(2) "Active event warning system" refers to a system that includes services and technology that will notify available law enforcement agencies in the area of a school building of a life threatening emergency.

(3) "ADM" refers to average daily membership determined under IC 20-43-4-2. In the case of a school corporation career and technical education school described in IC 20-37-1-1, "ADM" refers to the count on a full-time equivalency basis of students attending the school on the date ADM is determined under IC 20-43-4-2.

(4) "Board" refers to the secured school safety board established by section 3 of this chapter.

(5) "Fund" refers to the Indiana secured school fund established by section 2 of this chapter.

(6) "Law enforcement agency" refers to a state, local, or federal agency or department that would respond to an emergency event at a school, including both on duty and off duty officers within the agency or department.

(7) "Local plan" means the school safety plan described in IC 20-26-18.2-2(b).

(8) "School corporation or charter school" refers to an individual school corporation, a school corporation career and technical education school described in IC 20-37-1-1, or a charter school but also includes:

(A) a coalition of school corporations;

(B) a coalition of charter schools;

or

(C) a coalition of both school corporations and charter schools;

that intend to jointly employ a school resource officer or to jointly apply for a matching grant under this chapter, unless the context clearly indicates otherwise.

(9) "School official" refers to an employee of a school corporation, charter school, or accredited nonpublic school who has access to an active event warning system.

(10) "School resource officer" has the meaning set forth in IC 20-26-18.2-1.

SECTION 9. IC 16-35-8-1, AS AMENDED BY P.L.149-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "child" means a child who is:

(1) at least three (3) years of age and less than seven (7) years of age; or

(2) enrolled in a public school, **state accredited nonpublic school (as defined in IC 20-18-2-18.7)**, or nonaccredited nonpublic school in kindergarten through grade 12.

SECTION 10. IC 16-41-37.5-2, AS AMENDED BY P.L.168-2009, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The

state department shall before July 1, 2010:

- (1) adopt rules under IC 4-22-2 to establish an indoor air quality inspection, evaluation, and employee notification program to assist state agencies in improving indoor air quality; and
- (2) amend 410 IAC 6-5.1 or adopt new rules under IC 4-22-2 to do the following:

- (A) Establish an indoor air quality inspection, evaluation, and parent and employee notification program to assist schools in improving indoor air quality.
- (B) Establish best practices to assure healthful indoor air quality in schools.

(b) Subject to subsection (c), the state department shall:

- (1) inspect a school or state agency if the state department receives a complaint about the quality of air in the school or state agency;
- (2) prepare a report, which may be in letter form, that:

- (A) describes the state department's inspection findings;
- (B) identifies any conditions that are contributing or could contribute to poor indoor air quality at the school or state agency, including:
 - (i) carbon dioxide levels;
 - (ii) humidity;
 - (iii) evidence of mold or water damage; and
 - (iv) excess dust;
- (C) provides guidance on steps the school or state agency should take to address any issues; and
- (D) requests a response from the school or state agency not later than sixty (60) days after the date of the report;

(3) report the results of the inspection to:

- (A) the person who complained about the quality of air;
- (B) the school's principal or the state agency head;
- (C) the superintendent of the school corporation, if the school is part of a school corporation;
- (D) the Indiana state board of education, if the school is a public school or ~~an~~ a state accredited nonpublic school **(as defined in IC 20-18-2-18.7)**;
- (E) the Indiana department of administration, if the inspected entity is a state agency; and
- (F) the appropriate local or county board of health; and

(4) assist the school or state agency in developing a reasonable plan to improve air quality conditions found in the inspection.

(c) A complaint referred to in subsection (b)(1):

- (1) must be in writing; and
- (2) may be made by electronic mail.

(d) The state department may release the name of a person who files a complaint referred to in subsection (b)(1) only if the person has authorized the release in writing.

SECTION 11. IC 16-41-37.5-2.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.5. (a)

Before July 31, 2019, the state department shall distribute a manual of best practices for managing indoor air quality at schools as described in this section. The state department may use a manual on indoor air quality in schools developed by a federal health or environmental agency or another state and make additions or revisions to the manual to make the manual most useful to Indiana schools. The manual must include recommendations for radon testing. The state department shall provide the manual:

(1) to:

- (A) the legislative council; and
 - (B) the department of education;
- in an electronic format under IC 5-14-6; and
- (2) to the facilities manager and superintendent of each school corporation and the chief administrative officer of each **state** accredited nonpublic school **(as defined in IC 20-18-2-18.7)**.

(b) At least once every three (3) years the **state** department shall:

- (1) review and revise the manual developed under subsection (a) to assure that the manual continues to represent best practices available to schools; and
- (2) distribute the manual to individuals listed in subsection (a)(2).

SECTION 12. IC 20-18-2-18.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18.7. "State accredited nonpublic school" means a nonpublic school that has voluntarily become accredited under IC 20-31-4.1.**

SECTION 13. IC 20-18-2-18.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18.8. "State accredited school" means a public or nonpublic school that is accredited under IC 20-31-4.1.**

SECTION 14. IC 20-19-2-8, AS AMENDED BY P.L.242-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) In addition to any other powers and duties prescribed by law, the state board shall adopt rules under IC 4-22-2 concerning, but not limited to, the following matters:

- (1) The designation and employment of the employees and consultants necessary for the department. The state board shall fix the compensation of employees of the department, subject to the approval of the budget committee and the governor under IC 4-12-2.
- (2) The establishment and maintenance of standards and guidelines for media centers, libraries, instructional materials centers, or any other area or system of areas in a school where a full range of information sources, associated equipment, and services from professional media staff are accessible to the school community. With regard to library automation systems, the state board may only adopt rules that meet the standards established by the state library board for library automation systems under IC 4-23-7.1-11(b).
- (3) The establishment and maintenance of standards for student personnel and guidance services.

~~(4) The inspection of all public schools in Indiana to determine the condition of the schools. The state board shall establish standards governing the accreditation of public schools. **Observance of:**~~

~~(A) IC 20-31-4;~~

- (B) IC 20-28-5-2;
- (C) IC 20-28-6-3 through IC 20-28-6-7;
- (D) IC 20-28-11.5; and
- (E) IC 20-31-3; IC 20-32-4; IC 20-32-5 (for school years ending before July 1, 2018); IC 20-32-5.1 (for school years beginning after June 30, 2018); and IC 20-32-8;

is a prerequisite to the accreditation of a school. Local public school officials shall make the reports required of them and otherwise cooperate with the state board regarding required inspections. Nonpublic schools may also request the inspection for classification purposes. Compliance with the building and site guidelines adopted by the state board is not a prerequisite of accreditation.

(5) (4) The distribution of funds and revenues appropriated for the support of schools in the state.

(6) The state board may not establish an accreditation system for nonpublic schools that is less stringent than the accreditation system for public schools.

(7) A separate system for recognizing nonpublic schools under IC 20-19-2-10. Recognition of nonpublic schools under this subdivision constitutes the system of regulatory standards that apply to nonpublic schools that seek to qualify for the system of recognition.

(8) (5) The establishment and enforcement of standards and guidelines concerning the safety of students participating in cheerleading activities.

(9) (6) Subject to IC 20-28-2, the preparation and licensing of teachers.

(b) Before final adoption of any rule, the state board shall make a finding on the estimated fiscal impact that the rule will have on school corporations.

SECTION 15. IC 20-19-2-10 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 10: (a) It is the policy of the state that the state:

- (1) recognizes that nonpublic schools provide education to children in Indiana;
- (2) has an interest in ensuring that all Indiana children are well educated in both curricular and extracurricular programs; and
- (3) should facilitate the transferability of comparable academic credit between appropriate nonpublic schools and state supported educational institutions.

(b) The state board shall implement a system of recognition of the educational programs of nonpublic schools to fulfill the policy set forth in subsection (a):

(c) The system of recognition described under subsection (b) must:

- (1) be voluntary in nature with respect to the nonpublic school;
- (2) recognize the characteristics that distinguish nonpublic schools from public schools; and
- (3) be a recognition system that is separate from the accreditation standards required of public schools and available to nonpublic schools under section 8(a)(4) of this chapter.

(d) This section does not prohibit a nonpublic school from seeking accreditation under section 8(a)(4) of this chapter.

(e) The department shall waive accreditation standards for an accredited nonpublic alternative school that enters into a

contract with a school corporation to provide alternative education services for students who have:

- (1) dropped out of high school;
- (2) been expelled; or
- (3) been sent to the nonpublic alternative school due to the students' lack of success in the public school environment;

to accommodate the nonpublic alternative school's program and student population. A nonpublic alternative school to which this subsection applies is not subject to being placed in a category or designation under IC 20-31-8-4. However, the nonpublic alternative school must comply with all state reporting requirements and submit a school improvement growth model on the anniversary date of the nonpublic alternative school's original accreditation.

(f) The state board may accredit a nonpublic school under this section at the time the nonpublic school begins operation in Indiana.

(g) The state board shall adopt rules under IC 4-22-2 to implement this section.

SECTION 16. IC 20-19-2-11 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 11: (a) As used in this section, "plan" refers to a strategic and continuous school improvement and achievement plan developed under IC 20-31-5:

(b) A plan must:

- (1) conform to the requirements of IC 20-31-5; and
- (2) include a professional development program.

(c) The governing body may do the following for a school that participates in a plan:

- (1) Invoke a waiver of a rule adopted by the state board under IC 20-31-5-5(b);
- (2) Develop a plan for the admission of students who do not reside in the school's attendance area but have legal settlement in the school corporation.

(d) In approving a school corporation's actions under this section, the state board shall consider whether the governing body has done the following:

- (1) Approved a school's plan;
- (2) Demonstrated the support of the exclusive representative only for the professional development program component of the plan.

(e) The state board may waive any statute or rule relating to curriculum in accordance with IC 20-31-5-5:

(f) As part of the plan, the governing body may develop and implement a policy to do the following:

- (1) Allow the transfer of a student who resides in the school's attendance area but whose parent requests that the student attend another school in the school corporation of legal settlement;
- (2) Inform parents of their rights under this section.

(g) The state board shall adopt rules under IC 4-22-2 to implement this section.

SECTION 17. IC 20-19-8-3, AS ADDED BY P.L.174-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The legislative council is urged to assign to the study committee during the 2019, 2020, 2021, and 2022 interims the study of the following:

- (1) How to do the following:
 - (A) Eliminate, reduce, or streamline the number of education mandates placed on schools.
 - (B) Streamline fiscal and compliance reporting to the general assembly on a sustainable and systematic basis.

(2) During the 2019 interim, the following:

(A) The following provisions:

- IC 5-2-10.1-11 (school safety specialist).
- IC 5-11-1-27 (local government internal control standards).
- IC 20-20-40-13 (restraint and seclusion; notice requirement; training; elements of the restraint and seclusion plan).
- IC 20-26-5-34.2 (bullying prevention; training for employees and volunteers).
- IC 20-26-13 (graduation rate determination).
- IC 20-26-16-4 (school corporation police officer minimum training requirements).
- IC 20-26-18 (criminal gang measures).
- IC 20-26-18.2 (school resource officers).
- IC 20-28-3-4.5 (training on child abuse and neglect).
- IC 20-28-3-6 (youth suicide awareness and prevention training).
- IC 20-28-3-7 (training on human trafficking).
- ~~IC 20-28-5-3(c) (cardiopulmonary resuscitation training).~~
- IC 20-34-7 (student athletes: concussions and head injuries).

(B) The relation, if applicable, of any requirements under provisions listed in clause (A) with the following federal provisions, and whether any of the requirements under provisions listed in clause (A) or other state law can be streamlined with the federal provisions to alleviate administrative burdens for schools:
 29 CFR 1910.1030 (bloodborne pathogens).
 29 CFR 1910.147 (lock out/tag out).

(3) During the 2020 interim, the following:

(A) The following provisions:

- IC 5-11-1-27 (local government internal control standards).
- IC 5-22-8-2 (purchases below fifty thousand dollars (\$50,000)).
- IC 20-19-6.2 (Indiana family friendly school designation program).
- IC 20-26-3-5 (constitutional or statutory exercise of powers; written policy).
- IC 20-26-5-1 (power and purpose to conduct various education programs).
- IC 20-26-5-10 (adoption of criminal history background and child protection index check policy; implementation of policy).
- IC 20-26-5-34.4 (child suicide awareness and prevention).
- IC 20-33-2-14 (compulsory attendance; school corporation policy; exceptions; service as page

or honoree of general assembly).
 IC 20-33-8-12 (adoption of discipline rules; publicity requirement; discipline policy regulations and guidelines; delegation of authority; rulemaking powers of governing body).

- IC 20-33-8-13.5 (discipline rules prohibiting bullying required).
- IC 20-33-8-32 (locker searches).
- IC 20-43-10-3.5 (teacher appreciation grants).
- 410 IAC 33-4-3 (vehicles idling).
- 410 IAC 33-4-7 (policy for animals in the classroom).
- 410 IAC 33-4-8 (policy to minimize student exposure to chemicals).
- 511 IAC 6-10-4 (postsecondary enrollment program local policies).
- 511 IAC 6.1-5-9 (required homework policy).
- 511 IAC 6.1-5-10 (policy prohibiting retaining students for athletic purposes).
- 511 IAC 7-36-9 (medication administration).
- 511 IAC 7-42-10 (least restrictive environment and delivery of special education and related services).

(B) The relation, if applicable, of any requirements under provisions listed in clause (A) with the following federal provisions, and whether any of the requirements under provisions listed in clause (A) or any other state law can be streamlined with the federal provisions to alleviate administrative burdens for schools:
 20 U.S.C. 1232h(c) and 34 CFR 98.3 (parental access to instructional materials).

- 20 U.S.C. 6318(a)(2) (parent and family engagement).
- 20 U.S.C. 7961(h)(1) (Gun-Free Schools Act).
- 41 U.S.C. 8103 and 34 CFR 84 (drug-free workplace).
- 42 U.S.C. 1751 through 42 U.S.C. 1769 (school lunch).
- 7 CFR 210.31 (local school wellness policy).

(4) During the 2021 interim, the following:

(A) The following provisions:

- IC 5-3-1-3(b) through IC 5-3-1-3(e) and IC 5-3-1-3(g) (publication of annual financial report).
- IC 20-18-2-2.7 (definition of "curricular material").
- IC 20-19-2-8 (adoption of administrative rules by the state board).
- IC 20-19-2-16 (federal aid concerning children with disabilities).

IC 20-19-3-9.4 (disclosure of student test number information).
 IC 20-20-8-8 (school corporation annual performance report).
 IC 20-20-33 (alternative education program grants).
 IC 20-26-13 (graduation rate determination).
 IC 20-28-5-1 (department's responsibility for licensing teachers).
 IC 20-28-11.5-9 (staff performance evaluation reporting).
 IC 20-30-8 (alternative program for certain students).
 IC 20-33-2-3.2 (definition of "attend").
 IC 20-33-5-7 (public schools; curricular material assistance; state reimbursement).
 IC 20-34-6 (student safety reporting).
 IC 20-35-5-2 (formation of special education cooperative).
 IC 20-36 (high ability students).
 IC 20-43-1-3 (definition of "honors designation award").
 IC 20-43-4-2 (determination of ADM).
 IC 20-43-10-3 (determination of annual performance grant).
 IC 21-12-10 (eligibility for Mitch Daniels early graduation scholarship).
 511 IAC 6-9.1 (waiver of curriculum and graduation rules for high ability students).
 511 IAC 6.2-3.1 (reading plan).
 511 IAC 7-46-4 (child count data collection).
 511 IAC 10-6-4(a)(1) (staff evaluation measures).
 511 IAC 16-2-7 (creditable experience for licensing).
 (B) The relation, if applicable, of any requirements under provisions listed in clause (A) with the following federal provisions and whether any of the requirements under provisions listed in clause (A) or other state law can be streamlined with the federal provisions to alleviate administrative burdens for schools:
 20 U.S.C. 3413(c)(1) (civil rights data collection).
 Individuals with Disabilities Education Act (IDEA), Section 618 Part C (child count reporting requirements).
 Elementary and Secondary Education Act of 1965 (ESEA), Section 8303, as amended by the Every Student Succeeds Act (ESSA) (consolidated reporting).
 34 CFR 300.601 (state performance plans and data collection).

(5) During the 2022 interim, the following provisions:

IC 20-30-5-5.5 (instruction on bullying prevention).
 IC 20-30-5-5.7 (child abuse and child sexual abuse).
 IC 20-30-5-7 (required curriculum).
 IC 20-30-5-8 (safety instruction).
 IC 20-30-5-9 (hygiene instruction).
 IC 20-30-5-10 (disease instruction).
 IC 20-30-5-11 (drug education).
 IC 20-30-5-12 (AIDS education).
 IC 20-30-5-13 (human sexuality and sexually transmitted diseases instructional requirements).
 IC 20-30-5-14 (career awareness and development).
 IC 20-30-5-15 (breast cancer and testicular cancer education).
 IC 20-30-5-16 (human organ and blood donor program education).
 IC 20-30-5-17 (access to materials; consent for participation).
 IC 20-30-5-18 (meningitis information).
 IC 20-30-5-19 (personal financial responsibility instruction).
 IC 20-30-5-20 (instruction in cardiopulmonary resuscitation).
 IC 20-30-5-23 (computer studies).

(b) The study committee shall include in its annual report for each interim the study committee's recommendations, including any recommendations to the general assembly as to whether a provision described in subsection (a)(2)(A), (a)(3)(A), (a)(4)(A), or (a)(5) should be repealed or whether the provision may be improved to lessen the administrative burden placed on schools.

(c) This chapter expires January 1, 2023.

SECTION 18. IC 20-20-5.5-3, AS AMENDED BY P.L.286-2013, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The state superintendent shall notify the governing bodies of each school corporation, charter school, and **state** accredited nonpublic school immediately of:

- (1) the initial publication and annual update on the department's Internet web site of the report described in section 2(c) of this chapter, including the Internet web site address where the report is published; and
- (2) updates of the following types of information in the report described in section 2(c) of this chapter:

- (A) The addition of materials.
- (B) The removal of materials.
- (C) Changes in the per unit price of curricular materials that exceed five percent (5%).

(b) A notification under this section must state that:

- (1) the reviews of curricular materials included in the report described in section 2(c) of this chapter are departmental reviews only; and
- (2) each governing body has authority to adopt curricular materials for a school corporation.

SECTION 19. IC 20-20-8-3, AS AMENDED BY P.L.233-2015, SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) Not earlier than March 15 or later than March 31 of each year, the governing body of a school corporation shall publish **either**:

- (1) an annual performance report of the school corporation; or
- (2) a summary of the annual performance report with a description of how to find and view the full annual performance report on the Internet. The summary must include the following:

- (A) Student enrollment.
- (B) Graduation rate (as defined in IC 20-26-13-6) and the graduation rate excluding students that receive a graduation waiver under IC 20-32-4-4.1 or IC 20-32-4-4.
- (C) Attendance rate.
- (D) All state standardized assessment scores, including the number and percentage of students meeting academic standards.
- (E) The school's performance category or designation of school improvement assigned under IC 20-31-8.
- (F) The percentage of graduates considered college and career ready in a manner prescribed by the state board.
- (G) Financial information and various school cost factors required to be provided to the office of management and budget under IC 20-42.5-3-5.

in compliance with the procedures identified in section 7 of this chapter. The report or summary must be published one (1) time annually under IC 5-3-1.

(b) The department shall make each school corporation's report available on the department's Internet web site. The annual performance report published on the Internet for a school corporation, including a charter school, must include any additional information submitted by the school corporation under section 6(3)(A) of this chapter. The governing body of a school corporation shall make the school corporation's report available on a prominent page of a school corporation's Internet web site.

(c) The governing body of a school corporation shall provide a copy of the report to a person who requests a copy. The governing body may not charge a fee for providing the copy.

SECTION 20. IC 20-20-40-8, AS ADDED BY P.L.122-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. As used in this chapter, "school employee" means an individual employed by a school corporation or ~~an~~ a state accredited nonpublic school.

SECTION 21. IC 20-20-40-11, AS AMENDED BY P.L.191-2018, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The commission on seclusion and restraint in schools is established.

(b) The commission has the following ten (10) members:

- (1) The designee of the state superintendent, who serves at the pleasure of the state superintendent.
- (2) A representative of the Autism Society of Indiana, chosen by the organization, who serves a two (2) year term.
- (3) A representative of the Arc of Indiana, chosen by the organization, who serves a two (2) year term.
- (4) A representative of the Indiana Council of Administrators of Special Education, chosen by

the organization, who serves a two (2) year term.

(5) A representative of Mental Health America of Indiana, chosen by the organization, who serves a two (2) year term.

(6) A parent of a student with a disability, nominated by a member described in subdivisions (2), (3), and (5) and approved by a majority of the members described in subdivisions (1) through (5) and (8) through (10), who serves a two (2) year term.

(7) A parent of a student who does not have a disability, nominated by a member described in subdivisions (2), (3), and (5) and approved by a majority of the members described in subdivisions (1) through (5) and (8) through (10), who serves a two (2) year term.

(8) One (1) state accredited nonpublic school administrator nominated by the Indiana Non-public Education Association, who serves a two (2) year term.

(9) One (1) public school superintendent nominated by the Indiana Association of Public School Superintendents, who serves a two (2) year term.

(10) One (1) member of the Indiana School Resource Officers Association chosen by the organization, who serves a two (2) year term.

(c) Each member of the commission who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). A member who is not a state employee is also entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

SECTION 22. IC 20-20-40-13, AS AMENDED BY P.L.227-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The commission has the following duties:

- (1) To adopt rules concerning the following:
 - (A) The use of restraint and seclusion in a school corporation or ~~an~~ a state accredited nonpublic school, with an emphasis on eliminating or minimizing the use of restraint and seclusion.
 - (B) The prevention of the use of types of restraint or seclusion that may harm a student, a school employee, a school volunteer, or the educational environment of the school.
 - (C) Requirements for notifying parents.
 - (D) Training regarding the use of restraint and seclusion, including the frequency of training and what employees must be trained.
 - (E) The distribution of the seclusion and restraint policy to parents and the public.
 - (F) Requirements for the reporting of incidents of restraint and seclusion in the annual school performance report, including incidents of restraint and seclusion involving school resource officers (as defined in IC 20-26-18.2-1).
 - (G) Circumstances that may

require more timely incident reporting and the requirements for such reporting.

(2) To develop, maintain, and revise a model restraint and seclusion plan for schools that includes the following elements:

(A) A statement on how students will be treated with dignity and respect and how appropriate student behavior will be promoted and taught.

(B) A statement ensuring that the school will use prevention, positive behavior intervention and support, and conflict deescalation to eliminate or minimize the need for use of any of the following:

(i) Seclusion.

(ii) Chemical restraint.

(iii) Mechanical restraint.

(iv) Physical restraint.

(C) A statement ensuring that any behavioral intervention used will be consistent with the student's most current behavioral intervention plan, or individualized education program, if applicable.

(D) Definitions for restraint and seclusion, as defined in this chapter.

(E) A statement ensuring that if a procedure listed in clause (B) is used, the procedure will be used:

(i) as a last resort safety procedure, employed only after another, less restrictive procedure has been implemented without success; and
(ii) in a situation in which there is an imminent risk of injury to the student, other students, school employees, or visitors to the school.

(F) An indication that restraint or seclusion may be used only for a short time period, or until the imminent risk of injury has passed.

(G) A documentation and recording requirement governing instances in which procedures listed in clause (B) are used, including:

(i) how every incident will be documented and debriefed;

(ii) how responsibilities will be assigned to designated employees for evaluation and oversight; and

(iii) designation of a school employee to be the keeper of such documents.

(H) A requirement that the student's parent must be notified as soon as possible when an incident involving the student occurs that includes use of procedures listed in clause (B).

(I) A requirement that a copy of an incident report must be sent to the student's parent after the student is subject to a procedure listed in clause (B).

(J) Required recurrent training for

appropriate school employees on the appropriate use of effective alternatives to physical restraint and seclusion, including the use of positive behavioral intervention and support and conflict deescalation. The training must include the safe use of physical restraint and seclusion in incidents involving imminent danger or serious harm to the student, school employees, or others. Consideration must be given to available school resources and the time commitments of school employees.

(3) To accept and review reports from the public and make nonbinding recommendations to the department of any suggested action to be taken.

(b) The model policy developed by the commission must take into consideration that implementation and reporting requirements for **state** accredited nonpublic schools may vary, and the model plan must provide **state** accredited nonpublic schools flexibility with regards to accountability under and implementation of the plan adopted by **an a state** accredited nonpublic school under section 14 of this chapter.

SECTION 23. IC 20-20-40-14, AS AMENDED BY P.L.227-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) A school corporation or **state** accredited nonpublic school shall adopt a restraint and seclusion plan that incorporates, at a minimum, the elements of the model plan developed under section 13 of this chapter. The school corporation's or **state** accredited nonpublic school's plan must become effective not later than July 1, 2014.

(b) The department has the authority to require schools to submit plans developed in accordance with section 13 of this chapter.

SECTION 24. IC 20-20-40-15, AS ADDED BY P.L.122-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) Nothing in this chapter may be construed to prevent a school employee from stopping a physical altercation, acting to prevent physical harm to a student or another individual, or acting to address an emergency until the emergency is over, whether or not the school employee has received training under this chapter.

(b) This chapter may not be construed to give rise to a cause of action, either civil or criminal, against the state, the department, a school corporation, **an a state** accredited nonpublic school, the commission, or a member of the commission.

(c) In all matters relating to the plan adopted under section 14 of this chapter, school corporation or **state** accredited nonpublic school personnel have qualified immunity with respect to an action taken to promote student conduct under a plan adopted under section 14 of this chapter if the action is taken in good faith and is reasonable.

SECTION 25. IC 20-25-13-5, AS AMENDED BY P.L.13-2013, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. Development and implementation of a staff performance evaluation plan for each school is a condition for accreditation for the school under ~~IC 20-19-2-8(a)(4)~~; **IC 20-31-4.1**.

SECTION 26. IC 20-26-5-34.2, AS ADDED BY P.L.285-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 34.2. A school corporation shall provide training to the school corporation's employees and volunteers who have direct, ongoing contact

with students concerning the school's bullying prevention and reporting policy adopted under IC 20-33-8-13.5. **The training shall be conducted in a manner prescribed by the state board under IC 20-28-5.5-1.**

SECTION 27. IC 20-26-7.1-3, AS ADDED BY P.L.270-2019, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Before a governing body may sell or exchange a building described in this section in accordance with IC 20-25-4-14, ~~IC 20-26-5-4(7)~~, **IC 20-26-5-4(a)(7)**, or IC 20-26-7-1, and except as provided in this chapter, a governing body shall make available for lease or purchase to any charter school any school building owned by the school corporation or any other entity that is related in any way to, or created by, the school corporation or the governing body, including but not limited to a building corporation, that:

- (1) is vacant or unused; and
- (2) was previously used for classroom instruction;

in order for the charter school to conduct kindergarten through grade 12 classroom instruction.

(b) The following are not required to comply with the requirements provided in section 4 of this chapter:

- (1) A governing body that vacates a school building in order to:
 - (A) renovate the school building for future use by the school corporation; or
 - (B) demolish the school building and build a new school building on the same site as the demolished building.
- (2) An emergency manager of a distressed school corporation under IC 6-1.1-20.3.
- (3) The governing body of the School City of East Chicago school corporation for the Carrie Gosch Elementary School building.

(c) Notwithstanding subsection (a), a lease entered into by a governing body under ~~IC 20-26-5-4(7)~~ **IC 20-26-5-4(a)(7)** prior to July 1, 2019, with ~~an~~ **a state** accredited nonpublic school shall remain in full force and effect. In addition, the governing body may, during or at the expiration of the term of such lease, sell the school building leased under ~~IC 20-26-5-4(7)~~ **IC 20-26-5-4(a)(7)** to the nonpublic school at a purchase price mutually agreed to by the governing body and the nonpublic school.

SECTION 28. IC 20-26-7.1-7, AS ADDED BY P.L.270-2019, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a) As used in this section, "accredited nonpublic school" means a nonpublic school that:**

- (1) has voluntarily become accredited under IC 20-31-4.1; or**
- (2) is accredited by a national or regional accrediting agency that is recognized by the state board.**

(a) (b) This section applies to a school building with a gross square footage of two hundred thousand (200,000) square feet or less.

(b) (c) If the school corporation receives notification from the department that the department has not received any preliminary requests to purchase or lease a vacant or unused school building under section 4(c)(1) of this chapter or a charter school has not met the requirements under section 4(c)(2) or 4(e) of this chapter, the school corporation must sell the school building to an accredited nonpublic school or postsecondary educational institution that sends a letter of intent to the school corporation to purchase the vacant or unused school building for an amount not more than the minimum bid for the vacant or unused school building determined in accordance with IC 36-1-11, or an

amount agreed to by both parties.

(e) (d) The accredited nonpublic school or postsecondary educational institution must submit its letter of intent to purchase the school building within thirty (30) days of the date the school corporation passes a resolution or takes other official action to close, no longer use, or no longer occupy a school building that was previously used for classroom instruction. However, in the event that a charter school has submitted a preliminary request to purchase or lease a school building, the accredited nonpublic school or postsecondary educational institution may send a letter of intent to purchase or lease the school building within ninety (90) days of the date that the school corporation passed a resolution or took official action to close, no longer use, or no longer occupy a school building.

(d) (e) Within forty-five (45) days of notice of the minimum bid, the accredited nonpublic school or postsecondary educational institution must provide a binding offer to the school corporation to purchase the property in its current condition and provide a nonrefundable down payment equal to five percent (5%) of the minimum bid or an amount agreed to by both parties. In the event that two (2) or more binding offers are submitted to the school corporation under this subsection, the school corporation may select which offer to accept.

(e) (f) If the sale of the property does not close within one hundred eighty (180) days of the school corporation's receipt of the binding offer, and the delay in closing is not caused by the school corporation or its representatives, the school corporation may refund the down payment and sell or otherwise dispose of the school building under IC 20-25-4-14, ~~IC 20-26-5-4(7)~~, **IC 20-26-5-4(a)(7)**, or IC 36-1-11.

SECTION 29. IC 20-26-11-6.7, AS ADDED BY P.L.17-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.7. (a) This section:

- (1) applies to a school corporation that does not have a policy of accepting transfer students having legal settlement outside the attendance area of the transferee school corporation; and
- (2) does not apply to a school corporation that has more than one (1) high school.

(b) Notwithstanding this chapter, a school corporation shall accept a transferring student who resides in Indiana and who does not have legal settlement in the school corporation if:

- (1) the student attended ~~an~~ **a state** accredited nonpublic elementary school located in the attendance area of the transferee school corporation for at least two (2) school years immediately preceding the school year in which the student transfers to a high school in the transferee school corporation under this section;
- (2) the student is transferring because the **state** accredited nonpublic school from which the student is transferring does not offer grades 9 through 12;
- (3) the majority of the students in the same grade as the transferring student at the **state** accredited nonpublic school have legal settlement in the transferee school corporation and will attend a school under the authority of the transferee school corporation; and
- (4) the transferee school corporation has the capacity to accept students.

(c) If the number of students who request to transfer to a transferee school corporation under this section causes the school corporation to exceed the school corporation's maximum student capacity, the governing body shall determine which students will be admitted as transfer students by a random drawing in a public meeting.

SECTION 30. IC 20-26-11-31, AS AMENDED BY P.L.251-2017, SECTION 4, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) This section applies to a school corporation that enrolls a student who has legal settlement in another school corporation for the purpose of the student receiving services from ~~an~~ **a state** accredited nonpublic alternative high school described in ~~IC 20-19-2-10(c)~~. **IC 20-31-4.1-2(c)**.

(b) A school corporation is entitled to receive state tuition support for a student described in subsection (a) in an amount equal to:

- (1) the amount received by the school corporation in which the student is enrolled for ADM purposes; or
- (2) the amount received by the school corporation in which the student has legal settlement;

whichever is greater.

SECTION 31. IC 20-26-11-32, AS AMENDED BY P.L.86-2018, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) This section does not apply to a school corporation if the governing body has adopted a policy of not accepting the transfer of any student who does not have legal settlement within the school corporation.

(b) The governing body of a school corporation shall annually establish:

- (1) except as provided in subsection (m), the number of transfer students the school corporation has the capacity to accept in each grade level; and
- (2) the date by which requests to transfer into the school corporation must be received by the governing body.

(c) After establishing the date under subsection (b)(2), the governing body shall:

- (1) publish the date on the school corporation's Internet web site; and
- (2) report the date to the department.

(d) The department shall publish the dates received from school corporations under subsection (c)(2) on the department's Internet web site.

(e) A student to whom this section applies may not request to transfer under this section primarily for athletic reasons to a school corporation in which the student does not have legal settlement.

(f) If the number of requests to transfer into a school corporation received by the date established for the school corporation under subsection (b)(2) exceeds the capacity established for the school corporation under subsection (b)(1), each timely request must be given an equal chance to be accepted, with the exception that a student described in subsection (h) shall be given priority. The governing body must determine which students will be admitted as transfer students to each school building and each grade level within the school corporation by using a publicly verifiable random selection process.

(g) Except as provided in subsections (i), (j), (k), and (m), the governing body of a school corporation may not deny a request for a student to transfer into the school corporation based upon the student's academic record, scores on statewide assessment program tests, disciplinary record, or disability, or upon any other factor not related to the school corporation's capacity.

(h) Except as provided in subsections (i), (j), and (k), the governing body of a school corporation may not deny a request for a student to transfer into the school corporation if the student requesting to transfer:

- (1) is a member of a household in which any other member of the household is a student in the transferee school; or
- (2) has a parent who is an employee of the school corporation.

(i) A governing body of a school corporation may limit the number of new transfers to a school building or grade level in the school corporation:

- (1) to ensure that a student who attends a school within the school corporation as a transfer student during a school year may continue to attend the school in subsequent school years; and
- (2) to allow a student described in subsection (h) to attend a school within the school corporation.

(j) Notwithstanding subsections (f), (g), and (h), a governing body of a school corporation may deny a request for a student to transfer to the school corporation or may discontinue enrollment currently or in a subsequent school year, or establish terms or conditions for enrollment or for continued enrollment in a subsequent school year, if:

- (1) 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 preceding the student's request to transfer under this section:

- (A) for ten (10) or more school days;
 - (B) for a violation under IC 20-33-8-16;
 - (C) for causing physical injury to a student, a school employee, or a visitor to the school; or
 - (D) for a violation of a school corporation's drug or alcohol rules;
- or

- (2) the student has had a history of unexcused absences and the governing body of the school corporation believes that, based upon the location of the student's residence, attendance would be a problem for the student if the student is enrolled with the school corporation.

For purposes of subdivision (1)(A), student discipline received under IC 20-33-8-25(b)(7) for a violation described in subdivision (1)(B) through (1)(D) shall be included in the calculation of the number of school days that a student has been suspended.

(k) The governing body of a school corporation with a school building that offers a special curriculum may require a student who transfers to the school building to meet the same eligibility criteria required of all students who attend the school building that offers the special curriculum.

(l) The parent of a student for whom a request to transfer is made is responsible for providing the school corporation to which the request is made with records or information necessary for the school corporation to determine whether the request to transfer may be denied under subsection (j).

(m) Notwithstanding this section, the governing body of a school corporation may authorize the school corporation to enter into an agreement with ~~an~~ **a state** accredited nonpublic school or charter school to allow students of the **state** accredited nonpublic school or charter school to transfer to a school within the school corporation.

(n) A school corporation that has adopted a policy to not accept student transfers after June 30, 2013, is not prohibited from enrolling a:

- (1) transfer student who attended a school within the school corporation during the 2012-2013 school year; or
- (2) member of a household in which any other member of the household was a transfer student who attended a school within the school corporation during the 2012-2013 school year.

However, if a school corporation enrolls a student described in

subdivision (1) or (2), the school corporation shall also allow a student or member of the same household of a student who attended ~~an~~ **a state** accredited nonpublic school within the attendance area of the school corporation during the 2012-2013 school year to enroll in a school within the school corporation.

SECTION 32. IC 20-26-13-1, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter applies to:

- (1) a public high school; and
- (2) ~~an~~ **a state** accredited nonpublic high school.

SECTION 33. IC 20-26-14-9, AS ADDED BY P.L.169-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) Before a school corporation, charter high school, or nonpublic high school with at least one (1) employee hires or allows an individual to coach an association recognized sport, the school corporation, charter high school, or nonpublic high school shall:

- (1) ask the individual:
 - (A) whether the individual is or has been accredited by the association; and
 - (B) if the individual is or has been accredited by the association, whether the individual's accreditation has ever been suspended or revoked;
- (2) request references from the individual;
- (3) contact the references that the individual provides to the school corporation, charter school, or **state** accredited nonpublic high school; and
- (4) contact the association to determine whether the individual's accreditation has ever been suspended or revoked.

(b) Before allowing an individual to be a volunteer coach, a school corporation, charter high school, or nonpublic high school with at least one (1) employee shall conduct an expanded criminal history check (as defined in IC 20-26-2-1.5) on the individual.

(c) Without conferring the rights of an employee on a volunteer coach, a school corporation, charter high school, or nonpublic high school with at least one (1) employee is subject to IC 22-5-3-1 regarding a volunteer coach, including the provisions for civil immunity regarding disclosures made about a volunteer coach.

SECTION 34. IC 20-26-15-4, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) **Subject to subsection (c)**, the state board and the governing body of a school corporation must enter into a contract that complies with this chapter to designate a school corporation as a freeway school corporation or a school within a school corporation as a freeway school if a school corporation:

- (1) petitions the state board for designation as a freeway school corporation or to have a school within the school corporation designated as a freeway school; and
- (2) agrees to comply with this chapter.

(b) A school corporation becomes a freeway school corporation and a school becomes a freeway school when the contract is signed by:

- (1) the state superintendent, acting for the state board after a majority of the members of the state board have voted in a public session to enter into the contract; and
- (2) the president of the governing body of the school corporation, acting for the governing body of the school corporation after a majority of the members of the governing body have

voted in a public session to enter into the contract.

(c) The state board and the governing body of a school corporation may not enter into, renew, or otherwise extend a contract under this chapter after June 30, 2020.

SECTION 35. IC 20-26-15-5, AS AMENDED BY P.L.140-2018, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. Notwithstanding any other law, the operation of the following is suspended for a freeway school corporation or a freeway school if the governing body of the school corporation elects to have the specific statute or rule suspended in the contract:

- (1) The following statutes and rules concerning curriculum and instructional time:
 - IC 20-30-2-7
 - IC 20-30-5-8
 - IC 20-30-5-9
 - IC 20-30-5-11
 - 511 IAC 6-7-6
 - 511 IAC 6.1-5-0.5
 - 511 IAC 6.1-5-1
 - 511 IAC 6.1-5-2.5
 - 511 IAC 6.1-5-3.5
 - 511 IAC 6.1-5-4.

(2) The following rule concerning pupil/teacher ratios:

- 511 IAC 6.1-4-1.

(3) The following statutes and rules concerning curricular materials:

- IC 20-26-12-24
- IC 20-26-12-26
- IC 20-26-12-1
- IC 20-26-12-2
- 511 IAC 6.1-5-5.

(4) 511 IAC 6-7, concerning graduation requirements.

(5) ~~IC 20-31-4~~; **IC 20-31-4.1**, concerning the performance based accreditation system.

(6) IC 20-32-5 (before its expiration on July 1, 2018), concerning the ISTEP program established under IC 20-32-5-15, if an alternative locally adopted assessment program is adopted under section 6(4) of this chapter.

SECTION 36. IC 20-26-15-9, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) **Subject to subsection (b)**, the governing body of a freeway school corporation and the state board acting jointly may amend a contract entered into under this chapter:

- (1) to comply with any law enacted subsequent to the formation of the contract;
- (2) to alter the educational benefits to a level that is not below the minimum educational benefits listed in section 7 of this chapter; or
- (3) for a purpose jointly agreed to by the parties.

(b) An amendment made under subsection (a) may not extend the term of a contract in effect on June 30, 2020.

SECTION 37. IC 20-26-15-13, AS AMENDED BY P.L.251-2017, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) **Subject to subsection (f)**, a nonpublic school may enter into a contract with the state board to become a freeway school.

(b) The state board and the governing body of a nonpublic school must enter into a contract that complies with this chapter to designate the nonpublic school as a freeway school if the nonpublic school:

- (1) petitions the state board for designation as a freeway school; and
- (2) agrees to comply with this chapter.

(c) A nonpublic school becomes a freeway school when the contract is signed by:

- (1) the state superintendent, acting for the state board after a majority of the members of the board have voted in a public session to enter into the contract; and
- (2) the president of the governing body of the nonpublic school, acting for the governing body of the nonpublic school after a majority of the members of the governing body have voted to enter into the contract.

(d) The state board shall accredit a nonpublic school that:

- (1) becomes a freeway school under this chapter; and
- (2) complies with the terms of the contract.

(e) The state board may accredit a nonpublic school under this section at the time the nonpublic school enters into the contract under subsection (a).

(f) The state board and the governing body of a nonpublic school may not enter into, renew, or otherwise extend a contract under this chapter after June 30, 2020.

SECTION 38. IC 20-26-15-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16. This chapter expires July 1, 2025.**

SECTION 39. IC 20-26-18.2-4, AS ADDED BY P.L.227-2017, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4. A school corporation, ~~an~~ a state accredited nonpublic school, or a charter school shall report all instances of:**

- (1) seclusion (as defined in IC 20-20-40-9);
- (2) chemical restraint (as defined in IC 20-20-40-2);
- (3) mechanical restraint (as defined in IC 20-20-40-4); and
- (4) physical restraint (as defined in IC 20-20-40-5);

involving a school resource officer in accordance with the restraint and seclusion plan adopted by the school corporation, **state** accredited nonpublic school, or charter school under IC 20-20-40-14.

SECTION 40. IC 20-26.5-1-2, AS ADDED BY P.L.190-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2. As used in this article, "coalition member" refers to a school corporation, eligible school (as defined in IC 20-51-1-4.7), or **state** accredited nonpublic school that is approved by the state board under IC 20-26.5-2 to become a member of a coalition established under IC 20-26.5-2.**

SECTION 41. IC 20-26.5-2-1, AS ADDED BY P.L.190-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1. (a) The state board may approve not more than one (1) coalition of continuous improvement school districts under this chapter to offer flexibility and innovation to schools to improve student outcomes.**

(b) To establish a coalition under this chapter, at least four (4), but not more than a total of eight (8), of any of the following must jointly submit a plan to the state board in a manner prescribed by the state board:

- (1) A school corporation.
- (2) An eligible school (as defined in IC 20-51-1-4.7).
- (3) ~~An~~ **A state** accredited nonpublic school.

(c) The plan submitted under subsection (b) must include:

- (1) a description of the various educational programs that will be offered by members of the proposed coalition;
- (2) a description that identifies potential coalition member partnerships with:

(A) business or industry;

(B) postsecondary educational institutions; or

(C) community partners;

(3) the specific goals and the measurable student outcomes to be obtained by the proposed coalition members; and

(4) an explanation of how student performance in achieving the specific outcomes will be measured, evaluated, and reported.

If a plan submitted to the state board includes a request to suspend all or portions of IC 20-30 for a proposed coalition, the plan must include how the specific goal of the proposed coalition will be achieved by suspending all or portions of IC 20-30. The state board may approve a plan that proposes to suspend all or portions of IC 20-30 only if the suspension is related to a specific goal of the proposed coalition.

(d) The state board may approve a coalition under this chapter if the state board determines that the coalition will:

- (1) improve student performance and outcomes;
- (2) offer coalition members flexibility in the administration of educational programs; and
- (3) promote innovative educational approaches to student learning.

(e) The plan approved by the state board under subsection (d) must apply uniformly for each member of the coalition.

(f) Upon approval of the coalition by the state board under subsection (d), the state board shall post the following on the state board's Internet web site:

- (1) A copy of the plan approved by the state board under subsection (d).
- (2) Information describing how a school corporation, an eligible school (as defined in IC 20-51-1-4.7), or ~~an~~ **a state** accredited nonpublic school may submit an application to become a coalition member to the coalition under section 2(b) of this chapter.

SECTION 42. IC 20-26.5-2-2, AS ADDED BY P.L.190-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2. (a) Subject to subsection (b), if the state board approves a coalition under section 1(d) of this chapter, the applicants that jointly submitted an application under section 1 of this chapter become coalition members.**

(b) In addition to the coalition members described in subsection (a), a school corporation, an eligible school (as defined in IC 20-51-1-4.7), or ~~an~~ **a state** accredited nonpublic school may become a coalition member by submitting an application to the coalition, in a manner prescribed by the coalition. The coalition may submit a recommendation to the state board that an applicant under this subsection should be approved to participate in the coalition. Subject to subsection (c), the state board shall approve an application submitted under this subsection.

(c) For:

(1) the 2018-2019 school year, not more than a total of eight (8) school corporations, eligible schools (as defined in IC 20-51-1-4.7), or **state** accredited nonpublic schools may participate in the coalition;

(2) the 2019-2020 school year, not more than a total of twelve (12) school corporations, eligible schools (as defined in IC 20-51-1-4.7), or **state** accredited nonpublic schools may participate in the coalition; and

(3) the 2020-2021 school year, not more than a total of sixteen (16) school corporations, eligible schools (as defined in IC 20-51-1-4.7), or **state** accredited nonpublic schools may participate in the coalition.

(d) Beginning in the 2021-2022 school year and each school year thereafter, the state board shall limit the number of coalition members to thirty (30) school corporations, eligible schools (as defined in IC 20-51-1-4.7), or **state** accredited nonpublic schools.

SECTION 43. IC 20-26.5-2-3, AS AMENDED BY P.L.267-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Notwithstanding any other law, the following may be suspended for a coalition member in accordance with the coalition's plan:

- (1) Subject to section 1(c) of this chapter, IC 20-30, concerning curriculum.
- (2) The following statutes and rules concerning curricular materials:
 - IC 20-26-12-1.
 - IC 20-26-12-2.
 - IC 20-26-12-24.
 - IC 20-26-12-26.
 - 511 IAC 6.1-5-5.
- (3) The following rules concerning teacher licenses:
 - 511 IAC 16.
 - 511 IAC 17.
- (4) Subject to subsection (c), IC 20-31-3 (concerning the adoption of academic standards).
- (5) ~~IC 20-31-4~~, **IC 20-31-4.1**, concerning the performance based accreditation system.
- (6) Except as provided in subsection (b), any other statute in IC 20 or rule in 511 IAC requested to be suspended as part of the plan that is approved by the state board under section 1 of this chapter.

(b) A coalition member may not suspend under subsection (a)(6) any of the following:

- (1) IC 20-26-5-10 (criminal history and child protection index check).
- (2) IC 20-28 (school teachers).
- (3) IC 20-29 (collective bargaining).
- (4) IC 20-31 (accountability for performance and improvement), except for IC 20-31-3 and ~~IC 20-31-4~~, **IC 20-31-4.1**.
- (5) Subject to subsection (c), IC 20-32-4 (graduation requirements).
- (6) IC 20-32-5.1 (Indiana's Learning Evaluation Assessment Readiness Network (ILEARN) program).
- (7) IC 20-33 (students).
- (8) IC 20-34 (student health and safety measures).
- (9) IC 20-35 (special education).
- (10) IC 20-36 (high ability students).
- (11) IC 20-39 (accounting and financial reporting procedures).
- (12) IC 20-40 (government funds and accounts).
- (13) IC 20-41 (extracurricular funds and accounts).
- (14) IC 20-42 (fiduciary funds and accounts).
- (15) IC 20-42.5 (allocation of expenditures to student instruction and learning).
- (16) IC 20-43 (state tuition support).
- (17) IC 20-44 (property tax levies).
- (18) IC 20-46 (levies other than general fund levies).
- (19) IC 20-47 (related entities; holding companies; lease agreements).
- (20) IC 20-48 (borrowing and bonds).
- (21) IC 20-49 (state management of common school funds; state advances and loans).
- (22) IC 20-50 (homeless children and foster care

children).

(c) A coalition member must comply with the postsecondary readiness competency requirements under IC 20-32-4-1.5(b)(1). However, notwithstanding any other law, a coalition member may replace high school courses on the high school transcript with courses on the same subject matter with equal or greater rigor to the required high school course and may count such a course as satisfying the equivalent diploma requirements established by IC 20 and any applicable state board administrative rules or requirements. If the coalition member school offers courses that are not aligned with requirements adopted by the state board under IC 20-30-10, a parent of a student and the student who intends to enroll in a course that is not aligned with requirements adopted by the state board under IC 20-30-10 must provide consent to the coalition member school to enroll in the course. The consent form used by the coalition, which shall be developed in collaboration with the commission for higher education, must notify the parent and the student that enrollment in the course may affect the student's ability to attend a particular postsecondary educational institution or enroll in a particular course at a particular postsecondary educational institution because the course does not align with requirements established by the state board under IC 20-30-10.

SECTION 44. IC 20-27-10-0.5, AS ADDED BY P.L.144-2019, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) On or before September 1, 2019, and each September 1 thereafter, each school corporation, charter school, and **state** accredited nonpublic school that provides transportation for students must review the school's school bus routes and school bus safety policies to improve the safety of students and adults.

(b) The state school bus committee, in consultation with the department, shall develop and post on the department's Internet web site school bus safety guidelines or best practices. The guidelines or best practices must include procedures to be taken to ensure that students do not enter a roadway until approaching traffic has come to a complete stop.

(c) In addition to the requirements under subsection (b), the department, in consultation with the department of transportation, shall include on the department's Internet web site information on how an individual or school may petition to reduce maximum speed limits in areas necessary to ensure that students are safely loaded onto or unloaded from a school bus.

SECTION 45. IC 20-28-3-3.5, AS ADDED BY P.L.220-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.5. The guidelines developed under section 3 of this chapter must incorporate methods that assist individuals in developing competency in employing approaches to create positive classroom and school climates that are culturally responsive, including:

- (1) classroom management strategies;
- (2) restorative justice;
- (3) positive behavioral interventions and supports;
- (4) social and emotional training as described in IC 12-21-5-2, ~~IC 20-19-2-10~~, IC 20-19-3-12, and IC 20-26-5-34.2; and
- (5) conflict resolution.

SECTION 46. IC 20-28-3-4.5, AS ADDED BY P.L.183-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4.5. (a) Each school corporation, charter school, and **state** accredited nonpublic school shall require each school employee likely to have direct, ongoing contact with children within the scope of the employee's employment to attend or participate in training on child abuse and neglect, including:

- (1) training on the duty to report suspected child abuse or neglect under IC 31-33-5; and

(2) training on recognizing possible signs of child abuse or neglect;
at least once every two (2) years: in a manner prescribed by the state board under IC 20-28-5.5-1.

(b) The format of training under this section may include:

- (1) an in-person presentation;
- (2) an electronic or technology based medium, including self-review modules available on an online system;
- (3) an individual program of study of designated materials; or
- (4) any other method approved by the governing body that is consistent with current professional development standards.

(c) (b) The training required under this section must count toward the requirements for professional development required by the governing body.

(d) (c) In the event the state board does not require training to be completed as part of a teacher preparation program under IC 20-28-5.5-1, the training required under this section must be during the school employee's contracted day or at a time chosen by the employee.

SECTION 47. IC 20-28-3-6, AS AMENDED BY P.L.56-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) For purposes of this section, "teacher" 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.
- (7) A school nurse.
- (8) A school social worker.

(b) Beginning after June 30, 2018, each school corporation, charter school, and state accredited nonpublic school:

- (1) shall require all teachers; and
- (2) may require any other appropriate school employees;

who are employed at schools that provide instruction to students in any combination of grade 5, 6, 7, 8, 9, 10, 11, or 12 to attend or participate in at least two (2) hours of research based inservice youth suicide awareness and prevention training every three (3) school years: in a manner prescribed by the state board under IC 20-28-5.5-1. The training required under this subsection must be during the teacher's or school employee's contracted day or at a time chosen by the teacher or employee.

(c) Subject to subsection (e), the format of training required under this section may include:

- (1) an in-person presentation;
- (2) an electronic or technology based medium, including self-review modules available on an online system;
- (3) an individual program of study of designated materials; or
- (4) any other method approved by the governing body that is consistent with current professional development standards.

(d) (c) The inservice training required under this section shall count toward the requirements for professional development required by the governing body.

(e) The research based youth suicide awareness and prevention training program required under subsection (b) must be:

- (1) demonstrated to be an effective or promising program; and
- (2) recommended by the Indiana Suicide Prevention Network Advisory Council.

(f) (d) A school or school corporation may leverage any:

(1) existing or new state and federal grant funds; or

(2) free or reduced cost evidence based youth suicide awareness and prevention training provided by any state agency or qualified statewide or local organization;

to cover the costs of the training required under this section.

SECTION 48. IC 20-28-3-7, AS ADDED BY P.L.211-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) Each school corporation and state accredited nonpublic school shall require all school employees likely to have direct, ongoing contact with children within the scope of the employee's employment to attend or participate in at least one (1) hour of inservice training every two (2) school years pertaining to the identification and reporting of human trafficking. The training shall be conducted in a manner prescribed by the state board under IC 20-28-5.5-1.

(b) The format of the inservice training required under this section may include:

- (1) an in-person presentation;
- (2) an electronic or technology based medium, including self-review modules available on an online system;
- (3) an individual program of study of designated materials; or
- (4) any other method approved by the governing body, or the equivalent authority for an accredited nonpublic school, that is consistent with current professional development standards.

(c) (b) The inservice training required under this section shall count toward the requirements for professional development required by the governing body or the equivalent authority for an a state accredited nonpublic school.

SECTION 49. IC 20-28-4-10, AS AMENDED BY P.L.205-2013, SECTION 251, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) The state board may adopt rules under IC 4-22-2 to administer this chapter.

(b) Rules adopted under this section must include a requirement that entities approved to offer the program submit an annual report to the department of the number of individuals who:

- (1) enroll in; and
- (2) complete;

the program.

(c) Rules adopted under this section may not require that there be a shortage of other licensed teachers in order for the governing body of a school corporation, including a charter school, or the appointing authority of an a state accredited nonpublic school to employ a program participant.

(d) Rules adopted under this section may not impose program requirements, participant qualification requirements, or licensing requirements that are in addition to the requirements set forth in this chapter.

SECTION 50. IC 20-28-5-3, AS AMENDED BY P.L.85-2017, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The department shall designate the grade point average required for each type of license.

(b) The department shall determine details of licensing not provided in this chapter, including requirements regarding the following:

- (1) The conversion of one (1) type of license into another.
- (2) The accreditation of teacher education schools and departments.
- (3) The exchange and renewal of licenses.
- (4) The endorsement of another state's license.

- (5) The acceptance of credentials from teacher education institutions of another state.
- (6) The academic and professional preparation for each type of license.
- (7) The granting of permission to teach a high school subject area related to the subject area for which the teacher holds a license.
- (8) The issuance of licenses on credentials.
- (9) The type of license required for each school position.
- (10) The size requirements for an elementary school requiring a licensed principal.
- (11) Any other related matters.

The department shall establish at least one (1) system for renewing a teaching license that does not require a graduate degree.

(c) This subsection does not apply to an applicant for a substitute teacher license or to an individual granted a license under section 18 of this chapter. After June 30, 2011, the department may not issue an initial practitioner license at any grade level to an applicant for an initial practitioner license unless the applicant shows evidence that the applicant:

- (1) has successfully completed training approved by the department in:
 - (A) cardiopulmonary resuscitation that includes a test demonstration on a mannequin;
 - (B) removing a foreign body causing an obstruction in an airway;
 - (C) the Heimlich maneuver; and
 - (D) the use of an automated external defibrillator;
- (2) holds a valid certification in each of the procedures described in subdivision (1) issued by:
 - (A) the American Red Cross;
 - (B) the American Heart Association; or
 - (C) a comparable organization or institution approved by the state board; or
- (3) has physical limitations that make it impracticable for the applicant to complete a course or certification described in subdivision (1) or (2).

The training in this subsection applies to a teacher (as defined in IC 20-18-2-22(b)).

(d) This subsection does not apply to an applicant for a substitute teacher license or to an individual granted a license under section 18 of this chapter. After June 30, 2013, the department may not issue an initial teaching license at any grade level to an applicant for an initial teaching license unless the applicant shows evidence that the applicant has successfully completed education and training on the prevention of child suicide and the recognition of signs that a student may be considering suicide.

(e) This subsection does not apply to an applicant for a substitute teacher license. After June 30, 2012, the department may not issue a teaching license renewal at any grade level to an applicant unless the applicant shows evidence that the applicant:

- (1) has successfully completed training approved by the department in:
 - (A) cardiopulmonary resuscitation that includes a test demonstration on a mannequin;
 - (B) removing a foreign body causing an obstruction in an airway;
 - (C) the Heimlich maneuver; and

- (D) the use of an automated external defibrillator;
- (2) holds a valid certification in each of the procedures described in subdivision (1) issued by:
 - (A) the American Red Cross;
 - (B) the American Heart Association; or
 - (C) a comparable organization or institution approved by the state board; or
- (3) has physical limitations that make it impracticable for the applicant to complete a course or certification described in subdivision (1) or (2).

(f) (c) The department shall periodically publish bulletins regarding:

- (1) the details described in subsection (b);
- (2) information on the types of licenses issued;
- (3) the rules governing the issuance of each type of license; and
- (4) other similar matters.

SECTION 51. IC 20-28-5-15, AS AMENDED BY P.L.121-2009, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 15. (a) Notwithstanding section 3(b)(6) of this chapter, the department shall grant an initial practitioner's license in a specific subject area to an applicant who:

- (1) has earned a postgraduate degree from a regionally accredited postsecondary educational institution in the subject area in which the applicant seeks to be licensed;
- (2) has at least one (1) academic year of experience teaching students in a middle school, high school, or college classroom setting; and
- (3) complies with sections 4 and 12 of this chapter.

(b) An individual who receives an initial practitioner's license under this section may teach in the specific subject for which the individual is licensed only in:

- (1) high school; or
- (2) middle school;

if the subject area is designated by the state board as having an insufficient supply of licensed teachers.

(c) After receiving an initial practitioner's license under this section, an applicant who seeks to renew the applicant's initial practitioner's license or obtain a proficient practitioner's license must:

- (1) demonstrate that the applicant has:
 - (A) participated in cultural competency professional development activities;
 - (B) obtained training and information from a special education teacher concerning exceptional learners; and
 - (C) received:
 - (i) training or certification that complies; or
 - (ii) an exemption from compliance; with the standards set forth in section 3(e) of this chapter; prescribed by the state board under IC 20-28-5.5-1(b); and
- (2) meet the same requirements as other candidates.

SECTION 52. IC 20-28-5-18, AS ADDED BY P.L.106-2016, SECTION 9, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 18. (a) This section applies to an individual who:

- (1) holds a valid teaching license issued by another state (excluding a teaching license equivalent to an Indiana temporary or emergency teaching license) in the same content area or areas for which the individual is applying for a license in Indiana; and
- (2) was required to pass a content licensure test to obtain the license described in subdivision (1).

(b) Notwithstanding sections 3 and 12 of this chapter, the department shall grant one (1) of the following licenses to an individual described in subsection (a):

- (1) If the individual has less than three (3) years of full-time teaching experience, an initial practitioner's license.
- (2) If the individual has at least three (3) years of full-time teaching experience, a practitioner's license.

(c) An individual who is granted a license under this section shall comply with ~~section 3(c) and 3(d) of this chapter not later than twelve (12) months after the date the individual's license is issued: the training or certification requirements prescribed by the state board under IC 20-28-5.5-1(b).~~

SECTION 53. IC 20-28-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 5.5. Training for Teachers

Sec. 1. (a) The state board shall determine the timing, frequency, whether training requirements can be combined or merged, and the method of training, including whether the training should be required for purposes of obtaining or renewing a license under IC 20-28-5, or, in consultation with teacher preparation programs (as defined in IC 20-28-3-1(b)), as part of the completion requirements for a teacher preparation program for training required under the following sections:

- IC 20-26-5-34.2.
- IC 20-28-3-4.5.
- IC 20-28-3-6.
- IC 20-28-3-7.
- IC 20-34-7-6.
- IC 20-34-7-7.

However, nothing in this subsection shall be construed to authorize the state board to suspend or otherwise eliminate training requirements described in this subsection.

(b) In addition to the training described in subsection (a), the department shall, in a manner prescribed by the state board:

- (1) ensure a teacher has training in:
 - (A) cardiopulmonary resuscitation that includes a test demonstration on a mannequin;
 - (B) removing a foreign body causing an obstruction in an airway;
 - (C) the Heimlich maneuver; and
 - (D) the use of an automated external defibrillator;
- (2) ensure a teacher holds a valid certification in each of the procedures described in subdivision (1) issued by:
 - (A) the American Red Cross;
 - (B) the American Heart Association; or
 - (C) a comparable organization or institution approved by the state board; or
- (3) determine if a teacher has physical

limitations that make it impracticable to complete a course or certification described in subdivision (1) or (2).

The state board shall determine the timing, frequency, whether training requirements can be combined or merged, and the method of training or certification, including whether the training or certification should be required for purposes of obtaining or renewing a license under IC 20-28-5, or, in consultation with teacher preparation programs (as defined in IC 20-28-3-1(b)), as part of the completion requirements for a teacher preparation program. However, the frequency of the training may not be more frequent and the method of training may not be more stringent than required in IC 20-28-5-3(c) through IC 20-28-5-3(e), as in effect on January 1, 2020. Nothing in this subsection shall be construed to authorize the state board to suspend or otherwise eliminate training requirements described in this subsection.

(c) The state board may recommend to the general assembly in a report in an electronic format under IC 5-14-6, to eliminate training requirements described in subsection (a) or (b).

(d) In determining the training requirements for a school corporation, charter school, or accredited nonpublic school for training required under:

- (1) IC 20-26-5-34.2;
- (2) IC 20-28-3-4.5;
- (3) IC 20-28-3-6; or
- (4) IC 20-28-3-7;

the state board may consider whether a particular teacher received the training described in this subsection as part of the teacher's licensing requirements or at a teacher preparation program when determining whether the particular teacher is required to receive the training by the school corporation, charter school, or accredited nonpublic school.

Sec. 2. The department shall:

- (1) publish the requirements established by the state board under this chapter on the department's Internet web site;
- (2) notify teacher preparation programs of training required to be completed as part of the teacher preparation program; and
- (3) notify teachers of training requirements under this chapter that a teacher must complete in order for the teacher to renew the teacher's license under IC 20-28-5.

Sec. 3. The state board shall adopt rules under IC 4-22-2 necessary to implement this chapter.

SECTION 54. IC 20-30-1-1, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This article applies only to the following:

- (1) Public schools.
- (2) Nonpublic schools that voluntarily have become accredited under IC 20-19-2-8. State accredited nonpublic schools.

SECTION 55. IC 20-30-5-5.7, AS ADDED BY P.L.115-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.7. (a) Not later than December 15, 2018, and each December 15 thereafter, each public school, including a charter school, and state accredited nonpublic school shall provide age appropriate and research and evidence based instruction on child abuse and child sexual abuse to students in kindergarten through grade 12.

(b) The department, in consultation with school safety specialists and school counselors, shall identify outlines or materials for the instruction described in subsection (a) and incorporate the instruction in kindergarten through grade 12.

(c) Instruction on child abuse and child sexual abuse may be delivered by a school safety specialist, school counselor, or any

other person with training and expertise in the area of child abuse and child sexual abuse.

SECTION 56. IC 20-30-5-7, AS AMENDED BY P.L.97-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Each school corporation shall include in the school corporation's curriculum the following studies:

- (1) Language arts, including:
 - (A) English;
 - (B) grammar;
 - (C) composition;
 - (D) speech; and
 - (E) second languages.
- (2) Mathematics.
- (3) Social studies and citizenship, including the:
 - (A) constitutions;
 - (B) governmental systems; and
 - (C) histories;

of Indiana and the United States, including an enhanced study of the Holocaust in each high school United States history course. As part of the United States government credit awarded for the general, Core 40, Core 40 with academic honors, and Core 40 with technical honors designation, each high school shall administer the naturalization examination provided by the United States Citizenship and Immigration Services.

- (4) Sciences, including, after June 30, 2021, computer science.
- (5) Fine arts, including music and art.
- (6) Health education, physical fitness, safety, and the effects of alcohol, tobacco, drugs, and other substances on the human body.
- (7) Additional studies selected by each governing body, subject to revision by the state board.

(b) Each:

- (1) school corporation;
- (2) charter school; and
- (3) **state** accredited nonpublic school;

shall offer the study of ethnic and racial groups as a one (1) semester elective course in its high school curriculum at least once every school year.

(c) The course described in subsection (b) may be offered by the school corporation, charter school, or **state** accredited nonpublic school through a course access program administered by the department.

SECTION 57. IC 20-30-5-13, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. Throughout instruction on human sexuality or sexually transmitted diseases, **an a state** accredited school shall:

- (1) require a teacher to teach abstinence from sexual activity outside of marriage as the expected standard for all school age children;
- (2) include in the instruction that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems; and
- (3) include in the instruction that the best way to avoid sexually transmitted diseases and other associated health problems is to establish a mutually faithful monogamous relationship in the context of marriage.

SECTION 58. IC 20-30-5-19, AS ADDED BY P.L.154-2009, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) Each school corporation, charter school, and **state** accredited

nonpublic school shall include in its curriculum for all students in grades 6 through 12 instruction concerning personal financial responsibility.

(b) A school corporation, a charter school, and **an a state** accredited nonpublic school may meet the requirements of subsection (a) by:

- (1) integrating, within its curriculum, instruction; or
- (2) conducting a seminar;

that is designed to foster overall personal financial responsibility.

(c) The state board shall adopt a curriculum that ensures personal financial responsibility is taught:

- (1) in a manner appropriate for each grade level; and
- (2) as a separate subject or as units incorporated into appropriate subjects;

as determined by the state board.

SECTION 59. IC 20-30-5-20, AS AMENDED BY P.L.159-2019, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) As used in this section, "charter school" does not include a virtual charter school, as defined in IC 20-24-1-10.

(b) As used in this section, "psychomotor skills" means skills using hands on practice to support cognitive learning.

(c) Except as provided in subsection (f), each school corporation, charter school, and **state** accredited nonpublic school shall include in the charter school's, school corporation's, or **state** accredited nonpublic school's high school health education curriculum instruction in cardiopulmonary resuscitation and use of an automated external defibrillator for its students. The instruction must incorporate the psychomotor skills necessary to perform cardiopulmonary resuscitation and use an automated external defibrillator and must include either of the following:

- (1) An instructional program developed by the American Heart Association or the American Red Cross.
- (2) An instructional program that is nationally recognized and is based on the most current national evidence based emergency cardiovascular care guidelines for cardiopulmonary resuscitation and the use of an automated external defibrillator.

(d) A school corporation, a charter school, or **an a state** accredited nonpublic school may offer the instruction required in subsection (c) or may arrange for the instruction to be provided by available community based providers. The instruction is not required to be provided by a teacher. If instruction is provided by a teacher, the teacher is not required to be a certified trainer of cardiopulmonary resuscitation.

(e) This section shall not be construed to require a student to become certified in cardiopulmonary resuscitation and the use of an automated external defibrillator. However, if a school corporation, charter school, or **state** accredited nonpublic school chooses to offer a course that results in certification being earned, the course must be taught by an instructor authorized to provide the instruction by the American Heart Association, the American Red Cross, or a similar nationally recognized association.

(f) A school administrator may waive the requirement that a student receive instruction under subsection (c) if the student has a disability or is physically unable to perform the psychomotor skill component of the instruction required under subsection (c).

SECTION 60. IC 20-30-5-21, AS ADDED BY P.L.219-2015, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. **An A state** accredited school may not offer, support, or promote any student program, class, or activity that provides student

instruction that is contrary to a curriculum required to be provided to students under this chapter.

SECTION 61. IC 20-30-5-22, AS ADDED BY P.L.162-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) Each:

- (1) school corporation;
- (2) charter school; and
- (3) **state** accredited nonpublic school;

shall offer Indiana studies as a one (1) semester elective course in its high school curriculum at least once every school year.

(b) The course described in subsection (a) may be offered by the school corporation, charter school, or **state** accredited nonpublic school through a course access program administered by the department.

SECTION 62. IC 20-30-7-5, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A school corporation may enter into an agreement with:

- (1) another school corporation;
- (2) ~~an~~ a **state** accredited nonpublic school; or
- (3) both entities described in subdivisions (1) and (2);

to offer a joint summer school program for high school students.

SECTION 63. IC 20-30-14.5-3, AS ADDED BY P.L.226-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The state certificate of biliteracy is created to:

- (1) encourage students to study languages;
- (2) certify the attainment of biliteracy;
- (3) provide employers with a method of identifying individuals with language and biliteracy skills;
- (4) provide postsecondary educational institutions with an additional method to recognize applicants for admission;
- (5) prepare students with twenty-first century skills;
- (6) recognize the value of foreign language and native language instruction in public schools; and
- (7) strengthen intergroup relationships, affirm the value of diversity, and honor the multiple cultures and languages of a community.

(b) The receipt of the certificate demonstrates the attainment of a high level of proficiency by a graduate of a public or ~~an~~ a **state** accredited nonpublic high school, sufficient for meaningful use in college and a career, in one (1) or more languages in addition to English.

(c) A school corporation, a charter school, or ~~an~~ a **state** accredited nonpublic high school is not required to participate in the certificate program.

SECTION 64. IC 20-30-14.5-4, AS ADDED BY P.L.226-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The state board shall:

- (1) establish the criteria for earning a certificate, including:
 - (A) the number of credits a student must earn in English and language arts and in a language other than English; and
 - (B) assessments of foreign language and English proficiency the state board considers necessary;
- (2) direct the department to prepare and deliver to participating school corporations, charter schools, and **state** accredited nonpublic high schools an appropriate mechanism for awarding the certificate and designating on a student's

transcript that the student has been awarded a certificate; and

(3) direct the department to provide any other information the state board considers necessary for school corporations, charter schools, and **state** accredited nonpublic high schools to successfully participate in the certificate program.

SECTION 65. IC 20-30-14.5-5, AS ADDED BY P.L.226-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. A participating school corporation, charter school, or **state** accredited nonpublic high school shall:

- (1) maintain appropriate records to identify students who have earned a certificate; and
- (2) make the appropriate designation on the transcript of each student who earns a certificate.

SECTION 66. IC 20-31-1-1, AS AMENDED BY P.L.169-2016, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This article applies only to the following:

- (1) Except as provided in ~~IC 20-31-4-1-1~~, **IC 20-31-4.1-3**, public schools.
- (2) Except as provided in IC 20-31-7 and IC 20-31-9, ~~nonpublic schools that voluntarily become accredited under IC 20-19-2-8~~: **state accredited nonpublic schools**.

SECTION 67. IC 20-31-2-8, AS ADDED BY P.L.1-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. "School" refers to a public school or ~~an~~ a **state** accredited nonpublic school.

SECTION 68. IC 20-31-4 IS REPEALED [EFFECTIVE UPON PASSAGE]. (Performance Based Accreditation).

SECTION 69. IC 20-31-4.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 4.1. Performance Based Accreditation

Sec. 1. As used in this chapter, "legal standards" means Indiana statutes and rules adopted by the state board that apply to each school for accreditation.

Sec. 2. (a) A school in Indiana shall be accredited under the system established by this chapter if the school meets legal standards as determined by the state board.

(b) The state board shall establish a performance based accreditation system for accrediting schools in Indiana under this chapter.

(c) The department shall waive accreditation standards for an accredited nonpublic alternative school that enters into a contract with a school corporation to provide alternative education services for students who have:

- (1) dropped out of high school;
- (2) been expelled; or
- (3) been sent to the nonpublic alternative school due to the students' lack of success in the public school environment;

to accommodate the nonpublic alternative school's program and student population. A nonpublic alternative school to which this subsection applies is not subject to being placed in a category or designation under IC 20-31-8-4. However, the nonpublic alternative school must comply with all state reporting requirements and submit a school improvement growth model on the anniversary date of the nonpublic alternative school's original accreditation.

(d) The state board may accredit a nonpublic school under this chapter at the time the nonpublic school begins operation in Indiana.

(e) A school accredited under IC 20-26-15 shall be accredited under this chapter by the earlier of the following:

(1) The date the school's contract under IC 20-26-15 expires.

(2) July 1, 2025.

Sec. 3. (a) The state board shall accredit a school that:

(1) becomes a charter school under IC 20-24; and

(2) complies with the requirements under IC 20-24.

(b) An authorizer (as defined in IC 20-24-1-2.5) of a charter school is responsible for ensuring that the charter school is in compliance with applicable legal standards as determined by the state board.

Sec. 4. (a) Subject to subsection (c) and section 7 of this chapter, a school or group of schools accredited under this chapter may submit an application to the state board, in a manner prescribed by the state board, requesting flexibility and to waive compliance with any provision in this title or 511 IAC in order to do one (1) or more of the following:

(1) Improve student performance and outcomes.

(2) Offer the applicant flexibility in the administration of educational programs or improve the efficiency of school operations.

(3) Promote innovative educational approaches to student learning.

(4) Advance the mission or purpose of the school or group of schools.

(b) The application submitted under subsection (a) must include the following:

(1) A list of the one (1) or more provisions in this title, 511 IAC, or this title and 511 IAC that the school or group of schools is requesting that the state board waive.

(2) The following information:

(A) The specific goal or outcome or goals or outcomes that the school or group of schools intends to achieve by waiving the provisions described in subdivision (1).

(B) How the specific goals or outcomes described in clause (A) are likely to be achieved by waiving compliance with the provisions described in subdivision (1).

(3) For an application submitted by:

(A) the governing body of a school corporation, a copy of the resolution adopted by the governing body approving the submission of the application;

(B) a charter school, written authorization by the charter school organizer approving the submission of the application; or

(C) a nonpublic school, written authorization by the person or agency in active charge and management of the nonpublic school approving the submission of the application.

Sec. 5. (a) The state board may approve an application to waive compliance with provisions described in section 4 of this chapter only if the waiver request is related to a specific goal or outcome of the school or group of schools.

(b) The state board may approve an application under this chapter if the state board determines that approving the application will likely:

(1) improve student performance and outcomes;

(2) offer the applicant flexibility in the administration of educational programs or improve the efficiency of school operations;

(3) promote innovative educational approaches to student learning; or

(4) advance the mission or purpose of the school or group of schools.

Sec. 6. (a) Notwithstanding any other law and subject to section 7 of this chapter, an applicant whose application is approved by the state board under section 5 of this chapter may waive compliance with any provision in this title or 511 IAC that is approved for waiver by the state board.

(b) The flexibility provided under this chapter is separate and distinct from flexibility provided under IC 20-26.5-2.

Sec. 7. A school or group of schools that submits an application under section 4 of this chapter may not request to waive any of the following provisions:

IC 20-26-5-10 (criminal history and child protection index check).

IC 20-27-7 (school bus inspection and registration).

IC 20-27-8-1 (school bus drivers and monitors).

IC 20-27-8-2 (school bus driver driving summary).

IC 20-27-10-3 (capacity of school bus).

IC 20-28 (school teachers).

IC 20-29 (collective bargaining).

IC 20-30-5-0.5 (display of United States flag; Pledge of Allegiance).

IC 20-30-5-1 (constitutions).

IC 20-30-5-2 (constitutions; interdisciplinary course).

IC 20-30-5-3 (protected writings).

IC 20-30-5-4 (American history).

IC 20-30-5-4.5 (moment of silence).

IC 20-30-5-5 (morals instruction).

IC 20-30-5-6 (good citizenship instruction).

IC 20-30-5-13 (human sexuality instructional requirements).

IC 20-30-5-17 (access to materials; consent for participation).

IC 20-30-5-21 (contrary student instruction not permitted).

IC 20-30-5-22 (Indiana studies).

IC 20-31 (accountability for performance and improvement).

IC 20-32-4 (graduation requirements).

IC 20-32-5.1 (Indiana's Learning Evaluation Assessment Readiness Network (ILEARN) program).

IC 20-33-1 (equal educational opportunity).

IC 20-34 (student health and safety measures).

IC 20-35 (special education).

IC 20-36 (high ability students).

IC 20-39 (accounting and financial reporting procedures).

IC 20-40 (government funds and accounts).

IC 20-41 (extracurricular funds and accounts).

IC 20-42 (fiduciary funds and accounts).

IC 20-42.5 (allocation of expenditures to student instruction and learning).

IC 20-43 (state tuition support).

IC 20-44 (property tax levies).

IC 20-46 (levies other than general fund levies).

IC 20-47 (related entities; holding companies; lease agreements).

IC 20-48 (borrowing and bonds).

IC 20-49 (state management of common school funds; state advances and loans).

IC 20-50 (homeless children and foster care children).

IC 20-51 (school scholarships).

Sec. 8. (a) The state board shall periodically review compliance waiver requests that were approved by the state board under this chapter.

(b) The state board may:

(1) amend, suspend, or revoke a compliance waiver request that was approved by the state board if the state board determines that the school or group of schools is not meeting the goals or outcomes described in the applicable application; and

(2) grant approval of a waiver described in section 4 of this chapter as part of a school's application for accreditation under this chapter.

Sec. 9. Not later than November 1, 2020, and not later than November 1 each year thereafter, the state board shall do the following:

(1) Prepare a report that includes a:

(A) summary of the compliance waiver requests received by the state board; and

(B) description of compliance waiver requests that were approved and compliance waiver requests that were denied by the state board.

(2) Submit the report prepared under subdivision (1) to the general assembly in an electronic format under IC 5-14-6.

Sec. 10. The state board shall adopt rules under IC 4-22-2 necessary to implement this chapter.

SECTION 70. IC 20-32-1-1, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This article applies only to the following:

(1) Public schools.

(2) Nonpublic schools that voluntarily have become accredited under ~~IC 20-19-2-8~~. State accredited nonpublic schools.

SECTION 71. IC 20-32-2-3, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. "Student" means an individual who is enrolled in:

(1) a public school;

(2) ~~an~~ a state accredited nonpublic school; or

(3) another nonpublic school that has requested and received from the state board specific approval of the school's educational program.

SECTION 72. IC 20-32-3-2, AS AMENDED BY P.L.233-2015, SECTION 238, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "student" refers to a student who meets the following conditions:

(1) Is enrolled in a public school, ~~an~~ a state accredited nonpublic school, or a nonpublic school that has requested and received from the state board specific approval for the school's education program.

(2) Is in at least grade 9.

(3) If the student is a student with a disability (as defined in IC 20-35-1-8), would benefit from the participation under this chapter as determined by the individualized education program for the student.

SECTION 73. IC 20-32-4-1.5, AS AMENDED BY

P.L.10-2019, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: 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~~ 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.

SECTION 74. IC 20-32-4-4.1, AS ADDED BY P.L.192-2018, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4.1. (a) Subject

to subsection (b), a student may receive a waiver from the postsecondary readiness competency requirements established under section 1.5(c) of this chapter:

- (1) if:
 - (A) the student was unsuccessful in completing a postsecondary readiness competency requirement established by the state board under section 1.5(c) of this chapter by the conclusion of the student's senior year, including a student who was in the process of completing a competency at one (1) school that was not offered by the school to which the student transferred; and
 - (B) the student attempted to achieve at least three (3) separate postsecondary readiness competencies established by the state board under section 1.5(c) of this chapter; or
- (2) if a student transfers to a school subject to the requirements of this chapter during the student's senior year from a nonaccredited nonpublic school **that has less than one (1) employee** or a school out of state and the student:
 - (A) attempted to achieve at least one (1) postsecondary readiness competency requirement established by the state board under section 1.5(c) of this chapter; and
 - (B) was unsuccessful in completing the attempted postsecondary readiness competency described in clause (A).

(b) For a student to receive a waiver described in subsection (a), the student must:

- (1) maintain at least a "C" average, or its equivalent, throughout the student's high school career in courses comprising credits required for the student to graduate;
- (2) maintain a school attendance rate of at least ninety-five percent (95%) with excused absences not counting against the student's attendance;
- (3) satisfy all other state and local graduation requirements beyond the postsecondary readiness competency requirements established by the state board under section 1.5(c) of this chapter; and
- (4) demonstrate postsecondary planning, including:
 - (A) college acceptance;
 - (B) acceptance in an occupational training program;
 - (C) workforce entry; or
 - (D) military enlistment;

that is approved by the principal of the student's school.

SECTION 75. IC 20-33-2-10, AS AMENDED BY P.L.144-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) Each public school shall and each private school may require a student who initially enrolls in the school to provide:

- (1) the name and address of the school the student last attended; and
- (2) a certified copy of the student's birth certificate or other reliable proof of the student's date of birth.

(b) Not more than fourteen (14) days after initial enrollment

in a school, the school shall request the student's records from the school the student last attended.

- (c) If the document described in subsection (a)(2):
 - (1) is not provided to the school not more than thirty (30) days after the student's enrollment; or
 - (2) appears to be inaccurate or fraudulent;

the school shall notify the Indiana clearinghouse for information on missing children and missing endangered adults established under IC 10-13-5-5 and determine if the student has been reported missing.

(d) A school in Indiana receiving a request for records shall send the records promptly to the requesting school. However, if a request is received for records to which a notice has been attached under IC 31-36-1-5 (or IC 31-6-13-6 before its repeal), the school:

- (1) shall immediately notify the Indiana clearinghouse for information on missing children and missing endangered adults;
- (2) may not send the school records without the authorization of the clearinghouse; and
- (3) may not inform the requesting school that a notice under IC 31-36-1-5 (or IC 31-6-13-6 before its repeal) has been attached to the records.

(e) Notwithstanding subsection (d), if a parent of a child who has enrolled in ~~an~~ a state accredited nonpublic school is in breach of a contract that conditions release of student records on the payment of outstanding tuition and other fees, the **state** accredited nonpublic school shall provide a requesting school sufficient verbal information to permit the requesting school to make an appropriate placement decision regarding the child.

SECTION 76. IC 20-33-2-47, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 47. (a) A school corporation may develop and implement a system of notifying the parent of a student when:

- (1) the student fails to attend school; and
- (2) the student does not have an excused absence for that day.

(b) A school corporation or ~~an~~ a state accredited nonpublic school shall report to the local health department the percentage of student absences above a threshold determined by the department by rule adopted under IC 4-22-2.

(c) If a school corporation implements a notification system under this chapter, the attendance officer or the attendance officer's designee shall make a reasonable effort to contact by telephone the parent of each student who has failed to attend school and does not have an excused absence for that day.

(d) If an attendance officer or an attendance officer's designee has made a reasonable effort to contact a parent under subsection (c), the school corporation is immune from liability for any damages suffered by the parent claimed because of failure to contact the parent.

SECTION 77. IC 20-33-3-7, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) This chapter applies to a child less than eighteen (18) years of age who is employed or is seeking employment in Indiana.

(b) A child less than eighteen (18) years of age who is a resident of Indiana and who requires an employment certificate shall obtain the employment certificate from the issuing officer of the:

- (1) **state** accredited school ~~(as described in IC 20-19-2-8(a)(5))~~ that the child attends; or
- (2) school corporation in which the child resides.

(c) A child less than eighteen (18) years of age who is not a resident of Indiana and who requires an employment certificate to work in Indiana shall obtain the certificate from the issuing officer of the school corporation in which the child is:

- (1) employed; or
- (2) seeking employment.

The judge of a court with juvenile jurisdiction may suspend the application of this chapter in cases involving juvenile delinquents or incorrigibles whenever, in the opinion of the judge, the welfare of a child warrants this action.

SECTION 78. IC 20-33-3-8, AS AMENDED BY P.L.1-2007, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The issuing officer in each **state** accredited school (~~as described in IC 20-19-2-8(a)(5)~~) shall be an individual who is:

- (1) a guidance counselor;
- (2) a school social worker; or
- (3) an attendance officer for the school corporation and a teacher licensed by the division of professional standards of the department under IC 20-28-4 or IC 20-28-5;

and designated in writing by the principal.

(b) During the times in which the individual described in subsection (a) is not employed by the school or when school is not in session, there shall be an issuing officer available:

- (1) who is a teacher licensed by the division of professional standards of the department under IC 20-28-4 or IC 20-28-5; and
- (2) whose identity and hours of work shall be determined by the principal.

SECTION 79. IC 20-33-5-9, AS AMENDED BY P.L.286-2013, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. **(a) As used in this section, "accredited nonpublic school" means a nonpublic school that:**

- (1) has voluntarily become accredited under IC 20-31-4.1; or**
- (2) is accredited by a national or regional accrediting agency that is recognized by the state board.**

~~(a)~~ **(b)** If a parent of a child or an emancipated minor who is enrolled in an accredited nonpublic school meets the financial eligibility standard under section 2 of this chapter, the parent or the emancipated minor may receive a reimbursement from the department as provided in this chapter for the costs or some of the costs incurred by the parent or emancipated minor in fees that are reimbursable under section 7 of this chapter.

~~(b)~~ **(c)** The department shall provide each accredited nonpublic school with sufficient application forms for assistance, prescribed by the state board of accounts.

~~(c)~~ **(d)** Each accredited nonpublic school shall provide the parents or emancipated minors who wish to apply for assistance with:

- (1) the appropriate application forms; and
- (2) any assistance needed in completing the application form.

~~(d)~~ **(e)** The parent or emancipated minor shall submit the application to the accredited nonpublic school. The accredited nonpublic school shall make a determination of financial eligibility subject to appeal by the parent or emancipated minor.

~~(e)~~ **(f)** If a determination is made that the applicant is eligible for assistance, subsection ~~(a)~~ **(b)** applies.

~~(f)~~ **(g)** To be guaranteed some level of reimbursement from the department, the principal or other designee shall submit the reimbursement request before November 1 of a school year.

~~(g)~~ **(h)** In its request, the principal or other designee shall certify to the department:

- (1) the number of students who are enrolled in the accredited nonpublic school and who are eligible for assistance under this chapter;
- (2) the costs incurred in providing:
 - (A) curricular materials (including curricular materials used in special education and high ability classes);

and
(B) workbooks, digital content, and consumable curricular materials (including workbooks, consumable curricular materials, and other consumable teaching materials that are used in special education and high ability classes) that are used by students for not more than one (1) school year;

- (3) that the curricular materials described in subdivision (2)(A) (except any curricular materials used in special education classes and high ability classes) have been adopted by the governing body; and
- (4) any other information required by the department.

~~(h)~~ **(i)** The amount of reimbursement that a parent or emancipated minor is entitled to receive shall be determined as provided in section 9.5 of this chapter.

~~(i)~~ **(j)** The accredited nonpublic school shall distribute the money received under this chapter to the appropriate eligible parents or emancipated minors.

~~(j)~~ **(k)** Section 7(f) of this chapter applies to parents or emancipated minors as described in this section.

~~(k)~~ **(l)** The accredited nonpublic school and the department shall maintain complete and accurate information concerning the number of applicants determined to be eligible for assistance under this section.

~~(l)~~ **(m)** The state board shall adopt rules under IC 4-22-2 to implement this section.

SECTION 80. IC 20-33-5-9.5, AS AMENDED BY P.L.205-2013, SECTION 258, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. (a) This section applies to reimbursements made under this chapter in the state fiscal year beginning after June 30, 2013.

(b) The amount of reimbursement that a school corporation or an accredited nonpublic school **(as defined in section 9(a) of this chapter)** is entitled to receive under section 7 of this chapter in a state fiscal year is equal to the amount determined in the following STEPS:

STEP ONE: Determine the amount appropriated to make reimbursements under this chapter for the state fiscal year.

STEP TWO: Determine the total number of eligible students for which reimbursement was requested under either section 7 or 9 of this chapter before November 1 of the previous calendar year by all school corporations and accredited nonpublic schools.

STEP THREE: Divide the result determined in STEP ONE by the number determined in STEP TWO.

STEP FOUR: Multiply:

- (A) the STEP THREE result; by
- (B) the number of eligible students for which reimbursement was requested under section 7 or 9 of this chapter before November 1 of the state fiscal year by the school corporation or the accredited nonpublic school.

SECTION 81. IC 20-33-9-10.5, AS AMENDED BY P.L.25-2016, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10.5. (a) This section does not apply to a charter school or ~~an~~ **a state** accredited nonpublic school.

(b) A school employee shall report any incidence of suspected criminal organization activity, criminal organization intimidation, or criminal organization recruitment to the

principal and the school safety specialist.

(c) The principal and the school safety specialist may take appropriate action to maintain a safe and secure school environment, including providing appropriate intervention services.

SECTION 82. IC 20-34-3-20, AS AMENDED BY P.L.197-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. (a) The governing body of a school corporation shall require each school in the governing body's jurisdiction to conduct periodic emergency preparedness drills during the school year in compliance with rules adopted under IC 4-22-2 by the state board.

- (b) Each school and attendance center shall conduct at least:
 - (1) one (1) tornado preparedness drill; and
 - (2) one (1) manmade occurrence disaster drill;

during each semester.

(c) At least one (1) manmade occurrence disaster drill required under subsection (b) must be an active shooter drill and must be conducted within ninety (90) calendar days after the beginning of the school year.

- (d) Each:
 - (1) **state** accredited nonpublic school; and
 - (2) charter school;

must conduct at least one (1) active shooter drill during each school year.

(e) Notwithstanding rules established by the state fire marshal under IC 12-17-12-19, a drill conducted under subsection (b) may be conducted instead of a periodic or monthly fire evacuation drill requirement established by the state fire marshal. However, a drill conducted under subsection (b) may not be made:

- (1) instead of more than two (2) periodic or monthly fire evacuation drills in a particular school semester; and
- (2) in two (2) consecutive months.

(f) The governing body of a school corporation may direct schools to conduct emergency preparedness drills in addition to those required under subsection (b).

(g) The governing body of a school corporation shall require each principal to file a certified statement that all drills have been conducted as required under this section.

SECTION 83. IC 20-34-3-23, AS ADDED BY P.L.211-2018(ss), SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 23. (a) Each charter school and **state** accredited nonpublic school shall adopt a local school safety and emergency plan that includes:

- (1) safety and emergency training and educational opportunities for school employees; and
- (2) periodic safety and emergency preparedness and evacuation drills.

(b) Each charter school and **state** accredited nonpublic school shall provide a copy of the floor plans for each building located on the school's property that clearly indicates each exit, the interior rooms and hallways, and the location of any hazardous materials located in the building to the law enforcement agency and the fire department that have jurisdiction over the school.

SECTION 84. IC 20-34-4.5-0.6, AS ADDED BY P.L.117-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.6. As used in this chapter, "school" means **a**:

- (1) ~~a~~ public school;
- (2) ~~a~~ charter school; or
- (3) ~~an~~ **state** accredited nonpublic school.

SECTION 85. IC 20-34-5-8, AS ADDED BY P.L.166-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. As used in this chapter, "school employee" means an individual employed by:

- (1) a public school, including a charter school,

- or ~~an~~ **a state** accredited nonpublic school;
- (2) a local health department working with a school under this chapter; or
- (3) another entity with which a school has contracted to perform the duties required under this chapter.

SECTION 86. IC 20-34-7-1.6, AS ADDED BY P.L.135-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.6. As used in this chapter, "school" refers to a public school and ~~an~~ **a state** accredited nonpublic school.

SECTION 87. IC 20-34-7-6, AS AMENDED BY P.L.135-2016, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) As used in this section, "football" does not include flag football.

(b) Prior to coaching football to individuals who are less than twenty (20) years of age and are in grades 1 through 12, each head football coach and assistant football coach shall complete a certified coaching education course that:

- (1) is sport specific;
- (2) contains player safety content, including content on:
 - (A) concussion awareness;
 - (B) equipment fitting;
 - (C) heat emergency preparedness; and
 - (D) proper technique;
- (3) requires a coach to complete a test demonstrating comprehension of the content of the course; and
- (4) awards a certificate of completion to a coach who successfully completes the course.

(c) For a coach's completion of a course to satisfy the requirement imposed by subsection (b), the course must have been approved by the department.

(d) A coach shall complete a course ~~not less than once during a two (2) year period. However, if the coach receives notice from the organizing entity that new information has been added to the course before the end of the two (2) year period, the coach must:~~

- ~~(1) complete instruction; and~~
- ~~(2) successfully complete a test;~~

~~concerning the new information to satisfy the requirement imposed by subsection (b): in a manner prescribed by the state board under IC 20-28-5.5-1.~~

(e) An organizing entity shall maintain a file of certificates of completion awarded under subsection (b)(4) to any of the organizing entity's head coaches and assistant coaches.

(f) A coach who complies with this chapter and provides coaching services in good faith is not personally liable for damages in a civil action as a result of a concussion or head injury incurred by an athlete participating in an athletic activity in which the coach provided coaching services, except for an act or omission by the coach that constitutes gross negligence or willful or wanton misconduct.

SECTION 88. IC 20-34-7-7, AS AMENDED BY P.L.19-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) Except as provided in subsection (c)(2), this section applies after June 30, 2017.

(b) This section applies to a head coach or assistant coach who:

- (1) coaches any:
 - (A) interscholastic sport; or
 - (B) intramural sport and elects to comply or as part of the head coach's or assistant coach's coaching certification requirements is required to comply with this chapter; and

(2) is not subject to section 6 of this chapter.

(c) Before coaching a student athlete in any sport, a head coach and every assistant coach described in subsection (b) must complete a certified coaching education course that:

- (1) contains player safety content on concussion awareness;
- (2) after December 31, 2018, includes content for prevention of or response to heat related medical issues that may arise from a student athlete's training;
- (3) requires a head coach or an assistant coach to complete a test demonstrating comprehension of the content of the course; and
- (4) awards a certificate of completion to a head coach or an assistant coach who successfully completes the course.

(d) A course described in subsection (c) must be approved by the department, in consultation with a physician licensed under IC 25-22.5. The consulting physician for a course described in subsection (c)(1) must have expertise in the area of concussions and brain injuries. The department may, in addition to consulting with a physician licensed under IC 25-22.5, consult with other persons who have expertise in the area of concussions and brain injuries when developing a course described in subsection (c)(1).

(e) A head coach and every assistant coach described in subsection (b) must complete a course described in subsection (c) ~~at least once each two (2) year period. If a head coach or an assistant coach receives notice from the school that new information has been added to the course before the end of the two (2) year period, the head coach or the assistant coach shall:~~

- ~~(1) complete instruction; and~~
- ~~(2) successfully complete a test;~~

~~concerning the new information to satisfy subsection (c); in a manner prescribed by the state board under IC 20-28-5.5-1.~~

(f) Each school shall maintain all certificates of completion awarded under subsection (c)(4) to each of the school's head coaches and assistant coaches.

(g) A head coach or an assistant coach described in subsection (b) who complies with this chapter and provides coaching services in good faith is not personally liable for damages in a civil action as a result of a concussion or head injury incurred by a student athlete participating in an athletic activity for which the head coach or the assistant coach provided coaching services, except for an act or omission by the head coach or the assistant coach that constitutes gross negligence or willful or wanton misconduct.

SECTION 89. IC 20-34-8-3, AS ADDED BY P.L.139-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "school" refers to a public school and ~~an~~ **a state** accredited nonpublic school.

SECTION 90. IC 20-34-8-5, AS ADDED BY P.L.139-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) ~~Before July 1, 2015,~~ The department shall disseminate guidelines, information sheets, and forms to each **state** accredited nonpublic school, charter school, and each school corporation for distribution to schools to inform and educate coaches, student athletes, and parents and legal guardians of student athletes of the nature and risk of sudden cardiac arrest to student athletes.

(b) The department:

- (1) may consult with an association, medical professionals, and others with expertise in diagnosing and treating sudden cardiac arrest; and
- (2) may request the assistance of an association in disseminating the guidelines, information sheets, and forms required under subsection (a).

(c) The department may disseminate the guidelines,

information sheets, and forms required under this section in an electronic format.

SECTION 91. IC 20-34-9-1, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. This chapter does not apply to a virtual charter school (as defined in ~~IC 20-24-7-13(a))~~ **IC 20-24-1-10**) or a virtual **state** accredited nonpublic school.

SECTION 92. IC 20-34-9-4, AS ADDED BY P.L.153-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Beginning after June 30, 2020, and subject to available funding, a school corporation, a charter school, and ~~an~~ **a state** accredited nonpublic school are eligible for a grant under this chapter if the school corporation, charter school, or **state** accredited nonpublic school meets the requirements of this chapter.

SECTION 93. IC 20-34-9-5, AS ADDED BY P.L.153-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The student and parent support services grant program is established to provide grants to school corporations, charter schools, and **state** accredited nonpublic schools for the development and implementation of student and parent support services plans to support parents caring for at-risk students.

(b) The department, in coordination with the division of mental health and addiction, shall administer the program.

SECTION 94. IC 20-34-9-6, AS ADDED BY P.L.153-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A school corporation, a charter school, or ~~an~~ **a state** accredited nonpublic school must do the following to participate in the program:

- (1) Apply to the department to participate in the program.
- (2) Submit to the department a student and parent support services plan that the school corporation, charter school, or **state** accredited nonpublic school intends to implement and that includes the following:

(A) A process for a teacher or school employee to notify a school official to contact a student's parent if the student demonstrates a repeated pattern of aberrant or abnormal behavior. The parental notification process described in this clause must also include that the school will hold a conference with the student and the student's parent.

(B) A requirement that the conference described in clause (A) must address the student's potential need for and benefit from:

- (i) school based treatment services; or
- (ii) treatment services provided by an outside professional care provider that is contracted and paid for by the school corporation, charter school, or **state** accredited nonpublic school.

(C) A procedure for a parent who chooses to seek services for the student to follow that includes granting written parental consent for the student to receive services by a service provider described under clause (B).

(D) A requirement to ensure that a school shall maintain the confidentiality of any medical records that result from a student's participation in any treatment described in clause (B). The school must adopt a policy that prohibits the school from:

- (i) sharing any reports or notes resulting from the provision of school based treatment services described in clause (B)(i) with other school officials; and
- (ii) maintaining any reports, notes, diagnosis, or appointments that result from a student's participation in any treatment described in clause (B)(i) through (B)(ii) in the student's permanent educational file.

SECTION 95. IC 20-34-9-7, AS ADDED BY P.L.153-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Before June 30, 2020, and before each June 30 thereafter, the department shall evaluate and prepare a report concerning development and implementation of the following:

- (1) The program.
- (2) The plans submitted and implemented by school corporations, charter schools, and state accredited nonpublic schools.

(b) The department shall submit the report described in subsection (a) to the legislative council in an electronic format under IC 5-14-6.

SECTION 96. IC 20-47-6-4, AS ADDED BY P.L.143-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this chapter, "school" means a public school, including a charter school, ~~an~~ a state accredited nonpublic school, or an eligible school (as defined in IC 20-51-1-4.7).

SECTION 97. IC 21-7-13-4 IS REPEALED [EFFECTIVE UPON PASSAGE]. Sec. 4. "~~Accredited nonpublic school~~" means a nonpublic school that has voluntarily become accredited under ~~IC 20-19-2-8~~.

SECTION 98. IC 21-7-13-31.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 31.5. "**State accredited nonpublic school**" means a nonpublic school that has voluntarily become accredited under IC 20-31-4.1.

SECTION 99. IC 21-12-6-5, AS AMENDED BY P.L.165-2016, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Unless a student qualifies under subsection (b), to qualify to participate in the program, a student must meet the following requirements:

- (1) Be a resident of Indiana.
- (2) Be:
 - (A) enrolled in grade 7 or 8 at a:
 - (i) public school; or
 - (ii) nonpublic school that is accredited either by the state board of education or by a national or regional accrediting agency whose accreditation is accepted as a school improvement plan under ~~IC 20-31-4-2~~; IC 20-31-4.1-2; or
 - (B) otherwise qualified under the rules of the commission that are adopted under IC 21-18.5-4-9(2) to include students who are in grades

other than grade 8 as eligible students.

(3) Be a member of a household with an annual income of not more than the amount required for the individual to qualify for free or reduced priced lunches under the national school lunch program, as determined for the immediately preceding taxable year for the household for which the student was claimed as a dependent.

(4) Agree, in writing, together with the student's custodial parents or guardian, that the student will:

- (A) graduate from a secondary school located in Indiana that meets the admission criteria of an eligible institution;
- (B) not illegally use controlled substances (as defined in IC 35-48-1-9);
- (C) not commit a crime or an infraction described in IC 9-30-5;
- (D) not commit any other crime or delinquent act (as described in IC 31-37-1-2 or IC 31-37-2-2 through IC 31-37-2-5 (or IC 31-6-4-1(a)(1) through IC 31-6-4-1(a)(5) before their repeal));
- (E) timely apply, when the eligible student is a senior in high school:
 - (i) for admission to an eligible institution; and
 - (ii) for any federal and state student financial assistance available to the eligible student to attend an eligible institution;
- (F) achieve a cumulative grade point average upon graduation of:
 - (i) at least 2.0, if the student graduates from high school before July 1, 2014; and
 - (ii) at least 2.5, if the student graduates from high school after June 30, 2014;
- on a 4.0 grading scale (or its equivalent if another grading scale is used) for courses taken during grades 9, 10, 11, and 12; and
- (G) complete an academic success program required under the rules adopted by the commission, if the student initially enrolls in high school after June 30, 2013.

(b) A student qualifies to participate in the program if the student:

- (1) before or during grade 7 or grade 8, is placed by or with the consent of the department of child services, by a court order, or by a child placing agency in:
 - (A) a foster family home;
 - (B) the home of a relative or other unlicensed caretaker;
 - (C) a child caring institution; or
 - (D) a group home;
- (2) meets the requirements in subsection (a)(1) through (a)(2); and
- (3) agrees in writing, together with the student's caseworker (as defined in IC 31-9-2-11) or legal guardian, to the conditions set forth in subsection (a)(4).

(c) The commission may require that an applicant apply electronically to participate in the program using an online Internet application on the commission's **Internet** web site.

SECTION 100. IC 21-12-8-9, AS AMENDED BY P.L.143-2019, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) This section applies to an applicant who attends or has attended any of the following:

- (1) An approved secondary school.
- (2) ~~An~~ **A state** accredited nonpublic school.
- (3) A nonaccredited nonpublic school.

(b) An applicant is eligible to receive a high value workforce ready credit-bearing grant if the following conditions are met:

- (1) The applicant is domiciled in Indiana, as defined by the commission.
- (2) The applicant:

(A) has received a diploma of graduation from a school described in subsection (a);

(B) has been granted a:

- (i) high school equivalency certificate before July 1, 1995; or
- (ii) state of Indiana general educational development (GED) diploma under IC 20-10.1-12.1 (before its repeal), IC 20-20-6 (before its repeal), or IC 22-4.1-18; or

(C) is a student in good standing who is completing a final year of study at a school described in subsection (a) and will be eligible upon graduation to attend an approved institution of higher learning.

(3) The applicant is enrolled in an eligible certificate program, as determined under section 2(4) of this chapter, at Ivy Tech Community College, Vincennes University, or a program approved by the commission.

(4) The applicant enrolls at least half-time for purposes of federal financial aid.

(5) The applicant has not received any grant for the maximum number of academic terms specified for the grant in IC 21-12-13-1 or IC 21-12-13-2.

(6) The applicant is not eligible for any state financial aid program described in IC 21-12-13-1(a) or IC 21-12-13-2(a).

(7) The applicant is identified as financially independent from the applicant's parents as determined by the Free Application for Federal Student Aid (FAFSA).

(8) The applicant has correctly filed the FAFSA and, if eligible for aid, accepts all offered federal scholarships and grants.

(9) Except as provided under subsection (c), the applicant maintains satisfactory academic progress, as determined by the eligible institution.

(10) The applicant has not previously received a baccalaureate degree, an associate degree, or an eligible certificate.

(11) The applicant meets any other minimum criteria established by the commission.

(c) This subsection applies to an applicant who does not maintain satisfactory academic progress under subsection (b)(9) but meets all the other conditions required under subsection (b). An applicant is eligible to receive a high value workforce ready credit-bearing grant if the applicant meets one (1) of the

following:

- (1) The applicant has not attended an eligible institution for the immediately preceding two (2) academic years.
- (2) The applicant:

(A) attended an eligible institution at any time during the immediately preceding two (2) academic years; and

(B) maintained satisfactory academic progress, as determined by the eligible institution, during the period described in clause (A) in which the applicant attended the eligible institution.

(d) If an applicant is identified as dependent as determined by the Free Application for Federal Student Aid (FAFSA), the applicant must:

- (1) meet the criteria specified in subsection (b), except for subsection (b)(4), (b)(7), and (b)(9);
- (2) enroll full time for purposes of federal financial aid;
- (3) maintain satisfactory academic progress, as determined by the eligible institution; and
- (4) complete a workforce ready grant success program, as determined by the commission, if the applicant graduates from high school after December 31, 2018.

(e) If the demand for high value workforce ready credit-bearing grants exceeds the available appropriation, as determined by the commission, the commission shall prioritize the applicants identified as independent as determined by the Free Application for Federal Student Aid (FAFSA).

SECTION 101. IC 21-12-16-5, AS ADDED BY P.L.105-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) An applicant who is enrolled in an accredited postsecondary educational institution after June 30, 2017, may qualify for a scholarship under this chapter. To qualify for a scholarship, an applicant must:

- (1) apply for a scholarship on a form supplied by the commission;
- (2) except as provided in subsection (b), have graduated from an Indiana nonaccredited nonpublic or **state** accredited high school **accredited under IC 20-31-4.1** and either:

(A) graduated in the highest twenty percent (20%) of students in the applicant's high school graduating class; or

(B) received a score in the top twentieth percentile on the SAT or ACT examination;

(3) have participated in school activities and community service activities during high school;

(4) have applied to and been accepted for enrollment in an accredited postsecondary educational institution approved by the commission under section 10 of this chapter;

(5) agree in writing to:

(A) obtain a license to teach under IC 20-28-5; and

(B) teach for at least five (5) consecutive years in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana after graduating with a baccalaureate degree from the accredited postsecondary

educational institution described in subdivision (4); and

(6) meet any other criteria established by the commission.

(b) A student who graduates from a nonaccredited nonpublic school must meet the requirement described in subsection (a)(2)(B) in order to meet the eligibility requirement described in subsection (a)(2).

SECTION 102. IC 21-13-2-1, AS AMENDED BY P.L.148-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The William A. Crawford minority teacher scholarship fund is established:

- (1) to encourage and promote qualified minority individuals to pursue a career in teaching in **state** accredited schools **accredited under IC 20-31-4.1** in Indiana;
- (2) to enhance the number of individuals who may serve as role models for the minority students in Indiana; and
- (3) to rectify the shortage of minority teachers teaching in **state** accredited schools **accredited under IC 20-31-4.1** in Indiana.

SECTION 103. IC 21-13-2-4, AS AMENDED BY P.L.205-2013, SECTION 318, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. An individual qualifies for an initial scholarship from the fund if the individual:

- (1) is a minority student;
- (2) is admitted to an eligible institution as a full-time student or already attends an eligible institution as a full-time student;
- (3) either:
 - (A) intends to pursue; or
 - (B) in the case of a student who is already attending an eligible institution, pursues;

a course of study that would enable the student, upon graduation, to teach in ~~an~~ **a state** accredited school **accredited under IC 20-31-4.1** in Indiana;

- (4) agrees, in writing, to apply for a teaching position in ~~an~~ **a state** accredited school **accredited under IC 20-31-4.1** in Indiana following that student's certification as a teacher, and, if hired, to teach for at least three (3) years; and
- (5) meets any other minimum criteria established by the commission.

SECTION 104. IC 21-13-7-1, AS AMENDED BY P.L.148-2016, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. An individual may apply for a stipend under this chapter if the individual:

- (1) is a student who is enrolled in a course of study at an eligible institution that would enable the student, upon graduation, to teach in ~~an~~ **a state** accredited school **accredited under IC 20-31-4.1** in Indiana in:
 - (A) special education; or
 - (B) a high-need field;
- (2) will participate in student teaching as part of the student's degree requirements;
- (3) has earned a cumulative grade point average upon entering student teaching that:
 - (A) is required by an eligible institution for admission to the eligible institution's school of education; or
 - (B) is at least a 2.0 on a 4.0 grading

scale or its equivalent as determined by the eligible institution, if the eligible institution's school of education does not require a certain minimum cumulative grade point average;

- (4) agrees, in writing, to apply for a teaching position at an accredited school in Indiana following the student's certification as a teacher, and, if hired, to teach for at least three (3) years; and
- (5) meets any other minimum criteria established by the commission.

SECTION 105. IC 21-13-8-1, AS AMENDED BY P.L.159-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The Earline S. Rogers student teaching stipend for minority students is established.

(b) An individual may apply for a stipend under this chapter if the individual:

- (1) is a minority student enrolled in an eligible institution;
- (2) will participate in:
 - (A) student teaching as part of the student's degree requirements; or
 - (B) a school administration internship as part of the student's graduate degree program;
- (3) has earned a cumulative grade point average:

(A) upon entering student teaching that:

- (i) is required by an eligible institution for admission to the eligible institution's school of education; or
- (ii) is at least a 2.0 on a 4.0 grading scale or its equivalent as determined by the eligible institution, if the eligible institution's school of education does not require a certain minimum cumulative grade point average; or
- (B) upon beginning a school administration internship that is at least 3.0 on a 4.0 scale, or its equivalent as determined by the eligible institution;

- (4) agrees, in writing, in the case of an individual entering student teaching, to apply for a teaching position at ~~an~~ **a state** accredited school **accredited under IC 20-31-4.1** in Indiana following the student's certification as a teacher, and, if hired, to teach for at least three (3) years; and
- (5) meets any other minimum criteria established by the commission.

SECTION 106. IC 21-18-12-1, AS ADDED BY P.L.111-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The Indiana e-transcript program is created to allow students at all **state** accredited high schools **accredited under IC 20-31-4.1** located in Indiana to request that the student's school transcripts be transmitted electronically to state educational institutions, participating Indiana not-for-profit or privately endowed institutions, and participating Indiana institutions authorized by the board for proprietary education established by IC 21-18.5-5-1.

(b) The commission shall administer the program.

(c) Beginning July 1, 2013, the department of education established by IC 20-19-3-1, in collaboration with the state educational institutions and the commission, shall develop a common electronic transcript, using common data fields and formats that are required by state educational institutions.

(d) Not later than July 1, 2015, all public secondary schools shall use the common electronic transcript developed by the department of education.

(e) The governing body of ~~an~~ **a state** accredited nonpublic secondary school may elect to use the common electronic transcript developed by the department of education.

SECTION 107. IC 22-4.1-25-1.5, AS ADDED BY P.L.191-2018, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.5. As used in this chapter, "school" includes a public school, a charter school, ~~an~~ **a state** accredited nonpublic school (as defined in IC 20-18-2-18.7), and a nonaccredited nonpublic school.

SECTION 108. IC 34-30-14-7, AS AMENDED BY P.L.146-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. A teacher:

- (1) who meets the ~~requirement of IC 20-28-5-3(c);~~ **training or certification requirements prescribed by the state board under IC 20-28-5.5-1(b);** and
- (2) who:

- (A) performs cardiopulmonary resuscitation on;
- (B) performs the Heimlich maneuver on;
- (C) removes a foreign body that is obstructing an airway of; or
- (D) uses an automated external defibrillator on;

another person, in the course of employment as a teacher;

is not liable in a civil action for damages resulting from an act or omission occurring during the provision of emergency assistance under this section, unless the act or omission constitutes gross negligence or willful and wanton misconduct.

SECTION 109. IC 34-31-10-6, AS ADDED BY P.L.220-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter, "school" means **a**:

- (1) ~~a~~ **a** public school (as defined in IC 20-18-2-15); or
- (2) ~~an~~ **a state** accredited nonpublic school (as defined in ~~IC 20-18-2-12~~; **IC 20-18-2-18.7**).

SECTION 110. [EFFECTIVE UPON PASSAGE] (a) **Notwithstanding the repeal of IC 20-31-4 by this act, 511 IAC 6.1 shall remain in effect until the earlier of:**

- (1) **the date that administrative rules are adopted under IC 20-31-4.1-10, as added by this act; or**
- (2) **July 1, 2021.**

(b) This SECTION expires December 31, 2021.

SECTION 111. **An emergency is declared for this act.**

(Reference is to EHB 1003 as reprinted March 3, 2020.)

JORDAN	RAATZ
V. SMITH	KRUSE
House Conferees	Senate Conferees

Roll Call 380: yeas 95, nays 0. Report adopted.

Representatives Morris, who had been present, is now excused.

CONFERENCE COMMITTEE REPORT
EHB 1045-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed

Senate Amendments to Engrossed House Bill 1045 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 1-1-14.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 14.5. Honor and Remember Flag

Sec. 1. As used in this chapter, "Honor and Remember flag" means the Honor and Remember, Inc., flag.

Sec. 2. The Honor and Remember flag is designated as the symbol of our state's concern and commitment to honor and remember the lives of all members of the United States armed forces who lost their lives while serving or as a result of service in the armed forces of the United States and their families.

Sec. 3. The symbolism of the Honor and Remember flag is as follows:

- (1) The red field represents the blood spilled by brave men and women in America's military throughout our history, who willingly gave their lives so that we all would remain free.
- (2) The white border beneath and surrounding the gold star recognizes the purity of that sacrifice. There is no greater price an American can pay than to give his or her life in service to our country.
- (3) The blue star represents active service in military conflict. This symbol originated in World War I, but on this flag it signifies service through all generations from the American Revolution to present day.
- (4) The gold star signifies the ultimate sacrifice as a warrior in active service who will not return home. The gold color reflects the value of the life given.
- (5) The folded flag signifies the final tribute to an individual life that a family sacrificed and gave to the nation.
- (6) The flame is an eternal reminder of the spirit that has departed this life yet burns on in the memory of all who knew and loved the fallen hero.

Sec. 4. The Honor and Remember flag may be displayed at:

- (1) each state office building;
- (2) the Indiana state veterans' cemetery established by IC 10-17-11-4; and
- (3) each veterans cemetery managed by the Indiana department of veterans' affairs;

and at all levels of government during the entire month of May annually.

Sec. 5. The Honor and Remember flag may be displayed at any of the entities listed in section 4 of this chapter at any time.

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

(Reference is to EHB 1045 as printed February 28, 2020.)

ABBOTT	GLICK
MACER	MRVAN
House Conferees	Senate Conferees

Roll Call 381: yeas 94, nays 0. Report adopted.

Representatives Bartlett and Shackelford, who had been present, are now excused.

Representative Morris, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
EHB 1066-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1066 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 20-19-3-20 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 20. The department shall publish the following information on the department's Internet web site:**

- (1) The information reported under IC 20-29-3-15(b)(20) in the most recent report prepared under IC 20-29-3-15.
- (2) The number of emergency permits granted by each school corporation, categorized by content area, during the school year or collective bargaining period covered by the most recent report prepared under IC 20-29-3-15.
- (3) The total number of teaching candidates who:
 - (A) are currently enrolled in a teacher preparation program; or
 - (B) have recently completed a teacher preparation program.
- (4) The increase or decrease in kindergarten through grade 12 student enrollments.
- (5) The total number of teachers in Indiana.
- (6) The teacher workforce growth.
- (7) The administrator workforce growth.
- (8) For each school corporation, the number of vacant teaching positions by:
 - (A) grade;
 - (B) subject; and
 - (C) required credential;

with critical shortage areas, as determined by unfilled vacancies, highlighted for each school corporation.

SECTION 2. IC 20-19-3-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 22. (a) As used in this section, "eligible school" has the meaning set forth in IC 20-51-1-4.7.**

(b) The department shall prepare a report that includes the following information from the 2019-2020 school year:

- (1) The following information for each school corporation, charter school, and eligible school for the fall semester or its equivalent:
 - (A) The number of students who:
 - (i) were included in the fall count of ADM for the school corporation, charter school, or eligible school; and
 - (ii) were not reported through the student testing number application center as having completed a course at the school corporation, charter school, or eligible school in the fall

semester.

(B) To the extent possible, the number of students described in clause (A) who completed a course in the fall semester at another school and the other school did not include the student in that other school's fall count of ADM.

(C) To the extent possible, the number of students described in clause (A) who:

(i) are not students described in clause (B); and

(ii) were not reported as completing a course at the school corporation, charter school, or eligible school in the fall semester for known reasons, including moving out of state, withdrawing from school, or removal by a parent under IC 20-33-2-28 to provide instruction equivalent to that given in the public schools.

(2) The following information for each school corporation, charter school, and eligible school for the spring semester or its equivalent:

(A) The number of students who:

(i) were included in the spring count of ADM for the school corporation, charter school, or eligible school; and

(ii) were not reported through the student testing number application center as having completed a course at the school corporation, charter school, or eligible school in the spring semester.

(B) To the extent possible, the number of students described in clause (A) who completed a course in the spring semester at another school and the other school did not include the student in the school's spring count of ADM.

(C) To the extent possible, the number of students described in clause (A) who:

(i) are not students described in clause (B); and

(ii) were not reported as completing a course at the school corporation, charter school, or eligible school in the spring semester for known reasons, including moving out of state, completing graduation requirements between the September ADM and February ADM count dates, withdrawing from school, or removal by parents under IC 20-33-2-28 to provide instruction equivalent to that given in the public schools.

(3) The following information:

(A) The number of student

testing numbers assigned for each school.

(B) The number of students for each grade who participated in the most recent statewide assessment, divided by the number of students enrolled in the same grade at that particular school who are not exempted from participation in the statewide assessment because of an individualized education plan or other special education plan.

(C) The number of students who initially enroll in a school during the current school year, and the number of students who initially enrolled in the school during the immediately preceding school year.

(D) The number of students enrolled in a school that are twenty (20) years of age or older who initially enrolled in the school after the particular student's cohort graduated.

(c) The department shall, not later than December 1, 2020:

(1) submit the report prepared under subsection (b) to the legislative council in an electronic format under IC 5-14-6;

(2) post the report on the department's Internet web site; and

(3) provide notice of the posting and a link to the report's location on the department's Internet web site to each:

(A) school and the governing body of each school corporation;

(B) charter school and the organizer and authorizer of the charter school; and

(C) eligible school and the person or agency in active charge and management of the eligible school.

(d) This section expires July 1, 2021.

SECTION 3. IC 20-23-4-21.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21.5. (a) This section applies to a proposed community school corporation reorganization approved by the:

(1) state board; and

(2) registered voters in the proposed community school corporation in an election held before July 1, 2020.

(b) A teacher who:

(1) is employed in a school corporation subject to this chapter;

(2) loses his or her job in the school corporation because of a reorganization under this chapter; and

(3) has received a rating of effective or highly effective on his or her most recent performance evaluation;

shall receive an employment preference over other candidates for the same vacant teaching position, for a period of not more than one (1) year after the teacher loses his or her job under subdivision (2), at the community school corporation created by a reorganization under this chapter. In order to qualify for a hiring preference for a vacant teaching position under this section, the teacher must

meet the licensing or credential requirements necessary for the teacher to teach the particular grade or subject matter for that particular teaching position.

(c) This section expires July 1, 2023.

SECTION 4. IC 20-23-4-21.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21.6. (a) This section applies to a proposed community school corporation reorganization approved by the:

(1) state board; and

(2) registered voters in the proposed community school corporation in an election held before July 1, 2020.

(b) A teacher who:

(1) is employed in a school corporation subject to this chapter;

(2) loses his or her job in the school corporation because of a reorganization under this chapter; and

(3) not later than one (1) year after the teacher loses his or her job as described in subdivision (2), is subsequently employed by a community school corporation created by a reorganization under this chapter;

retains the rights and privileges under IC 20-28-6 through IC 20-28-10 that the teacher held at the time the teacher lost his or her job in the original school corporation.

(c) This section expires July 1, 2023.

SECTION 5. IC 20-25-4-20, AS ADDED BY P.L.1-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 20. (a) The general school laws of Indiana and all laws and parts of laws applicable to the general system of common schools in school cities, so far as not inconsistent with this chapter and other provisions of this article, and unless made inapplicable by this article, are in full force and effect in a school city to which this chapter applies.

(b) Notwithstanding IC 20-25-13, staff performance evaluation plans in a school city shall be developed and implemented as provided in IC 20-28-11.5-4.

SECTION 6. IC 20-25.7-5-5, AS AMENDED BY P.L.130-2018, SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) IC 20-24-5-5 (with the exception of IC 20-24-5-5(f)) 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; and

(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).

(f) (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 7. IC 20-26-11-6.5, AS AMENDED BY P.L.241-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6.5. (a) Notwithstanding this chapter, a school corporation shall accept a transferring student who does not have legal settlement in the school corporation ~~and who has a parent who is a current employee of the transferee school corporation:~~

~~(1) with an annual salary of at least eight thousand dollars (\$8,000); and~~

~~(2) who resides in Indiana;~~

~~if the transferee school corporation has the capacity to accept the student. if:~~

~~(1) the student's parent is a current employee of the transferee school corporation with an annual salary of at least:~~

~~(A) eight thousand dollars (\$8,000); or~~

~~(B) three thousand dollars (\$3,000) earned due to being included as an employee in the extracurricular portion of the transferee school corporation's current collective bargaining agreement;~~

~~(2) the student's parent currently resides in Indiana; and~~

~~(3) the transferee school corporation has the capacity to accept the student.~~

(b) If the number of students who request to transfer to a transferee school corporation under this section causes the school corporation to exceed the school corporation's maximum student capacity, the governing body shall determine which students will be admitted as transfer students by random drawing in a public meeting. However, the governing body of a school corporation located in a county with a consolidated city shall determine which students will be admitted by using a publicly verifiable random selection process.

(c) Notwithstanding this chapter and IC 20-43, if a school corporation has adopted a policy of not accepting the transfer of any student who does not have legal settlement within the school corporation, the school corporation may not enroll and may not report for purposes of state tuition support a student under this section whose parent does not meet the requirements described in subsection (a).

SECTION 8. IC 20-26-11-31, AS AMENDED BY P.L.251-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 31. (a) This

section applies to a school corporation **and to a charter school** that enrolls a student who has legal settlement in another school corporation for the purpose of the student receiving services from an accredited nonpublic alternative high school described in IC 20-19-2-10(e).

(b) A school corporation **or a charter school** is entitled to receive state tuition support for a student described in subsection (a) in an amount equal to:

- (1) the amount received by the school corporation **or charter school** in which the student is enrolled for ADM purposes; or
- (2) the amount received by the school corporation in which the student has legal settlement;

whichever is greater.

SECTION 9. IC 20-27-9-2, AS AMENDED BY P.L.144-2019, SECTION 13, AND AS AMENDED BY P.L.270-2019, SECTION 20, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. The governing body of a school corporation may allow, by written authorization, the use of a school bus or a special purpose bus for the transportation of adults at least sixty-five (65) years of age or *adults with developmental or physical disabilities.* ~~disabled adults.~~

SECTION 10. IC 20-27-9-5, AS AMENDED BY P.L.144-2019, SECTION 14, AND AS AMENDED BY P.L.270-2019, SECTION 21, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) A special purpose bus may be used:

- (1) by a school corporation to provide regular transportation of a student between one (1) school and another school but not between the student's residence and the school;
- (2) to transport students and their supervisors, including coaches, managers, and sponsors to athletic or other extracurricular school activities and field trips;
- (3) by a school corporation to provide transportation between an individual's residence and the school for an individual enrolled in a special program for the habilitation or rehabilitation of persons with a developmental or physical disability, and, if applicable, the individual's sibling;
- (4) to transport homeless students under IC 20-27-12; ~~and~~
- (5) *by a school corporation to provide regular transportation of an individual described in section 4 or 7 of this chapter between the individual's residence and the school; and*
- ~~(5) to transport adults under section 2 of this chapter.~~

(6) to transport students to career and technical education programs under IC 20-27-12.1.

(b) The mileage limitation of section 3 of this chapter does not apply to special purpose buses.

(c) The operator of a special purpose bus must be at least twenty-one (21) years of age, be authorized by the school corporation, and meet the following requirements:

- (1) *Except as provided in subdivision (2)(B) and in addition to the license required under this subdivision,* if the special purpose bus has a capacity of less than sixteen (16) passengers, the operator must hold a valid:
 - (A) operator's;
 - (B) chauffeur's;
 - (C) public passenger chauffeur's; or
 - (D) commercial driver's;

license.

(2) If the special purpose bus:

- (A) has a capacity of more than fifteen (15) passengers; or
- (B) *is used to provide transportation to an individual described in subsection (a)(3) or (a)(5);*

the operator must meet the requirements for a school bus driver set out in IC 20-27-8.

(d) A special purpose bus is not required to be constructed, equipped, or painted as specified for school buses under this article or by the rules of the committee.

(e) An owner or operator of a special purpose bus, other than a special purpose bus owned or operated by a school corporation or a nonpublic school, is subject to IC 8-2-1.

SECTION 11. IC 20-27-12.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 12.1. Transportation of Students for Career and Technical Education Training

Sec. 1. As used in this chapter, "appropriate vehicle" has the meaning set forth in IC 20-27-12-0.1.

Sec. 2. As used in this chapter, "career and technical education" has the meaning set forth in IC 20-20-38-1.

Sec. 3. (a) A school corporation may use the following types of vehicles in transporting a student to and from a career and technical education program:

- (1) If more than seven (7) students are being transported to or from a career and technical education program, a special purpose bus must be used to transport the students.**
- (2) If seven (7) or fewer students are being transported to or from a career and technical education program, an appropriate vehicle may be used to transport the students.**

(b) The driver of a vehicle used to transport students to or from career and technical education programs under subsection (a) must meet the qualifications set forth in IC 20-27-9-5(c).

SECTION 12. IC 20-28-8-6, AS AMENDED BY P.L.208-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) A contract entered into by a governing body and its superintendent is subject to the following conditions:

- (1) If the superintendent holds a license under IC 20-28-5, the basic contract must be in the form of the regular teacher's contract.
- (2) The contract may be altered or rescinded for a new one at any time by mutual consent of the governing body and the superintendent. The consent of both parties must be in writing and must be expressed in a manner consistent with this section and section 7 of this chapter.
- (3) If the superintendent holds a license under IC 20-28-5, the rights of a superintendent as a teacher under any other law are not affected by the contract. However, if a right of a superintendent as a teacher under any other law conflicts with the conditions under subsection (b), subsection (b) governs.
- (4) For a contract entered into or renewed after June 30, 2017, the conditions set forth under subsection (b).

(b) This subsection applies to contracts entered into or renewed after June 30, 2017. A contract entered into by a governing body and its superintendent is subject to the following conditions:

- (1) The contract must be for a term of at least

one (1) year and not more than three (3) years. However, a contract may be extended for not more than an additional five (5) years beyond the term of the original contract.

(2) If the contract contains a provision that establishes an amount the governing body must pay to the superintendent to buy out the contract, the amount may not be more than an amount equal to the lesser of:

- (A) the superintendent's salary for any one (1) year under the contract; or
- (B) two hundred fifty thousand dollars (\$250,000).

A superintendent's salary under clause (A) does not include benefits or any other forms of compensation that the superintendent receives as payment under the contract other than the superintendent's salary.

(c) This subsection applies to a governing body in which at least one (1) member is elected. After June 30, 2021, a governing body may not enter into a contract with a superintendent under this section on or after the date of the election for one (1) or more members of the governing body until January 1 of the year immediately following the year of the election. However, this subsection does not apply if the membership of the governing body does not change as a result of the particular election.

SECTION 13. IC 20-29-3-15, AS ADDED BY P.L.161-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 15. (a) The board shall prepare an annual report covering the previous school year or collective bargaining period that includes at least the information described in subsection (b). Before November 15 each year, the board shall:

- (1) submit the report to the budget committee, department of education, state board, and legislative council in an electronic format under IC 5-14-6; and
- (2) publish the report on the state's interactive and searchable Internet web site containing local government information (the Indiana gateway for governmental units).

(b) The report must cover at least the following information:

- (1) The total number of full-time public school teachers and the number of nonteaching full-time district level administrators.
- (2) The average tenure of all full-time public school teachers.
- (3) The number of first-year, full-time teachers hired during the previous calendar year.
- (4) The number of full-time teachers who retired during the interval between the immediately preceding collective bargaining period and the previous calendar year's collective bargaining period.
- (5) The overall average salary of nonteaching full-time district level administrators.
- (6) The overall average salary of full-time public school teachers.
- (7) The statewide average total compensation of full-time public school teachers, the statewide average daily teacher salary rate, and the statewide average annual teacher contract days.
- (8) The statewide average total compensation of full-time public school administrators, the statewide average daily nonteaching, full-time, district level administrator salary rate, and the statewide average annual administrator contract days.

(9) The average salary and total compensation of full-time public school teachers for each school corporation.

(10) The average salary and total compensation of nonteaching, full-time district level administrators, including separately the superintendent, for each school corporation.

(11) The minimum full-time public school teacher salary.

(12) The maximum full-time public school teacher salary.

(13) The minimum nonteaching full-time district level administrative salary.

(14) The maximum nonteaching full-time district level administrative salary.

(15) The number of full-time public school teachers earning a salary under the statewide average.

(16) The number of full-time public school teachers earning a salary in excess of the statewide average.

(17) For each school corporation, the average salary paid to full-time public school teachers in each of the following tenure benchmarks:

- (A) First year.
- (B) Fifth year.
- (C) Tenth year.
- (D) Fifteenth year.
- (E) Twentieth year.
- (F) Twenty-fifth year.
- (G) Thirty (30) or more years of service.

(18) For each school corporation, the nominal dollar figures for subdivisions (5), (6), (11), (12), (13), (14), and (17) in nationally recognized, open-source, state-specific cost of living index-adjusted dollars to compare to the figures described in subdivision (19).

(19) Comparative data on overall full-time public school teacher salary averages and by each of the tenure benchmarks listed in subdivision (17) in both nominal dollars and nationally recognized, open-source, state-specific cost of living index-adjusted dollars for each of the following states:

- (A) Illinois.
- (B) Kentucky.
- (C) Michigan.
- (D) Ohio.
- (E) Wisconsin.

(20) The total number of full-time teachers retained from the previous year.

(21) The total number of newly hired teachers with previous work experience in teaching.

(22) The total number of teaching candidates who:

- (A) are currently enrolled in a teacher preparation program; or
- (B) have recently completed a teacher preparation program.

(23) The increase or decrease in kindergarten through grade 12 student enrollments.

(24) The total number of teachers in Indiana.

(25) The teacher workforce growth.

(26) The administrator workforce growth.

(27) For each school corporation, the number of vacant teaching positions by:

- (A) grade;**
- (B) subject; and**
- (C) required credential;**

with critical shortage areas, as determined by unfilled vacancies, highlighted for each school corporation.

As used in this subsection, total compensation includes the monetary value of salary, wages, bonuses, stipends, supplemental payments, commissions, employment benefits, and any other form of remuneration paid for personal services.

(c) The board may require schools to submit any school corporation specific information needed to complete the report. Parties to a collective bargaining agreement shall comply with the board's requests for information necessary to complete the report.

SECTION 14. IC 20-30-3-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 5. (a) Subject to subsection (b), each school corporation and charter school may place a durable poster or framed picture representing:**

(1) the national motto of the United States, "In God We Trust"; and

(2) an accurate representation of the:

(A) United States flag; and

(B) Indiana state flag;

which may be positioned under the national motto described in subdivision (1);

in each school library and classroom within the school corporation or charter school.

(b) The durable poster or framed picture described in subsection (a) may be at least eleven (11) inches in height by seventeen (17) inches in width. The dimensions of the national motto described in subsection (a)(1) may be at least four (4) inches in height by fifteen (15) inches in width and include print large enough to fill the dimensions established by this subdivision.

(c) If a school corporation or charter school places a poster or framed picture under subsection (a), the representation of the United States flag and the Indiana state flag as described in subsection (a)(2) must comply with any applicable federal or state laws concerning the design, dimensions, or presentation of the respective flags.

SECTION 15. IC 20-30-6.1-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 3. A school corporation, charter school, or nonpublic school with at least one (1) employee may provide a presentation or instruction to students explaining aspects of autism, including behaviors that students with autism may exhibit as well as student interaction with students with autism.**

SECTION 16. IC 20-32-5.1-17, AS AMENDED BY P.L.269-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 17. (a) The state board shall approve two (2) or more benchmark, formative, interim, or similar assessments to identify students that require remediation and provide individualized instruction in which a school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) may receive a grant under subsection (c). The benchmark, formative, interim, or similar assessments must show alignment, verified by a third party, to Indiana's academic standards. The majority of the assessment reporting must indicate the degree to which students are on track for grade level proficiency and college and career readiness.** Approved assessments must also provide predictive study results for student performance on the statewide assessment under section 7 of this chapter, not later than two (2) years after the summative assessment has been first administered.

(b) A school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) may elect to administer a benchmark, formative, interim, or similar assessment described in subsection (a). If a school corporation, charter school, state accredited nonpublic

school, or eligible school (as defined in IC 20-51-1-4.7) administers an assessment described in subsection (a), the school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) may prescribe the time and the manner in which the assessment is administered.

(c) If a school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) elects to administer a benchmark, formative, interim, or similar assessment described in subsection (a), the school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) is entitled to receive a grant or reimbursement from the department in an amount not to exceed the cost of the assessment. The department shall provide grants and reimbursements to a school corporation, charter school, state accredited nonpublic school, or eligible school (as defined in IC 20-51-1-4.7) under this section from money appropriated to the department for the purpose of carrying out this section.

(d) The state board and the department may not contract with, approve, or endorse the use of a single vendor to provide benchmark, formative, interim, or similar assessments for any grade level or levels of kindergarten through grade 7.

SECTION 17. IC 20-33-2-10, AS AMENDED BY P.L.144-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 10. (a) Each public school shall and each private school may require a student who initially enrolls in the school to provide:**

(1) the name and address of the school the student last attended; and

(2) a certified copy of the student's birth certificate or other reliable proof of the student's date of birth.

(b) Each public school, charter school, and nonpublic school with at least one (1) employee shall provide upon request of another school a copy of a particular student's disciplinary records that are relevant to the safety of students, if the particular student currently attends the requesting school and is currently enrolled in the requesting school.

~~(b)~~ **(c) Not more than fourteen (14) days after initial enrollment in a school, the school shall request the student's records from the school the student last attended.**

~~(c)~~ **(d) If the document described in subsection (a)(2):**

(1) is not provided to the school not more than thirty (30) days after the student's enrollment; or

(2) appears to be inaccurate or fraudulent;

the school shall notify the Indiana clearinghouse for information on missing children and missing endangered adults established under IC 10-13-5-5 and determine if the student has been reported missing.

~~(d)~~ **(e) A school in Indiana receiving a request for records shall send the records promptly to the requesting school. However, if a request is received for records to which a notice has been attached under IC 31-36-1-5 (or IC 31-6-13-6 before its repeal), the school:**

(1) shall immediately notify the Indiana clearinghouse for information on missing children and missing endangered adults;

(2) may not send the school records without the authorization of the clearinghouse; and

(3) may not inform the requesting school that a notice under IC 31-36-1-5 (or IC 31-6-13-6 before its repeal) has been attached to the records.

~~(e)~~ **(f) Notwithstanding subsection ~~(d)~~; (e), if a parent of a child who has enrolled in an accredited nonpublic school is in breach of a contract that conditions release of student records on the payment of outstanding tuition and other fees, the accredited nonpublic school shall provide a requesting school**

sufficient verbal information to permit the requesting school to make an appropriate placement decision regarding the child. **However, the accredited nonpublic school must provide the information described in subsection (b) to the requesting school.**

SECTION 18. IC 20-33-8-18, AS AMENDED BY P.L.94-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 18. (a) A principal may suspend a student for not more than ten (10) school days under section 14, 15, or 16 of this chapter. However, the student may be suspended for more than ten (10) school days under section 23 of this chapter.

(b) A principal may not suspend a student before the principal affords the student an opportunity for a meeting during which the student is entitled to the following:

- (1) A written or an oral statement of the charges against the student.
- (2) If the student denies the charges, a summary of the evidence against the student.
- (3) An opportunity for the student to explain the student's conduct.

(c) When misconduct requires immediate removal of a student, the meeting under subsection (b) must begin as soon as reasonably possible after the student's suspension.

(d) Following a suspension, the principal shall send a written statement to the parent of the suspended student describing the following:

- (1) The student's misconduct.
- (2) The action taken by the principal.

(e) If a student is suspended, the student is required to complete all assignments and school work assigned during the period of the student's suspension. The principal or the principal's designee shall ensure that the student receives:

- (1) notice of any assignments or school work due; ~~and~~
- (2) teacher contact information in the event the student has questions regarding the assignments or school work; **and**
- (3) **credit, in the same manner that a student who is not suspended would receive, for any assignments or school work assigned during the period of the student's suspension that the student completes.**

A student may be allowed to make up missed tests or quizzes when the student returns to school.

SECTION 19. IC 20-43-4-6, AS AMENDED BY P.L.169-2016, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) In determining ADM, each pupil enrolled in a public school, including a charter school, and a nonpublic school is to be counted on a full-time equivalency basis if the pupil:

- (1) is enrolled in a public school and a nonpublic school;
- (2) has legal settlement in a school corporation; and
- (3) receives instructional services from ~~the~~ a school corporation.

(b) For purposes of this section, full-time equivalency is calculated as follows:

STEP ONE: Determine the result of:
 (A) the number of days instructional services will be provided to the pupil, not to exceed one hundred eighty (180); divided by
 (B) one hundred eighty (180).

STEP TWO: Determine the result of:
 (A) the pupil's public school instructional time (as defined in IC 20-30-2-1); divided by

(B) the actual public school regular instructional day (as defined in IC 20-30-2-2).

STEP THREE: Determine the result of:
 (A) the STEP ONE result; multiplied by
 (B) the STEP TWO result.

STEP FOUR: Determine the lesser of one (1) or the result of:
 (A) the STEP THREE result; multiplied by
 (B) one and five hundredths (1.05).

However, the state board may, by rules adopted under IC 4-22-2, specify an equivalent formula if the state board determines that the equivalent formula would more accurately reflect the instructional services provided by a school corporation during a period that a particular ADM count is in effect for the school corporation.

SECTION 20. IC 35-31.5-2-144, AS AMENDED BY P.L.170-2014, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 144. (a) "Governmental entity" means:

- (1) the United States or any state, county, township, city, town, separate municipal corporation, special taxing district, or public school corporation;
- (2) any authority, board, bureau, commission, committee, department, division, hospital, military body, or other instrumentality of any of those entities; or
- (3) a state assisted college or state assisted university.

(b) For purposes of IC 35-33-5, "governmental entity" also includes a person authorized to act on behalf of a state or local agency.

(c) For purposes of IC 35-44.1, "governmental entity" also includes a charter school (as defined in IC 20-24-1-4) and an organizer (as defined in IC 20-24-1-7).

SECTION 21. [EFFECTIVE UPON PASSAGE] (a) The provisions of SEA 2-2020 apply to an adult high school (as defined under IC 20-24-1-2.3).

(c) This SECTION expires July 1, 2023.

SECTION 22. [EFFECTIVE JULY 1, 2020] (a) The following definitions apply throughout this SECTION:

- (1) "Utility career cluster" means a list:
 - (A) compiled for purposes of college and career pathways relating to career and technical education under IC 20-32-4-1.5(g); and
 - (B) setting forth industries or occupational fields that:
 - (i) are related to the provision of utility services; and
 - (ii) share similar knowledge and skill training requirements.
- (2) "Utility services" includes:
 - (A) production, transmission, or distribution of electricity;
 - (B) acquisition, transportation, distribution, or storage of natural gas;
 - (C) provision of communications service (as defined in IC 8-1-32.5-3);
 - (D) treatment, storage, or distribution of water; and
 - (E) collection or treatment of wastewater.

- (b) The general assembly finds the following:
- (1) Careers in utility services provide rewarding, highly stable employment in jobs that offer high wages and benefits.
 - (2) The number of individuals entering the utility services workforce is insufficient to keep pace with industry demand.
 - (3) Current Indiana college and career pathways relating to career and technical education are not presently aligned to guide students toward and into careers in utility services and meet utility services industry demand.

- (c) The general assembly:
- (1) urges the state board of education to approve a utility career cluster for purposes of developing sequences of courses leading to student concentrators in industries or occupational fields related to the provision of utility services under IC 20-32-4-1.5(g);
 - (2) urges the governor's workforce cabinet, in consultation with the state board of education, the department of education, and the department of workforce development:

- (A) to create one (1) or more course sequences:
 - (i) each of which is comprised of courses approved by the state board of education for purposes of college and career pathways relating to career and technical education under IC 20-32-4-1.5(g); and
 - (ii) each of which provides students with knowledge and skills necessary for employment in an industry or occupational field in the utility career cluster; and
- (B) in creating course sequences under clause (A):
 - (i) to consider the impact of course sequences on the long term outcomes of students; and
 - (ii) to prioritize course sequences that lead to high wage, high demand jobs; and

- (3) urges the governor's workforce cabinet to:

- (A) collect data regarding career clusters approved under subdivision (1) and course sequences created under subdivision (2) to inform decision making around approving, creating, and amending current and future career clusters and course sequence requirements; and
- (B) report to the general assembly regarding data collected under clause (A).

(d) This SECTION expires July 1, 2021.
 SECTION 23. An emergency is declared for this act.
 (Reference is to EHB 1066 as reprinted March 3, 2020.)
 THOMPSON RAATZ
 V. SMITH STOOPS
 House Conferees Senate Conferees

Roll Call 382: yeas 93, nays 0. Report adopted.

Representatives Karickhoff and Morrison, who had been present, are now excused.

Representative Bartlett and Shackelford, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT
EHB 1113-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1113 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-1-18-6, AS AMENDED BY P.L.137-2012, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. A political subdivision that issues bonds or enters into a lease after December 31, 2005, shall supply the department with a debt issuance report not later than:

- (1) one (1) month after the date on which the bonds are issued or the lease is executed, **if the bonds are issued or the lease is executed before October 1; or**
- (2) **five (5) business days after the date on which the bonds are issued or the lease is executed, if the bonds are issued or the lease is executed after September 30.**

SECTION 2. IC 5-1.2-4.5-2, AS ADDED BY P.L.108-2019, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MAY 1, 2020]: Sec. 2. (a) This section applies to:

- (1) a public-private agreement to which the authority is a party under IC 8-15.5 and that is originally entered into after May 1, 2019; and
- (2) **any other agreement to which the authority or the state is a party under any provision of the Indiana Code, other than IC 8-15.5, that would increase revenue as the result of the sale or lease of a state asset, or a grant of a license to operate a state asset, and that is entered into after May 1, 2020.**

(b) If:

- (1) an extension or an amendment to a public-private agreement **described in subsection (a)(1)** would increase the amount to be:

- (+) (A) paid by the authority to the operator, another private entity, or a governmental entity by at least one hundred million dollars (\$100,000,000); or
- (-) (B) received by the operator or a party related to the operator by at least one hundred million dollars (\$100,000,000); or

- (2) an agreement described in subsection (a)(2) would increase revenue by at least one hundred million dollars (\$100,000,000) as the result of the sale or lease of a state asset, or a grant of a license to operate a state asset;

the authority or the state shall submit the proposed extension or amendment to the public-private agreement **described in subdivision (1) or the proposed agreement described in subdivision (2)** to the budget committee established by

IC 4-12-1-3 for its review.

(c) The budget committee may request that the authority, or the department of transportation, or both, or the state, as applicable, appear at a public meeting of the budget committee concerning the proposed extension or amendment to the public-private agreement described in subsection (a)(1) or the proposed agreement described in subsection (a)(2). The authority or the state may not enter into any extension or amendment to the public-private agreement described in subsection (a)(1) or the proposed agreement described in subsection (a)(2) until after the budget committee has reviewed the proposed extension or amendment to the public-private agreement described in subsection (a)(1) or the proposed agreement described in subsection (a)(2).

SECTION 3. IC 6-1.1-2-8, AS ADDED BY P.L.220-2011, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) IC 6-1.1-1-3, as amended by P.L.6-1997, and all changes in tax rates, deductions, and limits on indebtedness made by P.L.6-1997 apply only to budget years and property taxes first due and payable after December 31, 2001.

(b) For the purpose of computing:

- (1) the assessed value maximum levy growth quotient under IC 6-1.1-18.5-2; and
- (2) any other value that requires the use of an assessed value from a date before March 1, 2001;

for a budgetary appropriation, state distribution, or property tax levy first due and payable after December 31, 2001, the assessed value from a date before March 1, 2001, must first be increased from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value before the computation is made.

(c) For the purpose of computing:

- (1) a tax rate under IC 6-1.1-19-1.5 (before its repeal); and
- (2) any other value that requires the use of a tax rate from a date before March 1, 2001;

for a budgetary appropriation, state distribution, or property tax levy first due and payable after December 31, 2001, a tax rate from a date before January 1, 2002, must first be reduced by dividing the tax rate by three (3) before the computation is made.

(d) The state board department of tax commissioners local government finance shall adjust the tax rates of all taxing units to eliminate the effects of changing assessed values from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value.

(e) If a maximum property tax rate that was enacted before 1997 is not amended by P.L.6-1997, the state board department of tax commissioners local government finance shall adjust the maximum tax rate to eliminate the effects of changing assessed values from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value.

(f) The state board of tax commissioners shall prepare the initial schedule of adjusted assessed values for all political subdivisions under IC 36-1-15, as added by P.L.6-1997, not later than July 1, 2001.

(g) It is the intent of the general assembly that all adjustments necessary to implement IC 6-1.1-1-3, as amended by P.L.6-1997, be made without raising the revenues available to governmental units more than would have occurred if P.L.6-1997 were not enacted. The state board department of tax commissioners local government finance shall provide fiscal officers in the taxing units, assessing officials, and members of the board of tax adjustment with instructions on how to implement this section.

(h) If a statute that imposes an assessed value limitation on the aggregate amount of bonds that a political subdivision may

issue that was enacted before 1997 is not amended by P.L.6-1997, the state board department of tax commissioners local government finance shall adjust the assessed value limitation to eliminate the effects of changing assessed values from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value.

(i) The state board department of tax commissioners local government finance shall, if necessary to protect owners of bonds payable in whole or in part from tax increment, adjust the base assessed value to neutralize the effect of changing assessed values under P.L.6-1997 from thirty-three and thirty-three hundredths percent (33.33%) of true tax value to one hundred percent (100%) of true tax value under the following statutes:

- (1) IC 6-1.1-39.
- (2) IC 8-22-3.5.
- (3) IC 36-7-14.
- (4) IC 36-7-14.5.
- (5) IC 36-7-15.1.
- (6) IC 36-7-30.

SECTION 4. IC 6-1.1-3-22, AS AMENDED BY P.L.245-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 22. (a) Except to the extent that it conflicts with a statute and subject to subsection (f), 50 IAC 4.2 (as in effect January 1, 2001), which was formerly incorporated by reference into this section, is reinstated as a rule.

(b) Tangible personal property within the scope of 50 IAC 4.2 (as in effect January 1, 2001) shall be assessed on the assessment dates in calendar years 2003 and thereafter in conformity with 50 IAC 4.2 (as in effect January 1, 2001).

(c) The publisher of the Indiana Administrative Code shall publish 50 IAC 4.2 (as in effect January 1, 2001) in the Indiana Administrative Code.

(d) 50 IAC 4.3 and any other rule to the extent that it conflicts with this section is void.

(e) A reference in 50 IAC 4.2 to a governmental entity that has been terminated or a statute that has been repealed or amended shall be treated as a reference to its successor.

(f) The department of local government finance may not amend or repeal the following (all as in effect January 1, 2001):

- (1) 50 IAC 4.2-4-3(f).
- (2) 50 IAC 4.2-4-7.
- (3) 50 IAC 4.2-4-9.
- (4) 50 IAC 4.2-5-7.
- (5) 50 IAC 4.2-5-13.
- (6) 50 IAC 4.2-6-1.
- (7) 50 IAC 4.2-6-2.
- (8) 50 IAC 4.2-8-9.

However, the department of local government finance may amend these rules to conform with statutory changes.

(g) Notwithstanding any other provision of this section, 50 IAC 4.2-4-6(c) is void effective July 1, 2015. The publisher of the Indiana Administrative Code and the Indiana Register shall remove this provision from the Indiana Administrative Code.

SECTION 5. IC 6-1.1-4-19.5, AS AMENDED BY P.L.257-2019, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 19.5. (a) The department of local government finance shall develop a standard contract or standard provisions for contracts to be used in securing professional appraising services.

(b) The standard contract or contract provisions must contain:

- (1) a fixed date by which the professional appraiser or appraisal firm shall have completed all responsibilities under the contract;
- (2) a penalty clause under which the amount to be paid for appraisal services is decreased for failure to complete specified services within the specified time;

- (3) a provision requiring the appraiser, or appraisal firm, to make periodic reports to the county assessor;
- (4) a provision stipulating the manner in which, and the time intervals at which, the periodic reports referred to in subdivision (3) of this subsection are to be made;
- (5) a precise stipulation of what service or services are to be provided and what class or classes of property are to be appraised;
- (6) a provision stipulating that the contractor will generate complete parcel characteristics and parcel assessment data in a manner and format acceptable to the legislative services agency and the department of local government finance;
- (7) a provision stipulating that the legislative services agency and the department of local government finance have unrestricted access to the contractor's work product under the contract; and
- (8) a provision stating that the contract is void and unenforceable if the appraiser is not certified by the department of local government finance on the date that the contract is executed or the department of local government finance subsequently revokes the professional appraiser's certification under IC 6-1.1-31.7-4 after the contract is executed.

The department of local government finance may devise other necessary provisions for the contracts in order to give effect to this chapter.

(c) In order to comply with the duties assigned to it by this section, the department of local government finance may develop:

- (1) one (1) or more model contracts;
- (2) one (1) contract with alternate provisions; or
- (3) any combination of subdivisions (1) and (2).

The department may approve special contract language in order to meet any unusual situations.

SECTION 6. IC 6-1.1-4-25, AS AMENDED BY P.L.273-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 25. (a) Each township assessor and each county assessor shall keep the assessor's reassessment data and records current by securing the necessary field data and by making changes in the assessed value of real property as changes occur in the use of the real property. The township or county assessor's records shall at all times show the assessed value of real property in accordance with this chapter. The township assessor shall ensure that the county assessor has full access to the assessment records maintained by the township assessor.

(b) The county assessor shall:

- (1) maintain an electronic data file of:
 - (A) the parcel characteristics and parcel assessments of all parcels; and
 - (B) the personal property return characteristics and assessments by return;

for each township in the county as of each assessment date;

- (2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:
 - (A) the legislative services agency; and
 - (B) the department of local government finance; and

- (3) before September 1 of each year, transmit

the data in the file with respect to the assessment date of that year to

- (A) the legislative services agency; and
- (B) the department of local government finance.

(c) The appropriate county officer, as designated by the county executive, shall:

- (1) maintain an electronic data file of the geographic information system characteristics of each parcel for each township in the county as of each assessment date;
- (2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by the office of technology; and
- (3) before September 1 of each year, transmit the data in the file with respect to the assessment date of that year to the geographic information office of the office of technology.

(d) An assessor under subsection (b) and an appropriate county officer under subsection (c) shall do the following:

- (1) Transmit the data in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.
- (2) Resubmit the data in the form and manner required under subsection (b) or (c) upon request of the legislative services agency, the department of local government finance, or the geographic information office of the office of technology, as applicable, if data previously submitted under subsection (b) or (c) does not comply with the requirements of subsection (b) or (c), as determined by the legislative services agency, the department of local government finance, or the geographic information office of the office of technology, as applicable.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 7. IC 6-1.1-4-42, AS ADDED BY P.L.182-2009(ss), SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 42. (a) This section applies to assessment dates after January 15, 2010.

(b) ~~As used in~~ **The following definitions apply throughout this section:**

(1) "Golf course" means an area of land ~~and yard improvements that are~~ predominately used to play the game of golf **and associated yard improvements**. A golf course consists of a series of holes, each consisting of a teeing area, fairway, rough and other hazards, and the green with the pin and cup.

(2) "Yard improvements" include a clubhouse, irrigation systems, a pro shop, a maintenance building, a driving range, a structure for food and beverage services, or other buildings associated with the operation of and included in the net operating income of a golf course.

(c) The true tax value of real property regularly used as a golf course is the valuation determined by applying the income capitalization appraisal approach. The income capitalization

approach used to determine the true tax value of a golf course must:

- (1) incorporate an applicable income capitalization method and appropriate capitalization rates that are developed and used in computations that lead to an indication of value commensurate with the risks for the subject property use;
- (2) provide for the uniform and equal assessment of golf courses; ~~of similar grade quality and play length;~~ and
- (3) exclude the value of personal property, intangible property, and income derived from personal or intangible property.

(d) For assessment dates after January 15, 2010, and before March 1, 2012, a township assessor (if any) or the county assessor shall gather and process information from the owner of a golf course to carry out this section in accordance with the rules adopted by the department of local government finance under IC 4-22-2.

(e) For assessment dates after February 28, 2012, the department of local government finance shall, by rules adopted under IC 4-22-2, establish uniform income capitalization ~~tables and rates annually and~~ procedures to be used for the assessment of golf courses. The department of local government finance may rely on ~~analysis conducted by a state educational institution to develop the income capitalization tables and procedures required under this section:~~ **recognized sources of industry capitalization rates.** Assessing officials shall use the ~~tables and~~ procedures adopted by the department of local government finance to assess, reassess, and annually adjust the assessed value of golf courses.

(f) The department of local government finance may prescribe procedures, forms, and due dates for the collection from the owners or operators of golf courses of the necessary earnings, income, profits, losses, and expenditures data necessary to carry out this section. An owner or operator of a golf course shall comply with the procedures and reporting schedules prescribed by the department of local government finance.

(g) On or before December 31 of each year, assessing officials shall solicit, and the owners or operators of a golf course shall provide to the assessing officials, data for the gross income and allowable operating expenses for the three (3) years immediately preceding the year in which the solicitation and submission of data is being made. Assessing officials may use federal tax returns or other similar evidence as verification that the submissions are correct.

(h) For each assessment date, assessing officials shall examine and evaluate the three (3) consecutive years of financial records and federal tax returns that are submitted under subsection (g) in the year immediately preceding the year of the assessment date to obtain the average net operating income. The three (3) year average should include the most current completed financial records and filed federal tax returns of the golf course as of the assessment date to ensure that the appropriate income and expense information for the subject property is used.

(i) All income and expense information provided to the assessing official under this section is confidential under IC 6-1.1-35-9.

SECTION 8. IC 6-1.1-5.5-3, AS AMENDED BY P.L.111-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) For purposes of this section, "party" includes:

- (1) a seller of property that is exempt under the seller's ownership; or
- (2) a purchaser of property that is exempt under the purchaser's ownership;

from property taxes under IC 6-1.1-10.

(b) Subject to subsections (g) and (h), before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must do the following:

- (1) Complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form. For conveyance transactions involving more than two (2) parties, one (1) transferor and one (1) transferee signing the sales disclosure form is sufficient.

(2) Before filing a sales disclosure form with the county auditor, submit the sales disclosure form to the county assessor. The county assessor must review the accuracy and completeness of each sales disclosure form submitted immediately upon receipt of the form and, if the form is accurate and complete, stamp or otherwise approve the form as eligible for filing with the county auditor and return the form to the appropriate party for filing with the county auditor. If multiple forms are filed in a short period, the county assessor shall process the forms as quickly as possible. For purposes of this subdivision, a sales disclosure form is considered to be accurate and complete if:

- (A) the county assessor does not have substantial evidence when the form is reviewed under this subdivision that information in the form is inaccurate; and
- (B) both of the following conditions are satisfied:

(i) The form contains the information required by section 5(a)(1) through 5(a)(16) of this chapter as that section applies to the conveyance transaction, subject to the obligation of a party to furnish or correct that information in the manner required by and subject to the penalty provisions of section 12 of this chapter. The form may not be rejected for failure to contain information other than that required by section 5(a)(1) through 5(a)(16) of this chapter.

(ii) The form is submitted to the county assessor in a format usable to the county assessor.

- (3) File the sales disclosure form with the county auditor.

(c) The auditor shall review each sales disclosure form and process any deduction for which the form serves as an application under IC 6-1.1-12-44. The auditor shall forward each sales disclosure form to the county assessor. The county assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance ~~and the legislative services agency~~ in an electronic format specified ~~jointly~~ by the department of local government finance ~~and the legislative services agency~~ on or before April 1 in a year ending before

January 1, 2016, and on or before February 1 in a year beginning after December 31, 2015. The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. **The department of local government finance shall make sales disclosure form data received from a county assessor available to the legislative services agency.** The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(d) In a county containing a consolidated city, the auditor shall review each sales disclosure form and process any deduction for which the form serves as an application under IC 6-1.1-12-44. The auditor shall forward the sales disclosure form to the appropriate township assessor (if any). The township assessor shall verify the assessed valuation of the property for the assessment date to which the application applies and transmit that assessed valuation to the auditor. The township or county assessor shall forward the sales disclosure form to the department of local government finance ~~and the legislative services agency~~ in an electronic format specified ~~jointly~~ by the department of local government finance ~~and the legislative services agency~~. **The department of local government finance shall make sales disclosure form data received from a township or county assessor available to the legislative services agency.** The forms may be used by the county assessing officials, the county auditor, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

(e) If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

(f) County assessing officials, county auditors, and other local officials may not establish procedures or requirements concerning sales disclosure forms that substantially differ from the procedures and requirements of this chapter.

(g) Except as provided in subsection (h), a separate sales disclosure form is required for each parcel conveyed, regardless of whether more than one (1) parcel is conveyed under a single conveyance document.

(h) Only one (1) sales disclosure form is required for the conveyance under a single conveyance document of two (2) or more contiguous parcels located entirely within a single taxing district.

SECTION 9. IC 6-1.1-5.5-5, AS AMENDED BY P.L.87-2009, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

- (1) The key number (as defined in IC 6-1.1-1-8.5) of each parcel.
- (2) With respect to each parcel, whether the entire parcel is being conveyed.
- (3) The address of each improved parcel.
- (4) The date of the execution of the form.
- (5) The date the property was transferred.
- (6) Whether the transfer includes an interest in land or improvements, or both.
- (7) Whether the transfer includes personal property.
- (8) An estimate of the value of any personal property included in the transfer.
- (9) The name, address, and telephone number of:

- (A) each transferor and transferee; and
- (B) the person that prepared the form.

(10) The mailing address to which the property tax bills or other official correspondence should be sent.

(11) The ownership interest transferred.

(12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).

(13) Subject to subsection (c), the total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.

(14) ~~The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.~~

(15) Any family or business relationship existing between the transferor and the transferee.

(16) A legal description of each parcel subject to the conveyance.

(17) Whether the transferee is using the form to claim one (1) or more deductions under IC 6-1.1-12-44 for property taxes first due and payable in a calendar year after 2008.

(18) If the transferee uses the form to claim the standard deduction under IC 6-1.1-12-37, the information required for a standard deduction under IC 6-1.1-12-37.

(19) Sufficient instructions and information to permit a party to terminate a standard deduction under IC 6-1.1-12-37 on any parcel of property on which the party or the spouse of the party will no longer be eligible for the standard deduction under IC 6-1.1-12-37 after the party or the party's spouse begins to reside at the property that is the subject of the sales disclosure form, including an explanation of the tax consequences and applicable penalties if a party unlawfully claims a standard deduction under IC 6-1.1-12-37.

(20) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or part or all of the Social Security number of a party, the telephone number or the Social Security number is confidential.

(b) The instructions for completing the form described in subsection (a) must include the information described in IC 6-1.1-12-43(c)(1).

(c) If the conveyance includes more than one (1) parcel as described in section 3(h) of this chapter, the form:

(1) is not required to include the price referred to in subsection (a)(13) for each of the parcels subject to the conveyance; and

(2) may state a single combined price for all of those parcels.

SECTION 10. IC 6-1.1-8.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. As used in this chapter, "industrial facility" means a company's real property that:

- (1) has been classified as industrial property under the rules of the department of local

government finance; and
 (2) has a true tax value, as estimated by the department, of at least ~~twenty-five~~ **thirty-five** million dollars (~~\$25,000,000~~) (**\$35,000,000**) in a qualifying county.

The term includes real property that is used under an agreement under which the user exercises the beneficial rights of ownership for the majority of a year. The term does not include real property assessed under IC 6-1.1-8.

SECTION 11. IC 6-1.1-8.5-8, AS AMENDED BY P.L.86-2018, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) For purposes of:

- (1) a reassessment of a group of parcels under a county's reassessment plan prepared under IC 6-1.1-4-4.2; or
- (2) a new assessment;

the department of local government finance shall assess each industrial facility in a qualifying county.

(b) The following may not assess an industrial facility in a qualifying county:

- (1) A county assessor.
- (2) A township assessor.**
- ~~(2) (3)~~ An assessing official.
- (4) A vendor under contract with a county assessor or township assessor.**
- ~~(3) (5)~~ A county property tax assessment board of appeals.

SECTION 12. IC 6-1.1-8.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. The county assessor **and the township assessors, if any**, of the qualifying county in which an industrial facility is located shall provide support to the assessor of the department of local government finance during the course of the assessment of the industrial facility.

SECTION 13. IC 6-1.1-8.7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. As used in this chapter, "industrial facility" means a company's real property that:

- (1) has been classified as industrial property under the rules of the department; and
- (2) has a true tax value, as estimated by the department, of at least ~~twenty-five~~ **thirty-five** million dollars (~~\$25,000,000~~) (**\$35,000,000**) in a county.

The term includes real property that is used under an agreement under which the user exercises the beneficial rights of ownership for the majority of a year. The term does not include real property assessed under IC 6-1.1-8.

SECTION 14. IC 6-1.1-8.7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. The county assessor **and the township assessors, if any**, of the county in which the industrial facility is located shall provide support to the department's assessor during the course of the assessment of an industrial facility.

SECTION 15. IC 6-1.1-11-4, AS AMENDED BY P.L.86-2018, SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the United States, the state, an agency of this state, or a political subdivision (as defined in IC 36-1-2-13). However, this subsection applies only when the property is used, and in the case of real property occupied, by the owner.

(b) The exemption application referred to in section 3 of this chapter is not required if the exempt property is a cemetery:

- (1) described by IC 6-1.1-2-7; or
- (2) maintained by a township executive under IC 23-14-68.

(c) The exemption application referred to in section 3 of this

chapter is not required if the exempt property is owned by the bureau of motor vehicles commission established under IC 9-14-9.

(d) The exemption application referred to in section 3 or 3.5 of this chapter is not required if:

- (1) the exempt property is:
 - (A) tangible property used for religious purposes described in IC 6-1.1-10-21;
 - (B) tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16;
 - (C) other tangible property owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; or
 - (D) other tangible property owned by a fraternity or sorority (as defined in IC 6-1.1-10-24);
- (2) the exemption application referred to in section 3 or 3.5 of this chapter was filed properly at least once for a religious use under IC 6-1.1-10-21, an educational, literary, scientific, religious, or charitable use under IC 6-1.1-10-16, or use by a fraternity or sorority under IC 6-1.1-10-24; and
- (3) the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24.

(e) If, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption under IC 6-1.1-10, the county assessor shall terminate the exemption for ~~that the next~~ assessment date. However, if the property remains eligible for an exemption under IC 6-1.1-10 following the transfer or change in use, the exemption shall be left in place for that assessment date. For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, shall, under section 3 of this chapter and except as provided in this section, file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance.

(f) If the county assessor discovers that title to or use of property granted an exemption under IC 6-1.1-10 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title or use and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners or use of the property and indicates whether the property continues to meet the requirements for an exemption under IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall reinstate the exemption under IC 6-1.1-15-12.1. However, a claim under IC 6-1.1-26-1.1 for a refund of all or a part of a tax installment paid and any correction of error under IC 6-1.1-15-12.1 must be filed not later than three (3) years after the taxes are first due.

SECTION 16. IC 6-1.1-12-9, AS AMENDED BY P.L.114-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property, or mobile home or manufactured

home which is not assessed as real property, if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) for assessment dates before January 1, 2020, the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract; as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) for assessment dates after December 31, 2019:

(A) the individual had, in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding thirty thousand dollars (\$30,000);

(B) the individual had, in the case of an individual who filed a joint income tax return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding forty thousand dollars (\$40,000); or

(C) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract; as joint tenants or tenants in common did not exceed forty thousand dollars (\$40,000);

for the calendar year preceding by two (2) years the calendar year in which the property taxes are first due and payable;

(4) the individual has owned the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction; or the individual has been buying the real property, mobile home, or manufactured home under a contract that provides that the individual is to pay the property taxes on the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction, and the contract or a memorandum of the contract is recorded in the county recorder's office;

(5) for assessment dates:

(A) before January 1, 2020, the individual and any individuals covered by subdivision (2)(B) reside on the real property, mobile home, or manufactured home; or

(B) after December 31, 2019, the individual and any individuals covered by subdivision (3)(C) reside on the real property, mobile home, or manufactured home;

(6) except as provided in subsection (i), the assessed value of the real property, mobile home, or manufactured home does not exceed two hundred thousand dollars (\$200,000).

(7) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, (for assessment dates after February 28, 2008) 37.5, and 38 of this chapter; and

(8) the person:

(A) owns the real property, mobile home, or manufactured home; or

(B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 10.1 of this chapter is filed.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) fourteen thousand dollars (\$14,000).

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) fourteen thousand dollars (\$14,000).

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(8).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

(h) In the case of tenants covered by subsection (a)(2)(B) or (a)(3)(C), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a

fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

(i) For purposes of determining the assessed value of the real property, mobile home, or manufactured home under subsection (a)(6) for an individual who has received a deduction under this section in a particular year, increases in assessed value ~~due solely to an annual adjustment of the assessed value under IC 6-1.1-4-4.5~~ that occur after the later of:

- (1) December 31, 2019; or
- (2) the first year that the individual has received the deduction;

are not considered **unless the increase in assessed value is attributable to physical improvements to the property.**

SECTION 17. IC 6-1.1-12-14, AS AMENDED BY P.L.114-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of fourteen thousand dollars (\$14,000) deducted from the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
 - (A) has a total disability; or
 - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%);
- (4) the individual's disability is evidenced by:
 - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
 - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section; and
- (5) the individual:
 - (A) owns the real property, mobile home, or manufactured home; or
 - (B) is buying the real property, mobile home, or manufactured home under contract;

on the date the statement required by section 15 of this chapter is filed.

(b) Except as provided in subsections (c) and (d), the surviving spouse of an individual may receive the deduction provided by this section if:

- (1) the individual satisfied the requirements of subsection (a)(1) through (a)(4) at the time of death; or
- (2) the individual:
 - (A) was killed in action;
 - (B) died while serving on active duty in the military or naval forces

of the United States; or
 (C) died while performing inactive duty training in the military or naval forces of the United States; and

the surviving spouse satisfies the requirement of subsection (a)(5) at the time the deduction statement is filed. The surviving spouse is entitled to the deduction regardless of whether the property for which the deduction is claimed was owned by the deceased veteran or the surviving spouse before the deceased veteran's death.

(c) Except as provided in subsection (f), no one is entitled to the deduction provided by this section if the assessed value of the individual's Indiana real property, Indiana mobile home not assessed as real property, and Indiana manufactured home not assessed as real property, as shown by the tax duplicate, exceeds the assessed value limit specified in subsection (d).

(d) Except as provided in subsection (f), for the:

- (1) January 1, 2017, January 1, 2018, and January 1, 2019, assessment dates, the assessed value limit for purposes of subsection (c) is one hundred seventy-five thousand dollars (\$175,000); and
- (2) January 1, 2020, assessment date and for each assessment date thereafter, the assessed value limit for purposes of subsection (c) is two hundred thousand dollars (\$200,000).

(e) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

(f) For purposes of determining the assessed value of the real property, mobile home, or manufactured home under subsection (d) for an individual who has received a deduction under this section in a particular year, increases in assessed value ~~due solely to an annual adjustment of the assessed value under IC 6-1.1-4-4.5~~ that occur after the later of:

- (1) December 31, 2019; or
- (2) the first year that the individual has received the deduction;

are not considered **unless the increase in assessed value is attributable to physical improvements to the property.**

SECTION 18. IC 6-1.1-15-1.1, AS AMENDED BY P.L.195-2019, SECTION 1, AND AS AMENDED BY P.L.257-2019, SECTION 30, AND AS AMENDED BY P.L.121-2019, SECTION 2, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.1. (a) A taxpayer may appeal an assessment of a taxpayer's tangible property by filing a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. Except as provided in *subsection subsections (e) and (h)*, an appeal under this section may raise any claim of an error related to the following:

- (1) The assessed value of the property.
- (2) The assessment was against the wrong person.
- (3) The approval, denial, or omission of a deduction, credit, exemption, abatement, or tax cap.
- (4) A clerical, mathematical, or typographical mistake.
- (5) The description of the real property.
- (6) The legality or constitutionality of a property tax or assessment.

A written notice under this section must be made on a form

designated by the department of local government finance. A taxpayer must file a separate petition for each parcel.

(b) A taxpayer may appeal an error in the assessed value of the property under subsection (a)(1) any time after the official's action, but not later than the following:

(1) For assessments before January 1, 2019, the earlier of:

(A) forty-five (45) days after the date on which the notice of assessment is mailed by the county; or

(B) forty-five (45) days after the date on which the tax statement is mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.

(2) For assessments of real property after December 31, 2018, the earlier of:

(A) June 15 of the assessment year, if the notice of assessment is mailed by the county before May 1 of the assessment year; or

(B) June 15 of the year in which the tax statement is mailed by the county treasurer, if the notice of assessment is mailed by the county on or after May 1 of the assessment year.

(3) For assessments of personal property, forty-five (45) days after the date on which the county mails the notice under IC 6-1.1-3-20.

A taxpayer may appeal an error in the assessment under subsection (a)(2), (a)(3), (a)(4), (a)(5), or (a)(6) not later than three (3) years after the taxes were first due.

(c) Except as provided in subsection (d), an appeal under this section applies only to the tax year corresponding to the tax statement or other notice of action.

(d) An appeal under this section applies to a prior tax year if a county official took action regarding a prior tax year, and such action is reflected for the first time in the tax statement. A taxpayer who has timely filed a written notice of appeal under this section may be required to file a petition for each tax year, and each petition filed later must be considered timely.

(e) A taxpayer may not appeal under this section any claim of error related to the following:

(1) The denial of a deduction, exemption, abatement, or credit if the authority to approve or deny is not vested in the county board, county auditor, county assessor, or township assessor.

(2) The calculation of interest and penalties.

(3) A matter under subsection (a) if a separate appeal or review process is statutorily prescribed.

However, a claim may be raised under this section regarding the omission or application of a deduction approved by an authority other than the county board, county auditor, county assessor, or township assessor. ~~under subdivision (2):~~

(f) The filing of a written notice under this section constitutes a request by the taxpayer for a preliminary informal meeting with the township assessor, or the county assessor if the township is not served by a township assessor.

(g) A county or township official who receives a written notice under this section shall forward the notice to:

(1) the county board; and

(2) the county auditor, if the taxpayer raises a claim regarding a matter that is in the discretion of the county auditor.

(h) A taxpayer may not raise any claim in an appeal under this section related to the legality or constitutionality of:

(1) a user fee (as defined in IC 33-23-1-10.5);

(2) any other charge, fee, or rate imposed by a political subdivision under any other law; or

(3) any tax imposed by a political subdivision other than a property tax.

SECTION 19. IC 6-1.1-16-1, AS AMENDED BY P.L.232-2017, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Except as provided in section 2 of this chapter, an assessing official or county property tax assessment board of appeals may not change the assessed value claimed by a taxpayer on a personal property return unless the assessing official or county property tax assessment board of appeals takes the action and gives the notice required by IC 6-1.1-3-20 within the following periods:

(1) A township assessor (if any) must make a change in the assessed value and give the notice of the change on or before the later of:

(A) September 15 of the year for which the assessment is made; or

(B) four (4) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

(2) A county assessor ~~or county property tax assessment board of appeals~~ must make a change in the assessed value ~~including the final determination by the board of an assessment changed by an assessing official,~~ and give the notice of the change on or before the later of:

(A) October 30 of the year for which the assessment is made; or

(B) five (5) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

(3) A county property tax assessment board of appeals must make a change in the assessed value and give notice of the change on or before the later of:

(A) October 30 of the year for which the assessment is made; or

(B) five (5) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

This subdivision does not apply to a determination by a county property tax assessment board of appeals acting upon a petition for review filed under subsection (e)(1).

~~(3)~~ (4) The department of local government finance must make a preliminary change in the assessed value and give the notice of the change on or before the later of:

(A) October 1 of the year immediately following the year for which the assessment is made; or

(B) sixteen (16) months from the date the personal property return is filed if the return is filed after the filing date for the personal property tax return.

(b) Except as provided in section 2 of this chapter, if an assessing official or a county property tax assessment board of appeals fails to change an assessment and give notice of the change within the time prescribed by this section, the assessed value claimed by the taxpayer on the personal property return

is final.

(c) This section does not limit the authority of a county auditor to correct errors in a tax duplicate under IC 6-1.1-15-12.1.

(d) This section does not apply if the taxpayer:

- (1) fails to file a personal property return which substantially complies with this article and the regulations of the department of local government finance; or
- (2) files a fraudulent personal property return with the intent to evade the payment of property taxes.

(e) A taxpayer may appeal a change in the assessed value under this section as follows:

(1) A taxpayer may appeal a change in the assessed value under subsection (a)(1) or (a)(2) by filing a written notice of review with the county property tax assessment board of appeals under IC 6-1.1-15-1.1.

(2) A taxpayer may appeal a change in the assessed value under subsection (a)(3) by filing a written notice of review with the Indiana board under IC 6-1.1-15-3.

(3) A taxpayer may appeal a preliminary determination of the department of local government finance under subsection ~~(a)(3)~~ **(a)(4)** to the Indiana board. An appeal under this subdivision shall be conducted in the same manner as an appeal under IC 6-1.1-15-4 through IC 6-1.1-15-8. A preliminary determination that is not appealed under this subsection is a final unappealable order of the department of local government finance.

SECTION 20. IC 6-1.1-16-2, AS AMENDED BY P.L.146-2008, SECTION 145, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. ~~(a) If a county property tax assessment board of appeals fails to change an assessed value claimed by a taxpayer on a personal property return and give notice of the change within the time prescribed in section 1(a)(2) of this chapter, the township assessor, or the county assessor if there is no township assessor for the township, may file a petition for review of the assessment by the Indiana board. The township or county assessor must file the petition for review in the manner provided in IC 6-1.1-15-3(d). The period for filing the petition begins to run on the last day that the county board is permitted to act on the assessment under section 1(a)(2) of this chapter as though the board acted and gave notice of its action on that day.~~

~~(b) Notwithstanding section 1(a)(3) 1(a)(4) of this chapter, the department of local government finance shall reassess tangible property when an appealed assessment of the property is remanded to the Indiana board under IC 6-1.1-15-8.~~

SECTION 21. IC 6-1.1-17-0.7, AS ADDED BY P.L.184-2016, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 0.7. (a) Before ~~May + June 15~~ **May + June 15** of each year after ~~2017; 2019~~, the fiscal officer of each political subdivision shall provide the department of local government finance with an estimate of the total amount of the political subdivision's debt service obligations (as defined in IC 6-1.1-20.6-9.8) that will be due in the last six (6) months of the current year and in the ensuing year.

(b) Before July 15 of each year after 2017, the department of local government finance shall provide the following to each political subdivision:

- (1) An estimate of the maximum property tax rate that may be imposed by the political subdivision for property taxes payable in the ensuing year for each cumulative fund or other fund for which a maximum property tax rate is established by law.

(2) An estimate of the property tax rates that would be imposed by the political subdivision for property taxes payable in the ensuing year for debt service.

(c) The department of local government finance shall before August 1 of each year after 2017 provide to each political subdivision an estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the political subdivision will receive in the ensuing year if the political subdivision's property tax rates are imposed at the maximum allowed under law and if the political subdivision imposes the maximum permissible ad valorem property tax levy allowed under law for the political subdivision. In making each of the estimates under this subsection, the department of local government finance shall consider the estimated amount of any credits that will be granted under IC 6-1.1-20.6 against property taxes imposed by the political subdivision.

SECTION 22. IC 6-1.1-17-3, AS AMENDED BY P.L.257-2019, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. In formulating a political subdivision's estimated budget under this section, the proper officers of the political subdivision must consider the net property tax revenue that will be collected by the political subdivision during the ensuing year, after taking into account the estimate by the department of local government finance under IC 6-1.1-20.6-11.1 of the amount by which the political subdivision's distribution of property taxes will be reduced by credits under IC 6-1.1-20.6-9.5 in the ensuing year, after taking into account the estimate by the department of local government finance under section 0.7 of this chapter of the maximum amount of net property tax revenue and miscellaneous revenue that the political subdivision will receive in the ensuing year, and after taking into account all payments for debt service obligations that are to be made by the political subdivision during the ensuing year. The political subdivision or appropriate fiscal body, if the political subdivision is subject to section 20 of this chapter, shall submit the following information to the department's computer gateway:

- (1) The estimated budget.
- (2) The estimated maximum permissible levy, as provided by the department under IC 6-1.1-18.5-24.
- (3) The current and proposed tax levies of each fund.
- (4) The percentage change between the current and proposed tax levies of each fund.
- (5) The amount by which the political subdivision's distribution of property taxes may be reduced by credits granted under IC 6-1.1-20.6, as estimated by the department of local government finance under IC 6-1.1-20.6-11.
- (6) The amounts of excessive levy appeals to be requested.
- (7) The time and place at which the political subdivision or appropriate fiscal body will hold a public hearing on the items described in subdivisions (1) through (6).
- (8) The time and place at which the political subdivision or appropriate fiscal body will meet to fix the budget, tax rate, and levy under section 5 of this chapter.
- (9) The date, time, and place of the final adoption of the budget, tax rate, and levy under section 5 of this chapter.**

The political subdivision or appropriate fiscal body shall submit

this information to the department's computer gateway at least ten (10) days before the public hearing required by this subsection in the manner prescribed by the department. **If the date, time, or place of the final adoption subsequently changes, the political subdivision shall update the information submitted to the department's computer gateway.** The department shall make this information available to taxpayers, at least ten (10) days before the public hearing, through its computer gateway and provide a telephone number through which taxpayers may request mailed copies of a political subdivision's information under this subsection. The department's computer gateway must allow a taxpayer to search for the information under this subsection by the taxpayer's address. The department shall review only the submission to the department's computer gateway for compliance with this section.

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(d) A political subdivision for which any of the information under subsection (a) is not submitted to the department's computer gateway in the manner prescribed by the department shall have its most recent annual appropriations and annual tax levy continued for the ensuing budget year.

(e) If a political subdivision or appropriate fiscal body timely submits the information under subsection (a) but subsequently discovers the information contains an error, the political subdivision or appropriate fiscal body may submit amended information to the department's computer gateway. However, submission of an amendment to information described in subsection (a)(1) through (a)(6) must occur at least ten (10) days before the public hearing held under subsection (a), and submission of an amendment to information described in subsection (a)(7) must occur at least twenty-four (24) hours before the time in which the meeting to fix the budget, tax rate, and levy was originally advertised to commence.

SECTION 23. IC 6-1.1-17-5, AS AMENDED BY P.L.257-2019, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) The officers of political subdivisions shall meet each year to fix the budget, tax rate, and tax levy of their respective subdivisions for the ensuing budget year as follows:

(1) The board of school trustees of a school corporation that is located in a city having a population of more than one hundred thousand (100,000) but less than one hundred ten thousand (110,000), not later than:

- (A) the time required in section 5.6(b) of this chapter; or
- (B) November 1 if a resolution adopted under section 5.6(d) of this chapter is in effect.

(2) Except as provided in section 5.2 of this chapter, the proper officers of all other political subdivisions that are not school corporations, not later than November 1.

(3) The governing body of a school corporation (other than a school corporation described in subdivision (1)) that elects to adopt a budget

under section 5.6 of this chapter for budget years beginning after June 30, 2011, not later than the time required under section 5.6(b) of this chapter for budget years beginning after June 30, 2011.

(4) The governing body of a school corporation that is not described in subdivision (1) or (3), not later than November 1.

Except in a consolidated city and county and in a second class city, the public hearing required by section 3 of this chapter must be completed at least ten (10) days before the proper officers of the political subdivision meet to fix the budget, tax rate, and tax levy. In a consolidated city and county and in a second class city, that public hearing, by any committee or by the entire fiscal body, may be held at any time after introduction of the budget.

(b) Ten (10) or more taxpayers may object to a budget, tax rate, or tax levy of a political subdivision fixed under subsection (a) by filing an objection petition with the proper officers of the political subdivision not more than seven (7) days after the hearing. The objection petition must specifically identify the provisions of the budget, tax rate, and tax levy to which the taxpayers object.

(c) If a petition is filed under subsection (b), the fiscal body of the political subdivision shall adopt with its budget a finding concerning the objections in the petition and any testimony presented at the adoption hearing.

(d) A political subdivision shall file the budget adopted by the political subdivision with the department of local government finance not later than five (5) business days after the budget is adopted under subsection (a). The filing with the department of local government finance must be in a manner prescribed by the department.

(e) In a consolidated city and county and in a second class city, the clerk of the fiscal body shall, notwithstanding subsection (d), file the adopted budget and tax ordinances with the department of local government finance within five (5) business days after the ordinances are signed by the executive, or within five (5) business days after action is taken by the fiscal body to override a veto of the ordinances, whichever is later.

(f) If a fiscal body does not fix the budget, tax rate, and tax levy of the political subdivisions for the ensuing budget year as required under this section, the most recent annual appropriations and annual tax levy are continued for the ensuing budget year.

(g) When fixing a budget, tax rate, or tax levy under subsection (a), the political subdivision shall indicate on its adopting document, in the manner prescribed by the department, whether the political subdivision intends to:

- (1) issue debt after December 1 of the year preceding the budget year; or**
- (2) file a shortfall appeal under IC 6-1.1-18.5-16.**

SECTION 24. IC 6-1.1-17-16, AS AMENDED BY P.L.257-2019, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) The department of local government finance shall certify the tax rates and tax levies for all funds of political subdivisions subject to the department of local government finance's review.

(b) For a fund of a political subdivision subject to levy limits under IC 6-1.1-18.5-3, the department of local government finance shall calculate and certify the allowable budget of the fund if the political subdivision adopts a tax levy that exceeds the estimated maximum levy limits as provided by the department of local government finance under IC 6-1.1-18.5-24.

(c) For a fund of a political subdivision subject to levy limits under IC 6-1.1-18.5-3 and for which the political subdivision adopts a tax levy that is not more than the levy limits under

IC 6-1.1-18.5-3, the department of local government finance shall review the fund to ensure the adopted budget is fundable based on the unit's adopted tax levy and estimates of available revenues. If the adopted budget is fundable, the department of local government finance shall use the adopted budget as the approved appropriation for the fund for the budget year. As needed, the political subdivision may complete the additional appropriation process through IC 6-1.1-18-5 for these funds during the budget year.

(d) For a fund of the political subdivision subject to levy limits under IC 6-1.1-18.5-3 and for which the political subdivision adopts a tax levy that is not more than the levy limits under IC 6-1.1-18.5-3, if the department of local government finance has determined the adopted budget is not fundable based on the unit's adopted tax levy and estimates of available revenues, the department of local government finance shall calculate and certify the allowable budget that is fundable based on the adopted tax levy and the department's estimates of available revenues.

(e) For all other funds of a political subdivision not described in subsections (b), (c), and (d), the department of local government finance shall certify a budget for the fund.

(f) Except as provided in section 16.1 of this chapter, the department of local government finance is not required to hold a public hearing before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget by fund, tax rate, or tax levy under this section.

(g) Except as provided in subsection (l), IC 20-46, or IC 6-1.1-18.5, the department of local government finance may not increase a political subdivision's budget by fund, tax rate, or tax levy to an amount which exceeds the amount originally fixed by the political subdivision. However, if the department of local government finance determines that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the political subdivision, the maximum amount by which the department may increase the tax rate, tax levy, or budget is the amount originally fixed by the political subdivision, and not the amount that was incorrectly published or omitted in the notice described in IC 5-3-1-2.3(b). The department of local government finance shall give the political subdivision notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision. **The department of local government finance may not consider any adjustments that are suggested by the political subdivision after the expiration of the ten (10) day period allowed for the political subdivision's response.**

(h) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

- (1) no bonds of the building corporation are outstanding; or
- (2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular

lease rental levy requested.

(i) The department of local government finance shall certify its action to:

- (1) the county auditor;
- (2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision; and
- (3) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(j) The following may petition for judicial review of the final determination of the department of local government finance under subsection (i):

- (1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
- (2) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (i).

(k) The department of local government finance is expressly directed to complete the duties assigned to it under this section as follows:

- (1) Not later than December 31 of the year preceding that budget year, unless subdivision
- (2) applies.

(2) Not later than January 15 of the budget year if **any of the following are true:**

(A) A taxing unit in a county ~~is issuing~~ **intends to issue** debt after December 1 in the year preceding the budget year ~~or~~ **and has indicated its intent to issue debt after December 1 in the year preceding the budget year as specified in section 5 of this chapter.**

(B) **A taxing unit** intends to file a shortfall appeal under IC 6-1.1-18.5-16 **and has indicated its intent to file a shortfall appeal as specified in section 5 of this chapter.** ~~or~~

(~~B~~) (C) The deadline for a city in the county to fix the budget, tax rate, and tax levy has been extended, in accordance with section 5.2 of this chapter, due to the executive's veto of the ordinance fixing the budget, tax rate, and tax levy.

(l) Subject to the provisions of all applicable statutes, and notwithstanding IC 6-1.1-18-1, the department of local government finance shall, unless the department finds extenuating circumstances, increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision if:

- (1) the increase is requested in writing by the officers of the political subdivision;
- (2) the request includes:

- (A) the corrected budget, tax rate, or levy, as applicable; and
- (B) the time and place of the meeting described in subdivision (4);

- (3) the political subdivision publishes the

requested increase on the department's advertising Internet web site;

(4) the political subdivision adopts the needed changes to its budget, tax levy, or rate in a public meeting of the governing body; and

(5) notice is given to the county fiscal body of the department's correction.

The political subdivision shall publish notice of the meeting described in subdivision (4) on the Indiana transparency Internet web site in the manner prescribed by the department not later than forty-eight (48) hours (excluding weekends and holidays) before the meeting. If the department increases a levy beyond what was advertised or adopted under this subsection, it shall, unless the department finds extenuating circumstances, reduce the certified levy affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars (\$100,000).

SECTION 25. IC 6-1.1-17-16.7, AS AMENDED BY P.L.184-2016, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16.7. (a) A political subdivision that in any year adopts a proposal to establish a cumulative fund or sinking fund under any of the following provisions must submit the proposal to the department of local government finance before August 2 of that year, for years before 2018, and before May 1 of that year, for years after 2017:

IC 3-11-6
 IC 8-10-5
 IC 8-16-3
 IC 8-16-3.1
 IC 8-22-3
 IC 14-27-6
 IC 14-33-21
 IC 16-22-5
 IC 16-22-8
IC 36-8-8-14.2
 IC 36-8-14
 IC 36-9-4
 IC 36-9-14
 IC 36-9-14.5
 IC 36-9-15
 IC 36-9-15.5
 IC 36-9-16
 IC 36-9-17
 IC 36-9-26
 IC 36-9-27
 IC 36-10-3
 IC 36-10-4
 IC 36-10-7.5

(b) If a proposal described in subsection (a) is not submitted to the department of local government finance before August 2 of a year, for years before 2018, and before May 1 of a year, for years after 2017, the political subdivision may not levy a tax for the cumulative fund or sinking fund in the ensuing year.

SECTION 26. IC 6-1.1-17-20.3, AS AMENDED BY SEA 410-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 20.3. (a) Except as provided in section 20.4 of this chapter, this section applies only to the governing body of a public library that:

(1) is not comprised of a majority of officials who are elected to serve on the governing body; and

(2) has a percentage increase in the proposed budget for the taxing unit for the ensuing calendar year that is more than the result of:

(A) the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the ensuing calendar year; minus

(B) one (1).

For purposes of this section, an individual who qualifies to be appointed to a governing body or serves on a governing body because of the individual's status as an elected official of another taxing unit shall be treated as an official who was not elected to serve on the governing body.

(b) This section does not apply to an entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.

(c) If:

(1) the assessed valuation of a public library's territory is entirely contained within a city or town; or

(2) the assessed valuation of a public library's territory is not entirely contained within a city or town but more than fifty percent (50%) of the assessed valuation of the public library's territory is contained within the city or town;

the governing body shall submit its proposed budget and property tax levy to the city or town fiscal body in the manner prescribed by the department of local government finance before September 2 of a year. However, the governing body shall submit its proposed budget and property tax levy to the county fiscal body in the manner provided in subsection (d), rather than to the city or town fiscal body, if more than fifty percent (50%) of the parcels of real property within the jurisdiction of the public library are located outside the city or town.

(d) If subsection (c) does not apply or the public library's territory covers more than one (1) county, the governing body of the public library shall submit its proposed budget and property tax levy to the county fiscal body in the county where the public library has the most assessed valuation. The proposed budget and levy shall be submitted to the county fiscal body in the manner prescribed by the department of local government finance before September 2 of a year.

(e) The fiscal body of the city, town, or county (whichever applies) shall review each budget and proposed tax levy and adopt a final budget and tax levy for the public library. The fiscal body may reduce or modify but not increase the proposed budget or tax levy.

(f) If a public library fails to file the information required in subsection (c) or (d), whichever applies, with the appropriate fiscal body by the time prescribed by this section, the most recent annual appropriations and annual tax levy of that public library are continued for the ensuing budget year.

(g) If the appropriate fiscal body fails to complete the requirements of subsection (e) before the adoption deadline in section 5 of this chapter for any public library subject to this section, the most recent annual appropriations and annual tax levy of the city, town, or county, whichever applies, are continued for the ensuing budget year.

SECTION 27. IC 6-1.1-18-5, AS AMENDED BY P.L.252-2019, SECTION 3, AND AS AMENDED BY P.L.257-2019, SECTION 49, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund ~~that receives:~~

~~(1) distributions from the motor vehicle highway account established under IC 8-14-1-1~~

or the local road and street account established under ~~IC 8-14-2-4~~, or (2) revenue from property taxes levied under ~~IC 6-1-17-20.3~~ for which the budget, rate, or levy is certified by the department of local government finance under IC 6-1.1-17-16,

the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) *Subject to subsections (j) and (k)*, after the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance **not later than fifteen (15) days after the additional appropriation is adopted by the appropriate fiscal body. If the additional appropriation is not submitted to the department of local government finance within fifteen (15) days after adoption, the department of local government finance may require the political subdivision to conduct a readoption hearing.**

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

- (1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the political subdivision; and
- (2) state with reasonable specificity the reason for the request.

The department of local government finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

(j) This subsection applies to an additional appropriation by a political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20 or IC 36-1-23 or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy

must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

(k) This subsection applies to a public library that is not required to submit the public library's budgets, tax rates, and tax levies for binding review and approval under IC 6-1.1-17-20 or IC 6-1.1-17-20.4. If a public library subject to this subsection proposes to make an additional appropriation for a year, and the additional appropriation would result in the budget for the library for that year increasing (as compared to the previous year) by a percentage that is greater than the result of the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional appropriation must first be approved by the city, town, or county fiscal body described in IC 6-1.1-17-20.3(c) or ~~IC 6-1.1-17-20.3(d); IC 6-1.1-17-20.3(d)~~, as appropriate.

SECTION 28. IC 6-1.1-18-30 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 30. (a) This section applies only to Sullivan County.**

(b) The executive of the county may, upon approval by the fiscal body of the county, submit a petition to the department of local government finance for an increase in the county's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes due and payable in 2021. A petition must be submitted not later than September 1, 2020.

(c) If a petition is submitted under subsection (b), the department of local government finance shall increase the county's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes due and payable in 2021. The amount of the increase under this section is equal to the difference between:

- (1) the lesser of:
 - (A) the county's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes due and payable in 2020; or
 - (B) the ad valorem property tax levy adopted by the county fiscal body for property taxes due and payable in 2020; and
- (2) the county's ad valorem property tax levy under IC 6-1.1-18.5 as certified by the department of local government finance for property taxes due and payable in 2020.

(d) The adjustment under this section is a temporary, one (1) time increase to the county's maximum permissible ad valorem property tax levy for purposes of IC 6-1.1-18.5.

(e) This section expires June 30, 2023.

SECTION 29. IC 6-1.1-18-31 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 31. (a) This section applies only to the Wabash city school corporation.**

(b) The superintendent of the Wabash city school corporation may, upon approval by the governing board of the school corporation, submit a petition to the department of local government finance for an increase in the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for its operations fund for property taxes due and payable in 2021. A petition must be submitted not later than September 1, 2020.

(c) If a petition is submitted under subsection (b), the department of local government finance shall increase the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for its operations fund for property taxes due and payable in 2021. The amount of the increase under this section is equal to the difference

between:

(1) the lesser of:

(A) the school corporation's maximum permissible ad valorem property tax levy under IC 20-46-8-1 for the operations fund for property taxes due and payable in 2020; or

(B) the ad valorem property tax levy for the operations fund adopted for the school corporation for property taxes due and payable in 2020; and

(2) the school corporation's ad valorem property tax levy under IC 20-46-8-1 for the operations fund as certified by the department of local government finance for property taxes due and payable in 2020.

(d) The adjustment under this section is a temporary, one (1) time increase to the school corporation's maximum permissible ad valorem property tax levy for purposes of IC 20-46-8-1.

(e) This section expires June 30, 2023.

SECTION 30. IC 6-1.1-18-32 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) This section applies only to the city of Wabash.

(b) The executive of the city may, upon approval by the fiscal body of the city, submit a petition to the department of local government finance for an increase in the city's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes due and payable in 2021. A petition must be submitted not later than September 1, 2020.

(c) If a petition is submitted under subsection (b), the department of local government finance shall increase the city's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes due and payable in 2021. The amount of the increase under this section is equal to the difference between:

(1) the lesser of:

(A) the city's maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for property taxes due and payable in 2020; or

(B) the ad valorem property tax levy adopted by the city fiscal body for property taxes due and payable in 2020; and

(2) the city's ad valorem property tax levy as certified by the department of local government finance for property taxes due and payable in 2020.

(d) The adjustment under this section is a temporary, one (1) time increase to the city's maximum permissible ad valorem property tax levy for purposes of IC 6-1.1-18.5.

(e) This section expires June 30, 2023.

SECTION 31. IC 6-1.1-18.5-2, AS AMENDED BY P.L.238-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) As used in this section, "Indiana nonfarm personal income" means the estimate of total nonfarm personal income for Indiana in a calendar year as computed by the federal Bureau of Economic Analysis using any actual data for the calendar year and any estimated data determined appropriate by the federal Bureau of Economic Analysis.

(b) Except as provided in subsection (c), for purposes of determining a civil taxing unit's maximum permissible ad valorem property tax levy for an ensuing calendar year, the civil taxing unit shall use the assessed value maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

- (A) The STEP THREE quotient.
- (B) One and six-hundredths (1.06).

(c) A school corporation shall use for its operations fund maximum levy calculation under IC 20-46-8-1 the assessed value maximum levy growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine for each school corporation, the average annual growth in net assessed value using the three (3) calendar years immediately preceding the year in which a budget is adopted under IC 6-1.1-17-5 for the ensuing calendar year.

STEP TWO: Determine the greater of:

- (A) zero (0); or
- (B) the STEP ONE amount minus the sum of:
 - (i) the assessed value maximum levy growth quotient determined under subsection (b) minus one (1); plus
 - (ii) two-hundredths (0.02).

STEP THREE: Determine the lesser of:

- (A) the STEP TWO amount; or
- (B) four-hundredths (0.04).

STEP FOUR: Determine the sum of:

- (A) the STEP THREE amount; plus
- (B) the assessed value maximum levy growth quotient determined under subsection (b).

STEP FIVE: Determine the greater of:

- (A) the STEP FOUR amount; or
- (B) the assessed value maximum levy growth quotient determined under subsection (b).

(d) The budget agency shall provide the assessed value maximum levy growth quotient for the ensuing year to civil taxing units, school corporations, and the department of local government finance before July 1 of each year.

SECTION 32. IC 6-1.1-18.5-7, AS AMENDED BY P.L.203-2016, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing unit did not adopt an ad valorem property tax levy for the immediately preceding calendar year.

(b) If under subsection (a) a civil taxing unit is not subject to the levy limits imposed under section 3 of this chapter for a an ensuing calendar year, the civil taxing unit shall, before June 30 of the immediately preceding year, refer its proposed budget, ad valorem property tax levy, and property tax rate for that the ensuing calendar year to the department of local government finance. The department of local government

finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for ~~that the ensuing~~ calendar year. However, a civil taxing unit may not impose a property tax levy for ~~a~~ **an ensuing calendar** year if the unit did not exist as of January 1 of the **immediately** preceding year.

(c) This subsection does not apply to an ad valorem property tax levy imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19. In determining a budget, ad valorem property tax levy, and property tax rate under subsection (b), the department shall consider the effect of a property tax levy on a local income tax distribution to the civil taxing unit under IC 6-3-6-6.

SECTION 33. IC 6-1.1-18.5-10, AS AMENDED BY P.L.76-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit to be used to fund:

(1) community mental health centers under:

(A) IC 12-29-2-1.2, for only those civil taxing units that authorized financial assistance under IC 12-29-1 before 2002 for a community mental health center as long as the tax levy under this section does not exceed the levy authorized in 2002;

(B) IC 12-29-2-2 through IC 12-29-2-4; and

(C) IC 12-29-2-13; or

(2) community intellectual disability and other developmental disabilities centers under IC 12-29-1-1.

(b) For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter, the civil taxing unit's ad valorem property tax levy for a particular calendar year does not include that part of the levy described in subsection (a).

(c) This subsection applies to property taxes first due and payable after December 31, 2008. Notwithstanding subsections (a) and (b) or any other law, any property taxes imposed by a civil taxing unit that are exempted by this section from the ad valorem property tax levy limits imposed by section 3 of this chapter may not increase annually by a percentage greater than the result of:

(1) the ~~assessed value~~ **maximum levy** growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(d) Before July 15 of each year, the department of local government finance shall provide to each county an estimate of the maximum amount of property taxes imposed for community mental health centers or community intellectual disability and other developmental disabilities centers that are exempt from the levy limits for the ensuing year.

SECTION 34. IC 6-1.1-18.5-10.5, AS AMENDED BY P.L.245-2015, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10.5. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit for fire protection services within a fire protection territory under IC 36-8-19, if the civil taxing unit is a participating unit in a fire protection territory established before August 1, 2001. For purposes of computing the ad valorem property tax levy limits imposed on a civil taxing unit by section 3 of this chapter on a civil taxing unit that is a participating unit in a fire protection territory, established before August 1, 2001, the civil taxing unit's ad valorem property tax

levy for a particular calendar year does not include that part of the levy imposed under IC 36-8-19. Any property taxes imposed by a civil taxing unit that are exempted by this subsection from the ad valorem property tax levy limits imposed by section 3 of this chapter and first due and payable after December 31, 2008, may not increase annually by a percentage greater than the result of:

(1) the ~~assessed value~~ **maximum levy** growth quotient determined under section 2 of this chapter; minus

(2) one (1).

(b) The department of local government finance may, under this subsection, increase the maximum permissible ad valorem property tax levy that would otherwise apply to a civil taxing unit under section 3 of this chapter to meet the civil taxing unit's obligations to a fire protection territory established under IC 36-8-19. To obtain an increase in the civil taxing unit's maximum permissible ad valorem property tax levy, a civil taxing unit shall submit a petition to the department of local government finance in the year immediately preceding the first year in which the civil taxing unit levies a tax to support the fire protection territory. The petition must be filed before the date specified in section 12(a)(1) of this chapter of that year. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for the fire protection territory for the ensuing calendar year. In making its determination under this subsection, the department of local government finance shall consider the amount that the civil taxing unit is obligated to provide to meet the expenses of operation and maintenance of the fire protection services within the territory, including the participating unit's reasonable share of an operating balance for the fire protection territory. The department of local government finance shall determine the entire amount of the allowable adjustment in the final determination. The department shall order the adjustment implemented in the amounts and over the number of years, not exceeding three (3), requested by the petitioning civil taxing unit. However, the department of local government finance may not approve under this subsection a property tax levy greater than zero (0) if the civil taxing unit did not exist as of the assessment date for which the tax levy will be imposed. For purposes of applying this subsection to the civil taxing unit's maximum permissible ad valorem property tax levy in subsequent calendar years, the department of local government finance may determine not to consider part or all of the part of the property tax levy imposed to establish the operating balance of the fire protection territory.

SECTION 35. IC 6-1.1-18.5-12, AS AMENDED BY P.L.84-2016, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) Any civil taxing unit that determines that it cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 **or 25** of this chapter, **as applicable**, may:

(1) before October 20 of the calendar year immediately preceding the ensuing calendar year; or

(2) in the case of a request described in section 16 of this chapter, before December 31 of the calendar year immediately preceding the ensuing calendar year;

appeal to the department of local government finance for relief from those levy limitations. In the appeal the civil taxing unit must state that it will be unable to carry out the governmental functions committed to it by law unless it is given the authority that it is petitioning for. The civil taxing unit must support these allegations by reasonably detailed statements of fact.

(b) The department of local government finance shall immediately proceed to the examination and consideration of

the merits of the civil taxing unit's appeal.

(c) In considering an appeal, the department of local government finance has the power to conduct hearings, require any officer or member of the appealing civil taxing unit to appear before it, or require any officer or member of the appealing civil taxing unit to provide the department with any relevant records or books.

(d) If an officer or member:

- (1) fails to appear at a hearing after having been given written notice requiring that person's attendance; or
- (2) fails to produce the books and records that the department by written notice required the officer or member to produce;

then the department may file an affidavit in the circuit court, superior court, or probate court in the jurisdiction in which the officer or member may be found setting forth the facts of the failure.

(e) Upon the filing of an affidavit under subsection (d), the court shall promptly issue a summons, and the sheriff of the county within which the court is sitting shall serve the summons. The summons must command the officer or member to appear before the department to provide information to the department or to produce books and records for the department's use, as the case may be. Disobedience of the summons constitutes, and is punishable as, a contempt of the court that issued the summons.

(f) All expenses incident to the filing of an affidavit under subsection (d) and the issuance and service of a summons shall be charged to the officer or member against whom the summons is issued, unless the court finds that the officer or member was acting in good faith and with reasonable cause. If the court finds that the officer or member was acting in good faith and with reasonable cause or if an affidavit is filed and no summons is issued, the expenses shall be charged against the county in which the affidavit was filed and shall be allowed by the proper fiscal officers of that county.

(g) The fiscal officer of a civil taxing unit that appeals under section 16 of this chapter for relief from levy limitations shall immediately file a copy of the appeal petition with the county auditor and the county treasurer of the county in which the unit is located.

SECTION 36. IC 6-1.1-18.5-13, AS AMENDED BY P.L.86-2018, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 13. (a) With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive any one (1) or more of the following types of relief:

(1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 **or 25** of this chapter, **as applicable**, if in the judgment of the department the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional geographic areas. With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

- (A) The first calendar year in which those costs are incurred.
- (B) One (1) or more of the immediately succeeding four (4) calendar years.

(2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 **or 25** of this chapter, **as applicable**, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing unit's total assessed value of all taxable property and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 or 25 of this chapter, **as applicable**, based on the ~~assessed value~~ **maximum levy** growth quotient determined under section 2 of this chapter.

(3) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 or 25 of this chapter, **as applicable**, if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 or 25 of this chapter, **as applicable**, due to a natural disaster, an accident, or another unanticipated emergency.

(b) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for the city of Goshen for 2012 and thereafter by an amount equal to the greater of zero (0) or the result of:

(1) the city's total pension costs in 2009 for the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7); minus

(2) the sum of:

(A) the total amount of state funds received in 2009 by the city and used to pay benefits to members of the 1925 police pension fund (IC 36-8-6) or the 1937 firefighters' pension fund (IC 36-8-7); plus

(B) any previous permanent increases to the city's levy that were authorized to account for the responsibility to pay benefits to members of the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7).

SECTION 37. IC 6-1.1-18.5-14, AS AMENDED BY P.L.182-2009(ss), SECTION 134, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14. (a) The department of local government finance may order a correction of any advertising error, mathematical error, or error in data made at the local level for any calendar year if the department finds that the error affects the determination of the limitations established by section 3 or 25 of this chapter, **as applicable**, or the tax rate or levy of a civil taxing unit. The department of local government finance may on its own initiative correct such an advertising error, mathematical error, or error in data for any civil taxing unit.

(b) A correction made under subsection (a) for a prior calendar year shall be applied to the civil taxing unit's levy limitations, rate, and levy for the ensuing calendar year to offset any cumulative effect that the error caused in the determination of the civil taxing unit's levy limitations, rate, or levy for the ensuing calendar year.

SECTION 38. IC 6-1.1-18.5-16, AS AMENDED BY

P.L.257-2019, SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 of this chapter if:

(1) the civil taxing unit experienced a property tax revenue shortfall that resulted from erroneous assessed valuation figures being provided to the civil taxing unit;

(2) the erroneous assessed valuation figures were used by the civil taxing unit in determining its total property tax rate; and

(3) the error in the assessed valuation figures was found after the civil taxing unit's property tax levy resulting from that total rate was finally approved by the department of local government finance.

However, a civil taxing unit may not make a request described in this subsection on account of a revenue shortfall experienced in excess of five (5) years from the date of the most recent certified budget, tax rate, and levy of the civil taxing unit under IC 6-1.1-17-16.

(b) A civil taxing unit may request permission from the department to impose an ad valorem property tax levy that exceeds the limits imposed by section 3 or 25 of this chapter, **as applicable**, if the civil taxing unit experienced a property tax revenue shortfall because of the payment of refunds that resulted from appeals under this article and IC 6-1.5. However, a civil taxing unit may not make a request described in this subsection on account of a revenue shortfall experienced in excess of five (5) years from the date of the most recent certified budget, tax rate, and levy of the civil taxing unit under IC 6-1.1-17-16.

(c) If the department determines that a shortfall described in subsection (a) or (b) has occurred, the department of local government finance may find that the civil taxing unit should be allowed to impose a property tax levy exceeding the limit imposed by section 3 or 25 of this chapter, **as applicable**. However, the maximum amount by which the civil taxing unit's levy may be increased over the limits imposed by section 3 or 25 of this chapter, **as applicable**, equals the remainder of the civil taxing unit's property tax levy for the particular calendar year as finally approved by the department of local government finance minus the actual property tax levy collected by the civil taxing unit for that particular calendar year.

(d) Any property taxes collected by a civil taxing unit over the limits imposed by section 3 or 25 of this chapter, **as applicable**, under the authority of this section may not be treated as a part of the civil taxing unit's maximum permissible ad valorem property tax levy for purposes of determining its maximum permissible ad valorem property tax levy for future years.

(e) If the department of local government finance authorizes an excess tax levy under this section, it shall take appropriate steps to insure that the proceeds are first used to repay any loan made to the civil taxing unit for the purpose of meeting its current expenses.

SECTION 39. IC 6-1.1-18.5-25, AS ADDED BY P.L.180-2016, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 25. (a) The ad valorem property tax levy limits imposed under section 3 of this chapter do not apply to a municipality in a year if all the following apply:

(1) The percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year is at least two (2) times the ~~assessed value~~ **maximum levy** growth quotient determined under section 2 of this chapter for the preceding year.

(2) The municipality's population increased by

at least one hundred fifty percent (150%) between the last two (2) decennial censuses.

(b) A municipality that meets all the requirements under subsection (a) may increase its ad valorem property tax levy in excess of the limits imposed under section 3 of this chapter by a percentage equal to the lesser of:

- (1) the percentage growth in the municipality's assessed value for the preceding year compared to the year before the preceding year; or
- (2) six percent (6%).

(c) A municipality's ~~assessed value~~ **maximum levy** growth that results from either annexation or the pass through of assessed value from a tax increment financing district may not be included for the purposes of determining a municipality's ~~assessed value~~ **maximum levy** growth under this section.

(d) This section applies to property tax levies imposed after December 31, 2016.

SECTION 40. IC 6-1.1-20-1.1, AS AMENDED BY P.L.246-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.1. As used in this chapter, "controlled project" means any project financed by bonds or a lease, except for the following:

(1) A project for which the political subdivision reasonably expects to pay:

- (A) debt service; or
- (B) lease rentals;

from funds other than property taxes that are exempt from the levy limitations of IC 6-1.1-18.5 or (before January 1, 2009) IC 20-45-3. A project is not a controlled project even though the political subdivision has pledged to levy property taxes to pay the debt service or lease rentals if those other funds are insufficient.

(2) A project that will not cost the political subdivision more than the lesser of the following:

(A) An amount equal to the following:

(i) In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, two million dollars (\$2,000,000).

(ii) In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, five million dollars (\$5,000,000).

(iii) In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, an amount (as determined by the department of local government finance) equal to the result of the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the amount determined under this clause for the preceding calendar year.

The department of local government finance shall publish the threshold determined under

item (iii) in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the **maximum levy** growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(B) An amount equal to the following:

(i) One percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000).

(ii) One million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(3) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

(4) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

(5) A project that is required by a court order holding that a federal law mandates the project.

(6) A project that is in response to:

- (A) a natural disaster;
- (B) an accident; or
- (C) an emergency;

in the political subdivision that makes a building or facility unavailable for its intended use.

(7) A project that was not a controlled project under this section as in effect on June 30, 2008, and for which:

- (A) the bonds or lease for the project were issued or entered into before July 1, 2008; or
- (B) the issuance of the bonds or the execution of the lease for the project was approved by the department of local government finance before July 1, 2008.

(8) A project of the Little Calumet River basin development commission for which bonds are payable from special assessments collected under IC 14-13-2-18.6.

SECTION 41. IC 6-1.1-20-3.1, AS AMENDED BY P.L.246-2017, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.1. (a) Subject to section 3.5(a)(1)(C) of this chapter, this section applies only to the following:

(1) A controlled project (as defined in section 1.1 of this chapter as in effect June 30, 2008) for which the proper officers of a political subdivision make a preliminary determination in the manner described in subsection (b) before July 1, 2008.

(2) An elementary school building, middle school building, high school building, or other school building for academic instruction that:

- (A) is a controlled project;

(B) will be used for any combination of kindergarten through grade 12; and

(C) will not cost more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is ten million dollars (\$10,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~assessed value~~ **maximum levy** growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one billion dollars (\$1,000,000,000), or ten million dollars (\$10,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one billion dollars (\$1,000,000,000).

(3) Any other controlled project that:

(A) is not a controlled project described in subdivision (1) or (2); and

(B) will not cost the political subdivision more than the lesser of the following:

(i) The threshold amount

determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is twelve million dollars (\$12,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~assessed value~~ **maximum levy** growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or

enter into a lease and shall conduct at least two (2) public hearings on a preliminary determination before adoption of the resolution or ordinance. The political subdivision must at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(H).

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease for a controlled project, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of property within the political subdivision or registered voters residing within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 (repealed) before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The following information:

(i) The political subdivision's current debt service levy and rate.

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(I) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

- (B) the carrier must be a signatory on at least one (1) petition;
- (C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and
- (D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least five hundred twenty-five (525) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least five hundred twenty-five (525) persons who signed the petition are registered voters, the county voter registration office shall, not more than fifteen (15) business days after receiving a petition, forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

- (A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and
- (B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least five hundred

twenty-five (525) persons who signed the petition are registered voters or receiving the statement from the county auditor under subdivision (8), as applicable, shall make the final determination of the number of petitioners that are registered voters in the political subdivision and, based on the statement provided by the county auditor, the number of petitioners that own property within the political subdivision. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular petition and remonstrance process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property, or a combination of those types of property within the subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

- (A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or
- (B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue

bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) A political subdivision may not divide a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter. A person that owns property within a political subdivision or a person that is a registered voter residing within a political subdivision may file a petition with the department of local government finance objecting that the political subdivision has divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter. The petition must be filed not more than ten (10) days after the political subdivision gives notice of the political subdivision's decision to issue bonds or enter into leases for a capital project that the person believes is the result of a division of a controlled project that is prohibited by this subsection. If the department of local government finance receives a petition under this subsection, the department shall not later than thirty (30) days after receiving the petition make a final determination on the issue of whether the political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter. If the department of local government finance determines that a political subdivision divided a controlled project in order to avoid the requirements of this section and section 3.2 of this chapter and the political subdivision continues to desire to proceed with the project, the political subdivision shall fulfill the requirements of this section and section 3.2 of this chapter, if applicable, regardless of the cost of the project in dispute. A political subdivision shall be considered to have divided a capital project in order to avoid the requirements of this section and section 3.2 of this chapter if the result of one (1) or more of the subprojects cannot reasonably be considered an independently desirable end in itself without reference to another capital project. This subsection does not prohibit a political subdivision from undertaking a series of capital projects in which the result of each capital project can reasonably be considered an independently desirable end in itself without reference to another capital project.

SECTION 42. IC 6-1.1-20-3.5, AS AMENDED BY P.L.272-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.5. (a) This section applies only to a controlled project that meets the following conditions:

(1) The controlled project is described in one (1) of the following categories:

(A) An elementary school building, middle school building, high school building, or other school building for academic instruction that will be used for any combination of kindergarten through grade 12 and will cost more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is ten million dollars (\$10,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in

a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department of local government finance) equal to the result of the ~~assessed value~~ **assessed value maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the ~~assessed value~~ **assessed value maximum levy** growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one billion dollars (\$1,000,000,000), or ten million dollars (\$10,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one billion dollars (\$1,000,000,000).

(B) Any other controlled project that is not a controlled project described in clause (A) and will cost the political subdivision more than the lesser of the following:

(i) The threshold amount determined under this item. In the case of an ordinance or resolution adopted before January 1, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is twelve million dollars (\$12,000,000). In the case of an ordinance or resolution adopted after December 31, 2017, and before January 1, 2019, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is fifteen million dollars (\$15,000,000). In the case of an ordinance or resolution adopted in a calendar year after December 31, 2018, making a preliminary determination to issue bonds or enter into a lease for the project, the threshold amount is an amount (as determined by the department

of local government finance) equal to the result of the **assessed value maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year multiplied by the threshold amount determined under this item for the preceding calendar year. In the case of a threshold amount determined under this item that applies for a calendar year after December 31, 2018, the department of local government finance shall publish the threshold in the Indiana Register under IC 4-22-7-7 not more than sixty (60) days after the date the budget agency releases the **assessed value maximum levy** growth quotient for the ensuing year under IC 6-1.1-18.5-2.

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that total gross assessed value is more than one hundred million dollars (\$100,000,000), or one million dollars (\$1,000,000), if the total gross assessed value of property within the political subdivision on the last assessment date is not more than one hundred million dollars (\$100,000,000).

(C) Any other controlled project for which a political subdivision adopts an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project, if the sum of:

(i) the cost of that controlled project; plus

(ii) the costs of all other controlled projects for which the political subdivision has previously adopted within the preceding three hundred sixty-five (365) days an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for those other controlled projects; exceeds twenty-five million dollars (\$25,000,000).

(2) The proper officers of the political subdivision make a preliminary determination after June 30, 2008, in the manner described in subsection (b) to issue bonds or enter into a lease for the controlled project.

(b) Subject to subsection (d), a political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall publish notice in accordance with IC 5-3-1 and send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination

to issue bonds or enter into a lease and shall conduct at least two (2) public hearings on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom

space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) The following information:

(i) The political subdivision's current debt service levy and rate.

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(H) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the lesser of:

(A) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(B) five percent (5%) of the registered voters residing within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the

person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter registration office under subdivision (7).

(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least five hundred twenty-five (525) persons who signed the petition are registered voters within the political subdivision, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least five hundred twenty-five (525) persons who signed the petition are registered voters, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after determining that at least five hundred twenty-five (525) persons who signed the petition are registered voters or after receiving the statement from the county auditor under subdivision (8), as applicable, shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to

sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

- (A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or
- (B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting the referendum process. The certificate must state the number of petitioners who are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

(11) If a sufficient petition requesting the local public question process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall provide to the county auditor:

- (1) a copy of the notice required by subsection (b)(2); and
- (2) any other information the county auditor requires to fulfill the county auditor's duties under section 3.6 of this chapter.

(d) In addition to the procedures in subsection (b), if any capital improvement components addressed in the most recent:

- (1) threat assessment of the buildings within the school corporation; or
- (2) school safety plan (as described in

IC 20-26-18.2-2(b));

concerning a particular school have not been completed or require additional funding to be completed, before the school corporation may impose property taxes to pay debt service on bonds or lease rentals for a lease for a controlled project, and in addition to any other components of the controlled project, the controlled project must include any capital improvements necessary to complete those components described in subdivisions (1) and (2) that have not been completed or that require additional funding to be completed.

SECTION 43. IC 6-1.1-20.6-8.5, AS AMENDED BY P.L.114-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. (a) This section applies to an individual who:

- (1) qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year (or was married at the time of death to a deceased spouse who qualified for a standard deduction granted under IC 6-1.1-12-37 for the individual's homestead property in the immediately preceding calendar year);
- (2) qualifies for a standard deduction granted under IC 6-1.1-12-37 for the same homestead property in the current calendar year;
- (3) is or will be at least sixty-five (65) years of age on or before December 31 of the calendar year immediately preceding the current calendar year; and
- (4) had:

- (A) in the case of an individual who filed a single return, adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding thirty thousand dollars (\$30,000); or
- (B) in the case of an individual who filed a joint income tax return with the individual's spouse, combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) not exceeding forty thousand dollars (\$40,000);

for the calendar year preceding by two (2) years the calendar year in which property taxes are first due and payable.

(b) Except as provided in subsection (g), this section does not apply if:

- (1) for an individual who received a credit under this section before January 1, 2020, the gross assessed value of the homestead on the assessment date for which property taxes are imposed is at least two hundred thousand dollars (\$200,000); or
- (2) for an individual who initially applies for a credit under this section after December 31, 2019, the assessed value of the individual's Indiana real property is at least two hundred thousand dollars (\$200,000).

(c) An individual is entitled to an additional credit under this section for property taxes first due and payable for a calendar year on a homestead if:

- (1) the individual and the homestead qualify for the credit under subsection (a) for the calendar year;
- (2) the homestead is not disqualified for the credit under subsection (b) for the calendar year; and

(3) the filing requirements under subsection (e) are met.

(d) The amount of the credit is equal to the greater of zero (0) or the result of:

(1) the property tax liability first due and payable on the homestead property for the calendar year; minus

(2) the result of:

(A) the property tax liability first due and payable on the qualified homestead property for the immediately preceding year after the application of the credit granted under this section for that year; multiplied by

(B) one and two hundredths (1.02).

However, property tax liability imposed on any improvements to or expansion of the homestead property after the assessment date for which property tax liability described in subdivision (2) was imposed shall not be considered in determining the credit granted under this section in the current calendar year.

(e) Applications for a credit under this section shall be filed in the manner provided for an application for a deduction under IC 6-1.1-12-9. However, an individual who remains eligible for the credit in the following year is not required to file a statement to apply for the credit in the following year. An individual who receives a credit under this section in a particular year and who becomes ineligible for the credit in the following year shall notify the auditor of the county in which the homestead is located of the individual's ineligibility not later than sixty (60) days after the individual becomes ineligible.

(f) The auditor of each county shall, in a particular year, apply a credit provided under this section to each individual who received the credit in the preceding year unless the auditor determines that the individual is no longer eligible for the credit.

(g) For purposes of determining the:

(1) assessed value of the homestead on the assessment date for which property taxes are imposed under subsection (b)(1); or

(2) assessed value of the individual's Indiana real property under subsection (b)(2);

for an individual who has received a credit under this section in a particular year, increases in assessed value ~~due solely to an annual adjustment of the assessed value under IC 6-1.1-4-4.5~~ that occur after the later of December 31, 2019, or the first year that the individual has received the credit are not considered **unless the increase in assessed value is attributable to physical improvements to the property.**

SECTION 44. IC 6-1.1-22-8.1, AS AMENDED BY P.L.232-2017, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8.1. (a) The county treasurer shall:

(1) except as provided in subsection (h), mail to the last known address of each person liable for any property taxes or special assessment, as shown on the tax duplicate or special assessment records, or to the last known address of the most recent owner shown in the transfer book; and

(2) transmit by written, electronic, or other means to a mortgagee maintaining an escrow account for a person who is liable for any property taxes or special assessments, as shown on the tax duplicate or special assessment records;

a statement in the form required under subsection (b).

(b) The department of local government finance shall prescribe a form, subject to the approval of the state board of accounts, for the statement under subsection (a) that includes at least the following:

(1) A statement of the taxpayer's current and

delinquent taxes and special assessments.

(2) A breakdown showing the total property tax and special assessment liability and the amount of the taxpayer's liability that will be distributed to each taxing unit in the county.

(3) An itemized listing for each property tax levy, including:

(A) the amount of the tax rate;

(B) the entity levying the tax owed; and

(C) the dollar amount of the tax owed.

(4) Information designed to show the manner in which the taxes and special assessments billed in the tax statement are to be used.

(5) Information regarding how a taxpayer can obtain information regarding the taxpayer's notice of assessment or reassessment under IC 6-1.1-4-22.

~~(5)~~ (6) A comparison showing any change in the assessed valuation for the property as compared to the previous year.

~~(6)~~ (7) A comparison showing any change in the property tax and special assessment liability for the property as compared to the previous year. The information required under this subdivision must identify:

(A) the amount of the taxpayer's liability distributable to each taxing unit in which the property is located in the current year and in the previous year; and

(B) the percentage change, if any, in the amount of the taxpayer's liability distributable to each taxing unit in which the property is located from the previous year to the current year.

~~(7)~~ (8) An explanation of the following:

(A) Homestead credits under IC 6-1.1-20.4, IC 6-3.6-5, or another law that are available in the taxing district where the property is located.

(B) All property tax deductions that are available in the taxing district where the property is located.

(C) The procedure and deadline for filing for any available homestead credits under IC 6-1.1-20.4, IC 6-3.6-5, or another law and each deduction.

(D) The procedure that a taxpayer must follow to:

(i) appeal a current assessment; or

(ii) petition for the correction of an error related to the taxpayer's property tax and special assessment liability.

(E) The forms that must be filed for an appeal or a petition described in clause (D).

(F) The procedure and deadline that a taxpayer must follow and the forms that must be used if a credit or deduction has been granted for the property and the taxpayer is no longer eligible for the credit or deduction.

(G) Notice that an appeal described in clause (D) requires evidence relevant to the true tax value of the taxpayer's property as of the assessment date that is the basis for the taxes payable on that property.

The department of local government finance shall provide the explanation required by this subdivision to each county treasurer.

(8) (9) A checklist that shows:

(A) homestead credits under IC 6-1.1-20.4, IC 6-3.6-5, or another law and all property tax deductions; and

(B) whether each homestead credit and property tax deduction applies in the current statement for the property transmitted under subsection (a).

(10) A remittance coupon indicating the payment amounts due at each payment due date and other information determined by the department of local government finance.

(c) The county treasurer shall mail or transmit the statement one (1) time each year on or before April 15. Whenever a person's tax liability for a year is due in one (1) installment under IC 6-1.1-7-7 or section 9 of this chapter, a statement that is mailed must include the date on which the installment is due and denote the amount of money to be paid for the installment. Whenever a person's tax liability is due in two (2) installments, a statement that is mailed must contain the dates on which the first and second installments are due and denote the amount of money to be paid for each installment. If a statement is returned to the county treasurer as undeliverable and the forwarding order is expired, the county treasurer shall notify the county auditor of this fact. Upon receipt of the county treasurer's notice, the county auditor may, at the county auditor's discretion, treat the property as not being eligible for any deductions under IC 6-1.1-12 or any homestead credits under IC 6-1.1-20.4 and IC 6-3.6-5.

(d) All payments of property taxes and special assessments shall be made to the county treasurer. The county treasurer, when authorized by the board of county commissioners, may open temporary offices for the collection of taxes in cities and towns in the county other than the county seat.

(e) The county treasurer, county auditor, and county assessor shall cooperate to generate the information to be included in the statement under subsection (b).

(f) The information to be included in the statement under subsection (b) must be simply and clearly presented and understandable to the average individual.

(g) After December 31, 2007, a reference in a law or rule to IC 6-1.1-22-8 (expired January 1, 2008, and repealed) shall be treated as a reference to this section.

(h) Transmission of statements and other information under this subsection applies in a county only if the county legislative body adopts an authorizing ordinance. Subject to subsection (i), in a county in which an ordinance is adopted under this subsection for property taxes and special assessments, a person may, in any manner permitted by subsection (n), direct the county treasurer and county auditor to transmit the following to the person by electronic mail:

(1) A statement that would otherwise be sent by the county treasurer to the person by regular mail under subsection (a)(1), including a statement that reflects installment payment due dates under section 9.5 or 9.7 of this chapter.

(2) A provisional tax statement that would otherwise be sent by the county treasurer to the person by regular mail under IC 6-1.1-22.5-6.

(3) A reconciling tax statement that would otherwise be sent by the county treasurer to the person by regular mail under any of the following:

(A) Section 9 of this chapter.

(B) Section 9.7 of this chapter.

(C) IC 6-1.1-22.5-12, including a statement that reflects installment payment due dates under IC 6-1.1-22.5-18.5.

(4) Any other information that:

(A) concerns the property taxes or special assessments; and

(B) would otherwise be sent:

(i) by the county treasurer or the county auditor to the person by regular mail; and

(ii) before the last date the property taxes or special assessments may be paid without becoming delinquent.

The information listed in this subsection may be transmitted to a person by using electronic mail that provides a secure Internet link to the information.

(i) For property with respect to which more than one (1) person is liable for property taxes and special assessments, subsection (h) applies only if all the persons liable for property taxes and special assessments designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(j) The department of local government finance shall create a form to be used to implement subsection (h). The county treasurer and county auditor shall:

(1) make the form created under this subsection available to the public;

(2) transmit a statement or other information by electronic mail under subsection (h) to a person who files, on or before March 15, the form created under this subsection:

(A) with the county treasurer; or

(B) with the county auditor; and

(3) publicize the availability of the electronic mail option under this subsection through appropriate media in a manner reasonably designed to reach members of the public.

(k) The form referred to in subsection (j) must:

(1) explain that a form filed as described in subsection (j)(2) remains in effect until the person files a replacement form to:

(A) change the person's electronic mail address; or

(B) terminate the electronic mail option under subsection (h); and

(2) allow a person to do at least the following with respect to the electronic mail option under subsection (h):

(A) Exercise the option.

(B) Change the person's electronic mail address.

(C) Terminate the option.

(D) For a person other than an individual, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(E) For property with respect to which more than one (1) person is liable for property taxes and

special assessments, designate the electronic mail address for only one (1) individual authorized to receive the statements and other information referred to in subsection (h).

(l) The form created under subsection (j) is considered filed with the county treasurer or the county auditor on the postmark date or on the date it is electronically submitted. If the postmark is missing or illegible, the postmark is considered to be one (1) day before the date of receipt of the form by the county treasurer or the county auditor.

(m) The county treasurer shall maintain a record that shows at least the following:

- (1) Each person to whom a statement or other information is transmitted by electronic mail under this section.
- (2) The information included in the statement.
- (3) Whether the county treasurer received a notice that the person's electronic mail was undeliverable.

(n) A person may direct the county treasurer and county auditor to transmit information by electronic mail under subsection (h) on a form prescribed by the department submitted:

- (1) in person;
- (2) by mail; or
- (3) in an online format developed by the county and approved by the department.

SECTION 45. IC 6-1.1-24-5.3, AS AMENDED BY P.L.149-2016, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5.3. (a) This section applies to the following:

(1) A person who:

- (A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises; and
- (B) is subject to an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5) regarding which the conditions set forth in IC 36-7-9-10(a)(1) through IC 36-7-9-10(a)(4) exist.

(2) A person who:

- (A) owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in an unsafe building or unsafe premises; and
- (B) is subject to an order issued under IC 36-7-9-5(a), other than an order issued under IC 36-7-9-5(a)(2), IC 36-7-9-5(a)(3), IC 36-7-9-5(a)(4), or IC 36-7-9-5(a)(5), regarding which the conditions set forth in IC 36-7-9-10(b)(1) through IC 36-7-9-10(b)(4) exist.

(3) A person who is the defendant in a court action brought under IC 36-7-9-18, IC 36-7-9-19, IC 36-7-9-20, IC 36-7-9-21, or IC 36-7-9-22 that has resulted in a judgment in favor of the plaintiff and the unsafe condition that caused the action to be brought has not been corrected.

(4) A person who has any of the following relationships to a person, partnership,

corporation, or legal entity described in subdivision (1), (2), ~~or (3), or (5):~~

(A) A partner of a partnership.
(B) A member of a limited liability company.

~~(B)~~ (C) An officer, director, or majority stockholder of a corporation.

~~(C)~~ (D) The person who controls or directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.

(5) A person who owes:

- (A) delinquent taxes;
- (B) special assessments;
- (C) penalties;
- (D) interest; or
- (E) costs directly attributable to a prior tax sale;

on a tract or an item of real property listed under section 1 of this chapter.

(6) A person who owns a fee interest, a life estate interest, or the equitable interest of a contract purchaser in a vacant or abandoned structure subject to an enforcement order under IC 32-30-6, IC 32-30-7, IC 32-30-8, or IC 36-7-9, or a court order under IC 36-7-37.

(7) A person who is an agent of the person described in this subsection.

(b) A person subject to this section may not **bid on or** purchase a tract offered for sale under section 5 or 6.1 of this chapter. However, this section does not prohibit a person from bidding on a tract that is owned by the person and offered for sale under section 5 of this chapter.

(c) The county treasurer shall require each person who will be bidding at the tax sale to sign a statement in a form substantially similar to the following:

"Indiana law prohibits a person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale of a tract or item of real property listed under IC 6-1.1-24-1 from **bidding on or** purchasing tracts or items of real property at a tax sale. I hereby affirm under the penalties for perjury that I do not owe delinquent taxes, special assessments, penalties, interest, costs directly attributable to a prior tax sale, amounts from a final adjudication in favor of a political subdivision, any civil penalties imposed for the violation of a building code or county ordinance, or any civil penalties imposed by a county health department. **I also affirm that I am not purchasing tracts or items of real property on behalf of or as an agent for a person who is prohibited from purchasing at a tax sale.** Further, I hereby acknowledge that any successful bid I make in violation of this statement is subject to forfeiture. In the event of forfeiture, the amount by which my bid exceeds the minimum bid on the tract or item of real property under IC 6-1.1-24-5(e), if any, shall be applied to the delinquent taxes, special assessments, penalties, interest, costs, judgments, or civil penalties I owe, and a certificate will be issued to the county executive."

(d) If a person purchases a tract that the person was not eligible to purchase under this section, the sale of the property is subject to forfeiture. If the county treasurer determines or is

notified not more than six (6) months after the date of the sale that the sale of the property should be forfeited, the county treasurer shall:

- (1) notify the person in writing that the sale is subject to forfeiture if the person does not pay the amounts that the person owes within thirty (30) days of the notice;
- (2) if the person does not pay the amounts that the person owes within thirty (30) days after the notice, apply the surplus amount of the person's bid to the person's delinquent taxes, special assessments, penalties, and interest;
- (3) remit the amounts owed from a final adjudication or civil penalties in favor of a political subdivision to the appropriate political subdivision; and
- (4) notify the county auditor that the sale has been forfeited.

Upon being notified that a sale has been forfeited, the county auditor shall issue a certificate to the county executive under section 6 of this chapter.

(e) A county treasurer may decline to forfeit a sale under this section because of inadvertence or mistake, lack of actual knowledge by the bidder, substantial harm to other parties with interests in the tract or item of real property, or other substantial reasons. If the treasurer declines to forfeit a sale, the treasurer shall:

- (1) prepare a written statement explaining the reasons for declining to forfeit the sale; and
- (2) retain the written statement as an official record.

(f) If a sale is forfeited under this section and the tract or item of real property is redeemed from the sale, the county auditor shall deposit the amount of the redemption into the county general fund and notify the county executive of the redemption. Upon being notified of the redemption, the county executive shall surrender the certificate to the county auditor.

SECTION 46. IC 6-1.1-26-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 4.2. (a) This section applies to any refund for a property resulting from a real property tax assessment appeal for the property for an assessment date occurring after December 31, 2014. This section does not apply if any refund for a property under appeal has been paid before January 1, 2020. Except as modified by this section, all other provisions of IC 6-1.1 apply regarding the payment of refunds and application of credits.

(b) If, upon conclusion of a real property tax assessment appeal, the total amount of property taxes owed to the taxpayer as a result of the appeal is five hundred thousand dollars (\$500,000) or more for the assessment dates under appeal, the auditor of the county in which the property is located may, instead of a refund, elect to apply credits in equal installments to future property tax installments for the property over a period of not more than:

- (1) five (5) years following the date of the conclusion of the assessment appeal, if the total amount of property taxes owed to the taxpayer as a result of the appeal is:**
 - (A) greater than or equal to five hundred thousand dollars (\$500,000); and**
 - (B) less than five million dollars (\$5,000,000);**
- (2) seven (7) years following the date of the conclusion of the assessment appeal, if the total amount of property taxes owed to the taxpayer as a result of the appeal is:**
 - (A) greater than or equal to five**

million dollars (\$5,000,000); and (B) less than ten million dollars (\$10,000,000); or

- (3) ten (10) years following the date of the conclusion of the assessment appeal, if the total amount of property taxes owed to the taxpayer as a result of the appeal is greater than or equal to ten million dollars (\$10,000,000).**

The auditor may elect to accelerate credits or to provide a full or partial refund within the period specified under subdivision (1), (2), or (3), as applicable.

(c) Notwithstanding subsection (b), if a claimant is no longer the taxpayer for the property on which the appeal was filed, the overpayment shall not be applied as a credit and the overpayment may be refunded in equal installments over the period specified in subsection (b)(1), (b)(2), or (b)(3), as applicable.

SECTION 47. IC 6-1.1-30-16 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 16. The department of local government finance is the agency through which public access to information provided for a county to both the department of local government finance and the legislative services agency shall be provided. This information to which this section applies includes information provided under the following:

- (1) IC 5-14-1.5-2;**
- (2) IC 6-1.1-4-18.5;**
- (3) IC 6-1.1-4-19.5;**
- (4) IC 6-1.1-4-25;**
- (5) IC 6-1.1-5.5-3;**
- (6) IC 6-1.1-11-8;**
- (7) IC 6-1.1-31.5-3.5;**
- (8) IC 6-1.1-33.5-3;**
- (9) IC 36-2-9-20.**

SECTION 48. IC 6-1.1-31-1, AS AMENDED BY P.L.257-2019, SECTION 61, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) The department of local government finance shall do the following:

- (1) Prescribe the property tax forms and returns which taxpayers are to complete and on which the taxpayers' assessments will be based.**
- (2) Prescribe the forms to be used to give taxpayers notice of assessment actions.**
- (3) Adopt rules concerning the assessment of tangible property.**
- (4) Develop specifications that prescribe state requirements for computer software and hardware to be used by counties for assessment purposes. The specifications developed under this subdivision apply only to computer software and hardware systems purchased for assessment purposes after July 1, 1993. The specifications, including specifications in a rule or other standard adopted under IC 6-1.1-31.5, must provide for:**

- (A) maintenance of data in a form that formats the information in the file with the standard data, field, and record coding jointly required and approved by the department of local government finance and the legislative services agency;**
- (B) data export and transmission that is compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and jointly approved by the department of local**

government finance and legislative services agency; and

(C) maintenance of data in a manner that ensures prompt and accurate transfer of data to the department of local government finance, ~~and the legislative services agency~~; as jointly approved by the department of local government finance and the legislative services agency.

(5) Adopt rules establishing criteria for the revocation of a certification under IC 6-1.1-35.5-6.

~~(6) Prescribe the state address confidentiality form to be used by a covered person (as defined in IC 36-1-8.5-2) under IC 36-1-8.5 to restrict access to the person's address maintained in a public property data base.~~

(6) Notwithstanding IC 2-5-1.7, provide to the legislative services agency:

(A) parcel level real property assessment and tax data; and

(B) return level personal property assessment and tax data, including depreciation schedules;

received from counties within one (1) business day of receipt.

(7) Notwithstanding IC 2-5-1.7, provide the following to the legislative services agency upon request:

(A) Sales disclosure form data received from county and township assessors under IC 6-1.1-5.5-3.

(B) Public utility assessment return data, including depreciation schedules, received under IC 6-1.1-8.

(C) Public utility tax data for taxes determined under IC 6-1.1-8.

(b) The department of local government finance may adopt rules that are related to property taxation or the duties or the procedures of the department.

(c) The department of local government finance may adopt rules for procedures related to local government budgeting. Notwithstanding any contrary provision in IC 4-22-2, the adoption, amendment, or repeal of a rule by the department of local government finance under this subsection may not take effect before March 1 or after July 31 of a particular year.

(d) Rules of the state board of tax commissioners are for all purposes rules of the department of local government finance and the Indiana board until the department and the Indiana board adopt rules to repeal or supersede the rules of the state board of tax commissioners.

SECTION 49. IC 6-1.1-31.5-3.5, AS AMENDED BY P.L.146-2008, SECTION 273, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.5. (a) Until the system described in subsection (e) is implemented, each county shall maintain a state certified computer system that has the capacity to:

- (1) process and maintain assessment records;
- (2) process and maintain standardized property tax forms;
- (3) process and maintain standardized property assessment notices;
- (4) maintain complete and accurate assessment records for the county; and

(5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor shall select the computer system.

(b) All information on a computer system referred to in subsection (a) shall be readily accessible to:

(1) the department of local government finance; and

(2) assessing officials.

(c) The certified system referred to in subsection (a) used by the counties must be:

(1) compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(2) maintained in a manner that ensures prompt and accurate transfer of data to the department of local government finance. ~~and the legislative services agency.~~

(d) All standardized property forms and notices on the certified computer system referred to in subsection (a) shall be maintained by the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

(e) The department shall adopt rules before July 1, 2006, for the establishment of:

(1) a uniform and common property tax management system for all counties that:

(A) includes a combined mass appraisal and county auditor system integrated with a county treasurer system; and

(B) replaces the computer system referred to in subsection (a); and

(2) a schedule for implementation of the system referred to in subdivision (1) structured to result in the implementation of the system in all counties with respect to an assessment date:

(A) determined by the department; and

(B) specified in the rule.

(f) The department shall appoint an advisory committee to assist the department in the formulation of the rules referred to in subsection (e). The department shall determine the number of members of the committee. The committee:

(1) must include at least:

(A) one (1) township assessor;

(B) one (1) county assessor;

(C) one (1) county auditor; and

(D) one (1) county treasurer; and

(2) shall meet at times and locations determined by the department.

(g) Each member of the committee appointed under subsection (f) 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 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.

(h) Each member of the committee appointed under subsection (f) who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(i) The department shall report to the budget committee in writing the department's estimate of the cost of implementation

of the system referred to in subsection (e).

SECTION 50. IC 6-1.1-33.5-8, AS ADDED BY P.L.146-2008, SECTION 276, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) This section applies to a system designed to permit the department of local government finance or a provider in a partnership or another arrangement with the department of local government finance to do any of the following:

- (1) Receive data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or IC 36-2-9-20 in a uniform format through a secure connection over the Internet.
- (2) Maintain data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or IC 36-2-9-20 in an electronic data base.
- (3) Provide public access to data subject to IC 6-1.1-4-25, IC 6-1.1-5.5-3, or IC 36-2-9-20.

(b) A system described in subsection (a) must do the following:

- (1) Maintain the confidentiality of data that is declared to be confidential by IC 6-1.1-5.5-3, IC 6-1.1-5.5-5, IC 6-1.1-35-9, or other provisions of law.
- (2) Provide prompt notice to the department of local government finance and legislative services agency of the receipt of data from counties and townships and other critical events, as jointly determined by the department of local government finance and the legislative services agency.
- (3) Maintain data in a form that formats the information in the file with the standard data, field, and record coding jointly required and approved by the department of local government finance and the legislative services agency.
- (4) Provide data export and transmission capabilities that are compatible with the data export and transmission requirements prescribed by the office of technology established by IC 4-13.1-2-1 and jointly approved by the department of local government finance and the legislative services agency.
- (5) Provide to the legislative services agency and the department of local government finance unrestricted on line access and access through data export and transmission protocols to:

- (A) the data transmitted to the system; and
- (B) hardware, software, and other work product associated with the system;

including access to conduct the tests and inspections of the system and data determined necessary by the legislative services agency department of local government finance and access to data received from counties and townships in the form submitted by the counties and townships.

(6) Maintain data in a manner that provides for prompt and accurate transfer of data to the department of local government finance, and the legislative services agency, as jointly approved by the department of local government finance and the legislative services agency.

(c) The department of local government finance and any third party system provider shall provide for regular consultation with the legislative services agency concerning the development and operation of the system and shall provide the legislative services agency with copies of system documentation of the procedures, standards, and internal controls and any written agreements

related to the receipt of data and the management, operation, and use of the system.

SECTION 51. IC 6-1.1-35.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. The department of local government finance shall design two (2) assessor-appraiser examinations, to be called "level one" and "level two". All citizens of Indiana are eligible to apply for and to be examined under "level one" and "level two" examinations, subject only to the resources and limitations of the department of local government finance in conducting the examinations. Both examinations should cover the subjects of real estate appraising, accounting, and property tax law. Successful performance on the level one examination requires the minimum knowledge needed for effective performance as a county or township assessor under this article. Success on the level two examination requires substantial knowledge of the subjects covered in the examination.

SECTION 52. IC 6-1.1-35.5-5, AS AMENDED BY P.L.219-2007, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. A county or township assessor, a member or hearing officer of the county property tax assessment board of appeals, or a member of the public may apply for and take the level one examination. A person who is successful on the level one examination may apply for and take the level two examination. A person who is successful on the level two examination may apply for level three certification upon completion of the requirements specified in section 4.5 of this chapter.

SECTION 53. IC 6-1.1-41-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. This chapter applies to establishing and imposing a tax levy for cumulative funds under the following:

- (1) IC 3-11-6.
- (2) IC 8-10-5.
- (3) IC 8-16-3.
- (4) IC 8-16-3.1.
- (5) IC 8-22-3.
- (6) IC 14-27-6.
- (7) IC 14-33-21.
- (8) IC 16-22-4.
- (9) IC 16-22-8.
- (10) IC 36-8-8-14.2.**
- ~~(10)~~ **(11) IC 36-8-14.**
- ~~(11)~~ **(12) IC 36-9-4.**
- ~~(12)~~ **(13) IC 36-9-14.**
- ~~(13)~~ **(14) IC 36-9-14.5.**
- ~~(14)~~ **(15) IC 36-9-15.**
- ~~(15)~~ **(16) IC 36-9-15.5.**
- ~~(16)~~ **(17) IC 36-9-16.**
- ~~(17)~~ **(18) IC 36-9-17.**
- ~~(18)~~ **(19) IC 36-9-17.5.**
- ~~(19)~~ **(20) IC 36-9-26.**
- ~~(20)~~ **(21) IC 36-9-27.**
- ~~(21)~~ **(22) IC 36-10-3.**
- ~~(22)~~ **(23) IC 36-10-4.**
- ~~(23)~~ **(24) IC 36-10-7.5.**
- ~~(24)~~ **(25) Any other statute that specifies that a property tax levy may be imposed under this chapter.**

SECTION 54. IC 6-3.6-3-2, AS AMENDED BY P.L.257-2019, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) An adopting body or, if authorized by this article, another governmental entity that is not an adopting body, may take an action under this article only by ordinance, unless this article permits the action to be taken by resolution.

(b) The department of local government finance, in consultation with the department of state revenue, may make electronically available uniform notices, ordinances, and resolutions that an adopting body or other governmental entity

may use to take an action under this article. An adopting body or other governmental entity may submit a proposed notice, ordinance, or resolution to the department of local government finance for review not later than thirty (30) days prior to the date that the adopting body or governing body intends to submit the notice, adopting ordinance or resolution, and vote results on an ordinance or resolution under subsection (d). **If the adopting body or other governmental entity wishes to submit the proposed notice, ordinance, or resolution to the department of local government finance for review, the adopting body or other governmental entity shall submit the proposed notice, ordinance, or resolution to the department of local government finance on the prescribed forms.** The department of local government finance shall provide to the submitting entity a determination of the appropriateness of the proposed notice, ordinance, or resolution, including recommended modifications, within thirty (30) days of receiving the proposed notice, ordinance, or resolution.

(c) An ordinance or resolution adopted under this article must comply with the notice and hearing requirements set forth in IC 5-3-1.

(d) The department of local government finance shall prescribe the procedures to be used by the adopting body or governmental entity for submitting to the department the notice, the adopting ordinance or resolution, and the vote results on an ordinance or resolution. The department of local government finance shall notify the submitting entity within thirty (30) days after submission whether the department has received the necessary information required by the department. A final action taken by an adopting body or governmental entity under this article to impose a new tax or amend an existing tax is not effective until the department of local government finance notifies the adopting body or governmental entity that it has received the required information from the submitting entity.

SECTION 55. IC 6-3.6-11-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 9. (a) This section applies to the calculation and allocation of certified shares among civil taxing units in Hamilton County after 2020 and before 2024.**

(b) For each calendar year to which this section applies, the amount of a civil taxing unit's certified shares is equal to:

- (1) the amount of the civil taxing unit's certified shares determined under IC 6-3.6-6, for a civil taxing unit other than the city of Carmel or the city of Fishers;**
- (2) the adjusted amount determined under subsection (c), for the city of Carmel; or**
- (3) the adjusted amount determined under subsection (d), for the city of Fishers.**

(c) For each calendar year to which this section applies, the adjusted amount of the city of Carmel's certified shares is equal to the lesser of:

- (1) the amount of the city of Carmel's certified shares determined under IC 6-3.6-6, without regard to this section; or**
- (2) the product of:**
 - (A) the amount of the city of Carmel's certified shares determined for the immediately preceding calendar year under IC 6-3.6-6, for 2021, or this section, after 2021; and**
 - (B) one and twenty-five thousandths (1.025).**

(d) For each calendar year to which this section applies, the adjusted amount of the city of Fishers' certified shares is equal to:

- (1) the sum of:**

(A) the amount of the city of Carmel's certified shares determined under IC 6-3.6-6, without regard to this section; and

(B) the amount of the city of Fishers' certified shares determined under IC 6-3.6-6, without regard to this section; minus

(2) the adjusted amount of the city of Carmel's certified shares determined under subsection (c).

SECTION 56. IC 12-20-21-3.2, AS AMENDED BY P.L.249-2015, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 3.2. (a) This section applies only to a township if the township's township assistance property tax rate (as defined in IC 6-1.1-20.3-6.7(a)) for property taxes first due and payable in 2013 or any year thereafter is more than the result of:**

- (1) the statewide average township assistance property tax rate (as determined by the department of local government finance) for property taxes first due and payable in the preceding year; multiplied by**
- (2) twelve (12).**

(b) Notwithstanding any other law, beginning with property taxes first due and payable in the year following the year in which this section first applies to the township, as provided in subsection (a), the department of local government finance shall do the following in the case of a township subject to this section:

- (1) Remove the township assistance property tax levy from the maximum permissible ad valorem property tax levy for the township's general fund.**

- (2) Require the township to separate its township assistance property tax levy into the following two (2) property tax levies:**

(A) A township assistance benefits property tax levy.

(B) A township assistance administration property tax levy.

- (3) Calculate a separate maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for each of the township's property tax levies described in subdivision (2).**

(c) The department of local government finance shall, for property taxes first due and payable in the year following the year in which this section first applies to the township, as provided in subsection (a), determine the initial maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for a township's township assistance administration property tax levy.

(d) The initial maximum permissible ad valorem property tax levy under IC 6-1.1-18.5 for a township's township assistance benefits property tax levy for property taxes first due and payable in the year following the year in which this section first applies to the township, as provided in subsection (a), is equal to the amount determined in the following STEPS:

STEP ONE: Determine the result of:

(A) the township's township assistance property tax levy for property taxes first due and payable in the year in which this section first applies to the township, as provided in subsection (a); minus

(B) the result determined by the department of local government

finance for the township under subsection (c).

STEP TWO: Multiply the STEP ONE result by the ~~assessed value~~ **maximum levy** growth quotient under IC 6-1.1-18.5-2 that is applicable to the township for property taxes first due and payable in the year following the year in which this section first applies to the township, as provided in subsection (a).

(e) The maximum permissible ad valorem property tax levy for the township's general fund shall be adjusted as determined in the following STEPS:

STEP ONE: Multiply:

(A) the township's township assistance property tax levy for property taxes first due and payable in the year in which this section first applies to the township, as provided in subsection (a); by

(B) the ~~assessed value~~ **maximum levy** growth quotient under IC 6-1.1-18.5-2 that is applicable to the township for property taxes first due and payable in the year following the year in which this section first applies to the township, as provided in subsection (a).

STEP TWO: Subtract the STEP ONE result from the maximum permissible ad valorem property tax levy that would otherwise apply for the township's general fund.

The adjustment under this subsection applies beginning with property taxes first due and payable in the year following the year in which this section first applies to the township, as provided in subsection (a).

(f) The property taxes collected from a township's township assistance administration property tax levy:

- (1) shall be deposited into a separate fund;
- (2) shall be used only for the administration of township assistance within the township; and
- (3) shall not be used to pay township assistance to any person.

(g) The property taxes collected from a township's township assistance benefits property tax levy:

- (1) shall be deposited into a separate fund;
- (2) shall be used only for the purpose of paying township assistance to eligible recipients; and
- (3) shall not be used to pay for the administration of township assistance within the township.

(h) Except as provided in this section, references in the Indiana Code to a township assistance property tax levy shall, in the case of a township subject to this section, be considered a reference to the township's township assistance benefits property tax levy and the township's township assistance administration property tax levy.

SECTION 57. IC 12-29-1-1, AS AMENDED BY P.L.184-2016, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) The county executive of a county may authorize the furnishing of financial assistance to a community intellectual disability and other developmental disabilities center that is located or will be located in the county.

(b) Assistance authorized under this section shall be used for the following purposes:

- (1) Constructing a center.
- (2) Operating a center.

(c) Upon request of the county executive, the county fiscal body may appropriate annually from the county's general fund

the money to provide financial assistance for the purposes described in subsection (b). For property taxes first due and payable before January 1, 2017, the appropriation may not exceed the amount that could be collected from an annual tax levy of not more than three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property within the county.

(d) For property taxes first due and payable after December 31, 2016, the maximum allowable appropriation for the purposes described in subsection (b) is equal to the result of:

- (1) the maximum allowable appropriation by the county for the preceding year; multiplied by
- (2) the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year.

(e) For purposes of this subsection, "first calendar year" refers to the first calendar year after 2008 in which the county imposes an ad valorem property tax levy for the county general fund to provide financial assistance under this chapter. If a county did not provide financial assistance under this chapter in 2008, the county for a following calendar year:

- (1) may propose a financial assistance budget; and
- (2) shall refer its proposed financial assistance budget for the first calendar year to the department of local government finance before the tax levy is advertised.

The ad valorem property tax levy to fund the budget for the first calendar year is subject to review and approval under IC 6-1.1-18.5-10.

SECTION 58. IC 12-29-1-2, AS AMENDED BY P.L.184-2016, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) If a community intellectual disability and other developmental disabilities center is organized to provide services to at least two (2) counties, the county executive of each county may authorize the furnishing of financial assistance for the purposes described in section 1(b) of this chapter.

(b) Upon the request of the county executive of the county, the county fiscal body of each county may appropriate annually from the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. For property taxes first due and payable before January 1, 2017, the appropriation of each county may not exceed the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property within the county.

(c) For property taxes first due and payable after December 31, 2016, the maximum allowable appropriation by each county for the purposes described in section 1(b) of this chapter is equal to the result of:

- (1) the maximum allowable appropriation by the county for the preceding year; multiplied by
- (2) the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year.

SECTION 59. IC 12-29-1-3, AS AMENDED BY P.L.184-2016, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The county executive of each county whose residents may receive services from a community intellectual disability and other developmental disabilities center may authorize the furnishing of a share of financial assistance for the purposes described in section 1(b) of this chapter if the following conditions are met:

- (1) The facilities for the center are located in a state adjacent to Indiana.
- (2) The center is organized to provide services to Indiana residents.

(b) Upon the request of the county executive of a county, the county fiscal body of the county may appropriate annually from

the county's general fund the money to provide financial assistance for the purposes described in section 1(b) of this chapter. For property taxes first due and payable before January 1, 2017, the appropriations of the county may not exceed the amount that could be collected from an annual tax levy of three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of taxable property within the county.

(c) For property taxes first due and payable after December 31, 2016, the maximum allowable appropriation by the county for the purposes described in section 1(b) of this chapter is equal to the result of:

- (1) the maximum allowable appropriation by the county for the preceding year; multiplied by
- (2) the ~~assessed value~~ **maximum levy** growth quotient determined under IC 6-1.1-18.5-2 for the year.

SECTION 60. IC 12-29-2-2, AS AMENDED BY P.L.257-2019, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) A county shall provide funding for the operation of community mental health centers in the amount determined under subsection (b) or, in the case of Marion County for calendar year 2019, calendar year 2020, and calendar year 2021, the amount determined under subsection (c).

(b) Except as provided in subsection (c), the amount of funding under subsection (a) for a calendar year is equal to the following:

- (1) The county's maximum appropriation amount for the operation of community mental health centers determined under this chapter in the previous calendar year, if the STEP THREE result under the following formula is less than or equal to zero (0):

STEP ONE: Determine the amount of the certified levy for funds subject to the civil maximum levy in the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the immediately preceding calendar year, as determined by the department of local government finance under IC 6-1.1-20.6-11.

STEP TWO: Determine the amount of the certified levy for funds subject to the civil maximum levy in the year prior to the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the year prior to the immediately preceding calendar year, as determined by the department of local government finance under IC 6-1.1-20.6-11.

STEP THREE: Determine the remainder of the STEP ONE amount minus the STEP TWO amount.

- (2) If the STEP THREE result under the formula in subdivision (1) is greater than zero (0), then the county's maximum appropriation amount for the operation of community mental health centers determined under this chapter in the previous calendar year, multiplied by the greater of:

(A) one (1); or

(B) the result of STEP SIX of the following formula:

STEP ONE: Determine the ~~assessed value~~ **maximum levy** growth quotient for the year under IC 6-1.1-18.5 minus one (1).

STEP TWO: Determine the amount of the certified levy for funds subject to the civil maximum levy in the immediately preceding calendar year minus the amount of credits granted under IC 6-1.1-20.6 that were allocated to funds subject to the civil maximum levy in the immediately preceding calendar year, as determined by the department of local government finance under IC 6-1.1-20.6-11.

STEP THREE: Determine the amount of the certified levy for funds subject to the civil maximum levy in the immediately preceding calendar year.

STEP FOUR: Determine the result of the STEP TWO amount divided by the STEP THREE amount.

STEP FIVE: Determine the product of the STEP ONE amount multiplied by the STEP FOUR result.

STEP SIX: Determine the STEP FIVE amount plus one (1).

The department of local government finance shall verify the maximum appropriation calculation under this subsection as part of the certification of the county's budget under IC 6-1.1-17. For taxes due and payable in 2020, the department of local government finance shall calculate the maximum appropriation under this subsection as if the taxes were due and payable in 2019.

(c) This subsection applies only in calendar year 2019, calendar year 2020, and calendar year 2021. In the case of Marion County, the amount of funding under subsection (a) for a calendar year is determined under this subsection and is equal to the following:

- (1) For calendar year 2019, the sum of:

(A) the actual amount of the appropriations by the county for community mental health centers under this chapter in 2018; plus
(B) the result of thirty-three percent (33%) multiplied by the result of:

(i) the amount that would have, except for the application of this subsection, applied to the county under subsection (b) for calendar year 2019; minus

(ii) the actual amount of the appropriations by the county for community mental health centers under this chapter in 2018.

- (2) For calendar year 2020, the sum of:

(A) the actual amount of the appropriations by the county for community mental health centers under this chapter in 2019; plus
(B) the result of sixty-six percent (66%) multiplied by the result of:

(i) the amount that would have,

except for the application of this subsection, applied to the county under subsection (b) for calendar year 2020; minus

(ii) the actual amount of the appropriations by the county for community mental health centers under this chapter in 2019.

(3) For calendar year 2021, the amount that would have, except for the application of this subsection, applied to the county under subsection (b) for calendar year 2021.

The department of local government finance shall verify the maximum appropriation calculation under this subsection as part of the certification of the county's budget under IC 6-1.1-17. This subsection expires January 1, 2022.

(d) The funding provided by a county under this section shall be used solely for:

- (1) the operations of community mental health centers serving the county; or
- (2) contributing to the nonfederal share of medical assistance payments to community mental health centers serving the county.

SECTION 61. IC 13-21-15-3, AS ADDED BY P.L.189-2016, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) This section applies to the imposition of property taxes in a county that:

- (1) dissolves its county solid waste management district as described in section 1(a) of this chapter; or
- (2) withdraws from a joint solid waste management district and determines that it will no longer be a member of a joint solid waste management district or be designated as a county district as described in section 2(a) of this chapter.

(b) The following apply to a county that dissolves its county solid waste management district as described in section 1(a) of this chapter:

- (1) Subject to the limitations of this subsection, the authority of the county solid waste management district to impose property taxes for purposes of this article is transferred to the county.
- (2) For property taxes first due and payable in the first year in which the county no longer has a county solid waste management district, the department of local government finance shall establish a separate solid waste management maximum permissible ad valorem property tax levy for the county that is equal to:
 - (A) the county solid waste management district's maximum permissible ad valorem property tax levy for the last year in which the county solid waste management district was in existence; multiplied by
 - (B) the **assessed value maximum levy** growth quotient under IC 6-1.1-18.5-2 that applies to the determination of maximum permissible ad valorem property tax levies for the first year in which the county no longer has a county solid waste management district.
- (3) Property taxes collected by the county under the property tax levy authorized under this subsection may be used only for those purposes

for which a property tax levy imposed by a solid waste management district under this article may be used.

(c) The following apply to a county that withdraws from a joint district and determines that it will no longer be a member of a joint district or be designated as a county district as described in section 2(a) of this chapter:

- (1) Subject to the limitations of this subsection, the county has the authority to impose property taxes for purposes of this article.
- (2) For property taxes first due and payable in the first year in which the county is no longer a member of the joint district, the department of local government finance shall establish a separate solid waste management maximum permissible ad valorem property tax levy for the county that is equal to:

- (A) the joint solid waste management district's maximum permissible property tax levy for the last year in which the county was a member of the joint district; multiplied by
- (B) a fraction equal to:
 - (i) the certified assessed valuation of the county for taxes payable in the last year in which the county was a member of the joint district; divided by
 - (ii) the certified assessed valuation of the joint solid waste management district for taxes payable in the last year in which the county was a member of the joint district; multiplied by
- (C) the **assessed value maximum levy** growth quotient under IC 6-1.1-18.5-2 that applies to the determination of maximum permissible ad valorem property tax levies for the first year in which the county is no longer a member of the joint district.

(3) For property taxes first due and payable in the first year in which the county is no longer a member of the joint district, the department of local government finance shall reduce the joint solid waste management district's maximum permissible property tax levy that would otherwise apply by the amount determined under subdivision (2) for the withdrawing county.

(4) Property taxes collected by the county under the property tax levy authorized under this subsection may be used only for those purposes for which a property tax levy imposed by a solid waste management district under this article may be used.

SECTION 62. IC 20-29-6-12.5, AS AMENDED BY P.L.272-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12.5. (a) Before September 15 of the first year of the state budget biennium, the department shall provide the parties with an estimate of the general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining in the school corporation from the school funding formula.

(b) Within thirty (30) days after the date of the fall count of ADM of the school year in the first year of the state budget biennium, the department shall provide the parties with a

certification of estimated general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining from the school funding formula. If the parties do not receive a certified estimate from the department within thirty (30) days after the fall count of ADM, the parties may use the school corporation's estimate of the general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available based on the school corporation's fall count of ADM for purposes of collective bargaining. However, if the parties subsequently receive the certification of estimated general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue available for bargaining before an impasse is declared, the parties shall use the certified general fund (before January 1, 2019) or education fund (after December 31, 2018) revenue from the school funding formula for purposes of collective bargaining.

~~(c) A school employer for which the voters have passed a general fund operating referendum (before January 1, 2019); an operating referendum tax levy (after December 31, 2018) under IC 20-46-1; or a school safety referendum tax levy under IC 20-46-9 must have that amount certified by the department of local government finance.~~

~~(d) (c) A school employer that passes a resolution under section 3(c) of this chapter to consider a portion or percentage of money transferred from the school employer's operations fund to the education fund as education fund revenue for purposes of determining whether an agreement places a school corporation in a position of deficit financing must submit a copy of the resolution to the department of local government finance on or before November 1. The resolution shall include:~~

- ~~(1) all transfers between the operations fund and the education fund; and~~
- ~~(2) a statement regarding whether or not the transfer is for the purpose of funding teacher contracts.~~

~~(e) (d) The school corporation must obtain the certification described in subsection (c) before the conclusion of bargaining. The certifications or estimate described in subsection (b) must be the basis for determinations throughout impasse proceedings under this chapter.~~

SECTION 63. IC 20-46-7-12, AS AMENDED BY P.L.229-2011, SECTION 220, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) Except as provided by IC 5-1-14-10 **and subsection (c)**, the maximum term or repayment period for bonds issued by a school corporation for a school building construction project may not exceed twenty (20) years after the date of the issuance of the bonds.

(b) If a school corporation is an eligible school corporation under IC 5-1-5-2.5, the school corporation may extend the repayment period beyond the maximum repayment period that applied to the bond, loan, or lease at the time the obligation was incurred as provided by IC 5-1-5-2.5.

(c) Except as provided by IC 5-1-14-10, the maximum term or repayment period for bonds issued by a school corporation for a school building construction project and to repay loans made or guaranteed by a federal agency may not exceed forty (40) years after the date of the issuance of the bonds.

SECTION 64. IC 20-46-8-1, AS AMENDED BY P.L.140-2018, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) A school corporation may impose an annual property tax levy for its operations fund.

(b) For property taxes first due and payable in 2019, the maximum permissible property tax levy a school corporation may impose for its operations fund (IC 20-40-18) is the following:

STEP ONE: Determine the sum of the following:

(A) The 2018 maximum permissible transportation levy determined under IC 20-46-4 (repealed January 1, 2019).

(B) The 2018 maximum permissible school bus replacement levy determined under IC 20-46-5 (repealed January 1, 2019).

(C) The 2018 amount that would be raised from a capital projects fund tax rate equal to the sum of:

(i) the maximum capital projects fund rate that the school corporation was authorized to impose for 2018 under IC 20-46-6 (repealed January 1, 2019), after any adjustment under IC 6-1.1-18-12 (but excluding any rate imposed for qualified utility and insurance costs); plus

(ii) the capital projects fund rate imposed for qualified utility and insurance costs in 2018.

(D) For school corporations described in IC 36-10-13-7, the 2018 levy as provided in section 6 of this chapter (repealed January 1, 2019) to provide funding for an art association.

(E) For a school corporation in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), the 2018 levy as provided in section 7 of this chapter (repealed January 1, 2019) to provide funding for a historical society.

(F) For a school corporation described in IC 36-10-14-1, the 2018 levy as provided in section 8 of this chapter (repealed January 1, 2019) to provide funding for a public playground.

STEP TWO: Determine the product of:

(A) The amount determined in STEP ONE, after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to each of these levies for 2018 (regardless of whether the school corporation imposed the entire amount of that maximum permissible levy for the previous year); multiplied by

(B) the assessed value maximum levy growth quotient determined under IC 6-1.1-18.5-2.

STEP THREE: Determine the result of the following:

(A) Determine the sum of:

(i) the amount determined in STEP TWO; plus

(ii) the amount granted due to an appeal to increase the levy for transportation for 2019.

(B) Make the school bus

replacement adjustment for 2019.

(c) After 2019, the maximum permissible property tax levy a school corporation may impose for its operations fund for a particular year is the following:

STEP ONE: Determine the product of:

(A) the maximum permissible property tax levy for the school corporation's operations fund for the previous year, after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the previous year (regardless of whether the school corporation imposed the entire amount of the maximum permissible levy for the previous year); multiplied by

(B) the assessed value maximum levy growth quotient determined under IC 6-1.1-18.5-2.

STEP TWO: Determine the result of the following:

(A) Determine the sum of:

(i) the amount determined in STEP ONE; plus

(ii) the amount granted due to an appeal to increase the maximum permissible operations fund levy for the year under section 3 of this chapter for transportation.

(B) Make the school bus replacement adjustment permitted by section 4 3 of this chapter.

SECTION 65. IC 20-46-8-3, AS AMENDED BY P.L.140-2018, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. A school corporation may appeal to the department of local government finance under IC 6-1.1-19 to increase the school corporation's maximum permissible operations fund levy. The appeal must be filed with the department of local government finance before October 20 of the year before the increase is proposed to take effect. To be granted an increase by the department of local government finance, the school corporation must establish that the increase is necessary because of either or both of the following:

(1) A cost increase of at least ten percent (10%) over the preceding year for at least one (1) of the following:

(1) (A) A fuel expense increase.

(2) (B) A cost increase due to an increase in the number of students enrolled in the school corporation who need transportation or an increase in the mileage traveled by the school corporation's buses compared with the previous year.

(3) (C) A cost increase due to an increase in the number of students enrolled in special education who need transportation or an increase in the mileage traveled by the school corporation's buses due to students enrolled in special education as compared with the previous year.

(4) (D) Increased transportation operating costs due to compliance with a court ordered desegregation plan.

(5) (E) A cost increase due to the closure of a school building within the school corporation that results in a significant increase in the distances that students must be transported to attend another school building.

(6) (F) A cost increase due to restructuring or redesigning transportation services due to a need for additional, expanded, consolidated, or modified routes.

(7) (G) A labor cost increase due to a labor shortage affecting the school corporation's ability to hire qualified transportation employees.

To obtain the increase, the school corporation must establish that it will be unable to provide transportation services without an increase.

(2) A cost increase associated with the school corporation's bus replacement plan adopted or amended under IC 20-40-18-9 (after December 31, 2018). To obtain the increase, the school corporation must show that the school corporation must incur reasonable and necessary expenses to acquire additional buses under the plan.

In addition, before the department of local government finance may grant a maximum permissible operations fund levy increase, the school corporation must establish that the school corporation will be unable to provide transportation services without an increase. The department of local government finance may grant a levy increase that is less than the increase requested by the school corporation. If the department of local government finance determines that a permanent increase in the maximum permissible levy is necessary, the increase granted under this section shall be added to the school corporation's maximum permissible operations fund levy as provided in section 1 of this chapter.

SECTION 66. IC 20-46-8-4 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 4. The department of local government finance may, upon petition by a school corporation, adjust the school corporation's maximum permissible levy for its operations fund under section 1 of this chapter to reflect the school corporation's plan adopted or amended under IC 20-46-5 (before its repeal January 1, 2019) or IC 20-40-18-9 (after December 31, 2018). The petition must be filed with the department of local government finance before October 20 of the year before the adjustment is proposed to take effect.

SECTION 67. IC 20-46-8-9, AS ADDED BY P.L.76-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) This section applies only to the North Spencer County School Corporation (school corporation) due to unique circumstances regarding the calculation of the capital projects fund levy component that was used in determining the school corporation's 2019 maximum permissible operations fund property tax levy.

(b) For property taxes first due and payable in 2020, the maximum permissible operations fund property tax levy of a school corporation subject to this section is equal to the amount determined in the following STEPS, instead of the amount determined under section 1 of this chapter:

STEP ONE: Determine the result under section 1(c) of this chapter, without regard to this section.

STEP TWO: Determine the result of:

(A) six hundred forty thousand three hundred thirty-five dollars

(\$640,335); multiplied by
 (B) the 2020 assessed value
maximum levy growth quotient
 determined under IC 6-1.1-18.5-2.

STEP THREE: Determine the sum of:

- (A) the STEP ONE amount; plus
 (B) the STEP TWO amount.

(c) For purposes of determining the school corporation's 2021 maximum permissible operations fund property tax levy, the amount to be used for purposes of STEP ONE (A) of section 1(c) of this chapter is equal to the amount determined under STEP THREE of subsection (b).

(d) This section expires January 1, 2022.

SECTION 68. IC 20-46-8-10, AS ADDED BY P.L.238-2019, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) This section applies to a school corporation in a county having a population of more than one hundred seventy-five thousand (175,000) but less than one hundred eighty-five thousand (185,000).

(b) For property taxes first due and payable in 2020, the maximum permissible operations fund property tax levy of a school corporation subject to this section is equal to the amount determined in the following STEPS, instead of the amount determined under section 1 of this chapter:

STEP ONE: Determine the result under section 1(c) of this chapter, without regard to this section.

STEP TWO: Determine the result of:

- (A) the amount of the school corporation's 2018 historical society fund levy under IC 36-10-13-5 (as it existed on December 31, 2018); multiplied by
 (B) the 2019 assessed value
maximum levy growth quotient
 determined under IC 6-1.1-18.5-2.

STEP THREE: Determine the result of:

- (A) the STEP TWO amount;
 multiplied by
 (B) the 2020 assessed value
maximum levy growth quotient
 determined under IC 6-1.1-18.5-2.

STEP FOUR: Determine the sum of:

- (A) the STEP ONE amount;
 (B) the STEP TWO amount; and
 (C) the STEP THREE amount.

(c) For purposes of determining the 2021 maximum permissible property tax levy for the school corporation's operations fund, the amount to be used for purposes of STEP ONE (A) of section 1(c) of this chapter is equal to the remainder of:

- (1) the amount determined under STEP FOUR of subsection (b); minus
 (2) the amount determined under STEP TWO of subsection (b).

(d) This section expires January 1, 2022.

SECTION 69. IC 24-7-5-12, AS ADDED BY P.L.222-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) A lessor may contract for and receive a fee for accepting rental payments by telephone in connection with a rental purchase agreement, if all of the following conditions are met:

- (1) The fee is assessed only upon request by the lessee for the underlying payment by telephone service.
 (2) The payment by telephone service is not established in advance, under the rental purchase agreement or otherwise, as the expected method for making rental payments under the rental

purchase agreement.

(3) The fee does not exceed ~~one dollar and fifty cents (\$1.50)~~; **three dollars (\$3)**.

(4) The lessee retains the right to make rental payments by payment methods in connection with which no additional fee would be assessed or incurred (including in-person payments and payments by mail) as a result of such alternative payment methods.

(5) The fee is contracted for and disclosed by the lessor in the rental purchase agreement.

(6) The lessor posts a sign at each store location disclosing to existing and prospective lessees:

- (A) the amount of the fee;
 (B) the lessee's right and option to make rental payments by alternative payment methods and not be assessed or incur an additional fee; and
 (C) the alternative payment methods offered by the lessor in connection with which no additional fee would be assessed or incurred.

(7) The lessor's books and records provide an audit trail sufficient to allow the department and its examiners to confirm the lessee's compliance with the conditions listed in subdivisions (1) through (6).

(b) A fee may not be charged under this section unless there is interaction between a live employee or representative of the lessor and the lessee.

SECTION 70. IC 36-1-8-17.5, AS AMENDED BY P.L.183-2014, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17.5. A political subdivision must report, in the manner specified by the ~~department of local government finance~~; **state board of accounts**, information and data on its retiree benefits and expenditures by March 1 of each year.

SECTION 71. IC 36-1-8.5-5.5 IS REPEALED [EFFECTIVE JULY 1, 2020]. ~~Sec. 5-5: As used in this chapter, "state address confidentiality form" means the form prescribed by the department of local government finance under IC 6-1.1-31-1(a)(6).~~

SECTION 72. IC 36-1-8.5-7, AS AMENDED BY P.L.111-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) A covered person who wants to restrict access to the covered person's home address by means of a public property data base **Internet** web site must submit a **state address confidentiality form written request** to the unit that operates the public property data base **Internet** web site. ~~However, the unit may accept a written request from a covered person as an alternative to the state address confidentiality form.~~

(b) A unit that operates a public property data base **Internet** web site, directly or through a third party, shall establish a process to prevent a member of the general public from gaining access to the home address of a covered person by means of the public property data base **Internet** web site.

(c) In establishing a process under subsection (b), a unit shall do all of the following:

- (1) Determine which person or department of the unit will receive and process the request.
 (2) Provide a method under which a covered person is notified of the procedure to be used to restrict or allow disclosure of the home address of the covered person under this chapter.

(d) A unit may charge a covered person a reasonable fee to make a written request under this section.

SECTION 73. IC 36-1-8.5-9, AS AMENDED BY

P.L.111-2019, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) This section applies to a covered person who has ~~applied for address confidentiality submitted a written request~~ under section 7(a) of this chapter.

(b) A unit shall restrict access to the home address of a covered person until the covered person submits a written request to the unit to allow public access to the person's home address on the public property data base web site. The unit shall take reasonable steps to verify the authenticity of the written request, including requiring the covered person to provide appropriate identification.

SECTION 74. IC 36-1-8.5-11, AS AMENDED BY P.L.111-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. A ~~state address confidentiality form~~, written request, notification of name change, or any other information submitted to the unit by a covered person under this chapter is confidential under IC 5-14-3-4(a).

SECTION 75. IC 36-1-11-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) This section applies to the following:

(1) A person who owes delinquent taxes, special assessments, penalties, interest, or costs directly attributable to a prior tax sale on a tract of real property listed under IC 6-1.1-24-1.

(2) A person who is an agent of the person described in subdivision (1).

(3) A person who has any of the following relationships to a person, partnership, corporation, or legal entity described in subdivision (1):

(A) A partner of a partnership.

(B) A member of a limited liability company.

(C) An officer, director, or majority stockholder of a corporation.

(D) The person who controls or directs the activities or has a majority ownership in a legal entity other than a partnership or corporation.

(b) A person subject to this section may not **bid on**, purchase, receive, or lease a tract that is offered in a sale, exchange, or lease under this chapter.

(c) If a person purchases, receives, or leases a tract that the person was not eligible to purchase, receive, or lease under this section, the sale, transfer, or lease of the property is void and the county retains the interest in the tract it possessed before the sale, transfer, or lease of the tract.

SECTION 76. IC 36-1.5-3-5, AS AMENDED BY P.L.238-2019, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) This subsection applies to the plan of reorganization of a political subdivision other than a school corporation. The plan of reorganization must specify the amount (if any) of the decrease that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political subdivision to:

(1) eliminate double taxation for services or goods provided by the reorganized political subdivision; or

(2) eliminate any excess by which the amount of property taxes imposed by the reorganized political subdivision exceeds the amount necessary to pay for services or goods provided under this article.

(b) This subsection applies to a plan of reorganization for a

school corporation. The plan of reorganization must specify the adjustments that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized school corporation. The following apply to a school corporation reorganized under this article:

(1) The new maximum permissible tax levy under IC 20-46-8 (operations fund property tax levy) for the first calendar year in which the reorganization is effective equals the following:

STEP ONE: Determine for each school corporation that is part of the reorganization the sum of the maximum levies under IC 20-46-8 (operations fund property tax levy) for the ensuing calendar year, including the ~~assessed value~~ **maximum levy** growth quotient (IC 6-1.1-18.5-2) adjustment for the ensuing calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Multiply the STEP TWO amount by one hundred three percent (103%).

(2) The new debt service levy under IC 20-46-7 for the first calendar year in which the reorganization is effective equals the sum of the debt service fund levies for each school corporation that is part of the reorganization that would have been permitted under IC 20-46-7 in the calendar year.

(c) The fiscal body of the reorganized political subdivision shall determine and certify to the department of local government finance the amount of the adjustment (if any) under subsection (a).

(d) The amount of the adjustment (if any) under subsection (a) or (b) must comply with the reorganization agreement under which the political subdivision or school corporation is reorganized under this article.

SECTION 77. IC 36-1.5-4-40.5, AS ADDED BY P.L.255-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 40.5. The following apply in the case of a reorganization under this article that includes a township and another political subdivision:

(1) If the township borrowed money from a township fund under IC 36-6-6-14(c) to pay the operating expenses of the township fire department or a volunteer fire department before the reorganization:

(A) the reorganized political subdivision is not required to repay the entire loan during the following year; and

(B) the reorganized political subdivision may repay the loan in installments during the following five (5) years.

(2) Except as provided in subdivision (3):

(A) the reorganized political subdivision continues to be responsible after the reorganization for providing township services in all areas of the township, including within the territory of a municipality in the township that does not participate in the reorganization; and

(B) the reorganized political

subdivision retains the powers of a township after the reorganization in order to provide township services as required by clause (A).

(3) Powers and duties of the reorganized political subdivision may be transferred as authorized in an interlocal cooperation agreement approved under IC 36-1-7 or as authorized in a cooperative agreement approved under IC 36-1.5-5.

(4) If all or part of a municipality in the township is not participating in the reorganization, not less than ten (10) township taxpayers who reside within territory that is not participating in the reorganization may file a petition with the county auditor protesting the reorganized political subdivision's township assistance levy. The petition must be filed not more than thirty (30) days after the reorganized political subdivision finally adopts the reorganized political subdivision's township assistance levy. The petition must state the taxpayers' objections and the reasons why the taxpayers believe the reorganized political subdivision's township assistance levy is excessive or unnecessary. The county auditor shall immediately certify a copy of the petition, together with other data necessary to present the questions involved, to the department of local government finance. Upon receipt of the certified petition and other data, the department of local government finance shall fix a time and place for the hearing of the matter. The hearing shall be held not less than five (5) days and not more than thirty (30) days after the receipt of the certified documents. The hearing shall be held in the county where the petition arose. Notice of the hearing shall be given by the department of local government finance to the reorganized political subdivision and to the first ten (10) taxpayer petitioners listed on the petition by letter. The letter shall be sent to the first ten (10) taxpayer petitioners at the taxpayers' usual place of residence at least five (5) days before the date of the hearing. After the hearing, the department of local government finance may reduce the reorganized political subdivision's township assistance levy to the extent that the levy is excessive or unnecessary. A taxpayer who signed a petition under this subdivision or a reorganized political subdivision against which a petition under this subdivision is filed may petition for judicial review of the final determination of the department of local government finance under this subdivision. The petition must be filed in the tax court not more than forty-five (45) days after the date of the department of local government finance's final determination.

(5) Section 40 of this chapter applies to the debt service levy of the reorganized political subdivision and to the department of local government finance's determination of the new maximum permissible ad valorem property tax levy for the reorganized political subdivision.

(6) The reorganized political subdivision may not borrow money under IC 36-6-6-14(b) or IC 36-6-6-14(c).

(7) The new maximum permissible ad valorem property tax levy for the reorganized political

subdivision's firefighting fund under IC 36-8-13-4 is equal to:

(A) the result of:

(i) the maximum permissible ad valorem property tax levy for the township's firefighting fund under IC 36-8-13-4 in the year preceding the year in which the reorganization is effective; multiplied by

(ii) the ~~assessed value~~ **maximum levy** growth quotient applicable for property taxes first due and payable in the year in which the reorganization is effective; plus

(B) any amounts borrowed by the township under IC 36-6-6-14(b) or IC 36-6-6-14(c) in the year preceding the year in which the reorganization is effective.

SECTION 78. IC 36-2-9-20, AS AMENDED BY P.L.137-2012, SECTION 117, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 20. The county auditor shall:

(1) maintain an electronic data file of the information contained on the tax duplicate for all:

(A) parcels; and

(B) personal property returns;

for each township in the county as of each assessment date;

(2) maintain the electronic data file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

(3) transmit the data in the file with respect to the assessment date of each year before March 16 of the next year to

~~(A) the legislative services agency in an electronic format under IC 5-14-6; and~~

~~(B) the department of local government finance~~

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency or the department of local government finance, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency or the department of local government finance.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 79. IC 36-6-6-16, AS ADDED BY P.L.129-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS

[EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 16. (a) This section does not apply to a township that is a distressed political subdivision under IC 6-1.1-20.3.

(b) As used in this section, "township fund" does not include a debt service fund of a township.

(c) Notwithstanding any other law, a township legislative body, in a public meeting, may authorize a one (1) time transfer of any excess balance or part of an excess balance from any township fund to any other township fund. A township legislative body may transfer excess balances from multiple township funds; however, all transfers must be authorized by the township legislative body at one (1) time. Subject to subsection (d), a township must complete all transfers that are authorized by this section not later than September 1, ~~2020~~ **2021**. Any money transferred under this section may be used for any lawful purpose for which money in the fund to which the balance is transferred may be used.

(d) If IC 36-6-9 applies to the township, the township must adopt the township capital improvement plan before the township may complete a transfer of money under this section.

(e) A township may not spend any money that is transferred until the expenditure of the money has been included in a budget that has been approved by the department of local government finance under IC 6-1.1-17. ~~For purposes of fixing its budget and for purposes of the ad valorem property tax levy limits imposed under IC 6-1.1-18.5, the township shall treat the money transferred under this section that the department of local government finance permits it to spend during a particular calendar year as part of its ad valorem property tax levy for that same calendar year.~~

(f) This section expires January 1, ~~2021~~ **2022**.

SECTION 80. IC 36-6-6-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17. (a) This section does not apply to a township located in a county having a consolidated city.

(b) As used in this section, "immediate family member" refers only to any of the following relatives of an individual:

- (1) A parent.**
- (2) A sibling.**
- (3) A spouse.**
- (4) A child.**

A relative by adoption, half-blood, marriage, or remarriage is considered as a relative of whole kinship.

(c) A member of the township board may not participate in a vote on the adoption of the township's budget and tax levies if the member is an immediate family member of the township trustee.

(d) Notwithstanding any other law, if at least a majority of the members of the township board are precluded from voting on the township's budget and tax levies under subsection (c), the township's most recent annual appropriations are continued for the ensuing budget year, subject to the following:

- (1) The township trustee may petition the county fiscal body for an increase in the township's budget under subsection (e).**
- (2) The township trustee may petition the county fiscal body for any additional appropriations under subsection (f).**

(e) If subsection (d) applies, the township trustee may petition the county fiscal body for an increase in the township's budget and property tax levies. The county fiscal body may grant or deny the petition only after conducting a public hearing on the petition.

(f) If subsection (d) applies, the county fiscal body may adopt any additional appropriations of the township by ordinance before the department of local government finance may approve the additional appropriation.

SECTION 81. IC 36-7-9-13, AS AMENDED BY

P.L.169-2006, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 13. (a) If all or any part of the costs listed in section 12 of this chapter remain unpaid for any unsafe premises (other than unsafe premises owned by a governmental entity) for more than fifteen (15) days after the completion of the work, the enforcement authority does not act under section 13.5 of this chapter, and the enforcement authority determines that there is a reasonable probability of obtaining recovery, the enforcement authority shall prepare a record stating:

- (1) the name and last known address of each person who held a known or recorded fee interest, life estate interest, or equitable interest of a contract purchaser in the unsafe premises from the time the order requiring the work to be performed was recorded to the time that the work was completed;**
- (2) the legal description or address of the unsafe premises that were the subject of work;**
- (3) the nature of the work that was accomplished;**
- (4) the amount of the unpaid bid price of the work that was accomplished; and**
- (5) the amount of the unpaid average processing expense.**

The record must be in a form approved by the state board of accounts:

(b) The enforcement authority, or its head, shall swear to the accuracy of the record before the clerk of the circuit court and deposit the record in the clerk's office. Notice that the record has been filed and that a hearing on the amounts indicated in the record may be held must be sent in the manner prescribed by section 25 of this chapter to all of the following:

- (1) The persons named in the record.**
- (2) Any mortgagee that has a known or recorded substantial property interest.**

(c) If, within thirty (30) days after the notice required by subsection (b), a person named in the record or a mortgagee files with the clerk of the circuit court a written petition objecting to the claim for payment and requesting a hearing, the clerk shall enter the cause on the docket of the circuit or superior court as a civil action, and a hearing shall be held on the question in the manner prescribed by IC 4-21.5. However, issues that could have been determined under section 8 of this chapter may not be entertained at the hearing. At the conclusion of the hearing, the court shall either sustain the petition or enter a judgment against the persons named in the record for the amounts recorded or for modified amounts.

(d) If no petition is filed under subsection (c), the clerk of the circuit court shall enter the cause on the docket of the court and the court shall enter a judgment for the amounts stated in the record.

(e) A judgment under subsection (c) or (d), to the extent that it is not satisfied under IC 27-2-15, is a debt and a lien on all the real and personal property of the person named, or a joint and several debt and lien on the real and personal property of the persons named in the record prepared under subsection (a). The lien on real property is perfected against all creditors and purchasers when the judgment is entered on the judgment docket of the court. The lien on personal property is perfected by filing a lis pendens notice in the appropriate filing office, as prescribed by the Indiana Rules of Trial Procedure.

(f) Judgments rendered under this section may be enforced in the same manner as all other judgments are enforced.

SECTION 82. IC 36-7-15.6-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2020 (RETROACTIVE)]: Sec. 23. (a) This section applies only to a district established after December 31, 2019.

(b) Notwithstanding section 16(d) of this chapter, money

in the fund of a district may be used for a flood control works project in a location outside the boundaries of the district if the flood control works project outside the boundaries of the district directly benefits special flood hazard property within the district.

(c) Notwithstanding section 17(a) and 17(g) of this chapter, money received by a district from bonds issued under section 17 of this chapter may be applied to the payment or reimbursement of the cost of a flood control works project in a location outside the boundaries of the district if the flood control works project outside the boundaries of the district directly benefits special flood hazard property within the district.

(d) Notwithstanding section 19(a) and 19(d) of this chapter:

(1) money received from bonds described in section 19(a) of this chapter may be applied to the payment of the costs of a flood control works project of a district; and

(2) money in the flood control improvement fund of the district may be applied to reimburse debt service payments on the bonds described in section 19(a) of this chapter;

even though the flood control works project was in a location outside the boundaries of the district, if the flood control works project directly benefits special flood hazard property within the district.

(e) This section expires March 1, 2022.

SECTION 83. IC 36-8-8-14.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14.2. (a) This section applies to every unit that is an employer of one (1) or more individuals who are active members of the 1977 fund.

(b) As used in this section, "survivor" means:

(1) a surviving spouse of a deceased member of the 1977 fund; or

(2) a surviving natural child, stepchild, or adopted child of a deceased member of the 1977 fund;

who is entitled to health insurance coverage under section 14.1(h) of this chapter.

(c) If a unit is obligated under section 14.1(h) of this chapter to pay for health insurance coverage for one (1) or more survivors of a deceased member of the 1977 fund who died in the line of duty, the legislative body of the unit may establish a public safety officer survivors' health coverage cumulative fund under this section to pay for health coverage under section 14.1(h) of this chapter.

(d) The fiscal body of a unit may provide money for a public safety officer survivors' health coverage cumulative fund established under subsection (c) by levying a tax in compliance with IC 6-1.1-41 on the taxable property in the unit.

(e) The property tax rate that may be imposed under this section for property taxes first due and payable during a particular year may not exceed the rate necessary to pay the annual cost of the health coverage that the unit is obligated to pay under section 14.1(h) of this chapter. The unit shall provide any documentation requested by the department of local government finance that is necessary to certify the rate adopted by the unit. The unit's maximum permissible ad valorem property tax levy determined under IC 6-1.1-18.5-3 excludes the property tax levied under this section.

(f) The tax money collected under this section shall be held in a special fund to be known as the public safety officer survivors' health coverage cumulative fund.

(g) In a consolidated city, money may be transferred from the public safety officer survivors' health coverage cumulative fund to the fund of a department of the consolidated city responsible for carrying out a purpose for

which the public safety officer survivors' health coverage cumulative fund was created. The department may not expend any money transferred under this subsection until an appropriation is made, and the department may not expend any money transferred under this subsection for operating costs of the department.

SECTION 84. IC 36-12-3-12, AS AMENDED BY P.L.257-2019, SECTION 167, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) The library board shall determine the rate of taxation for the library district that is necessary for the proper operation of the library. The library board shall certify the rate to the county auditor. An additional rate may be levied under section 10(4) of this chapter.

(b) If the library board fails to:

(1) give:

(A) a first published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least ten (10) days before the public hearing required under IC 6-1.1-17-3; and (B) a second published notice to the board's taxpayers of the board's proposed budget and tax levy for the ensuing year at least three (3) days before the public hearing required under IC 6-1.1-17-3; or

(2) finally adopt the budget and fix the tax levy not later than ~~September 30~~; **November 1**;

the last preceding annual appropriation made for the public library is renewed for the ensuing year, and the last preceding annual tax levy is continued. Under this subsection, the treasurer of the library board shall report the continued tax levy to the county auditor not later than ~~September 30~~; **November 1**.

SECTION 85. [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring after December 31, 2016, and before January 1, 2020.

(c) As used in this SECTION, "eligible property" means real property:

(1) on which property taxes were imposed for the 2017, 2018, and 2019 assessment dates; and

(2) that would have been eligible for an exemption from property taxation under IC 6-1.1-10-25(a)(8) for the 2017, 2018, and 2019 assessment dates if an exemption application had been properly and timely filed under IC 6-1.1 for the real property.

(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit veterans organization that owns eligible property.

(e) A qualified taxpayer may, before September 1, 2020, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 or IC 6-1.1-10-25(a)(8) for any assessment date described in subsection (b).

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been properly and timely filed.

(g) If a qualified taxpayer files property tax exemption applications under subsection (e), the following apply:

(1) The property tax exemption for the eligible property is allowed and granted for the 2017, 2018, and 2019 assessment dates by

the county assessor and county auditor of the county in which the eligible property is located.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, interest, or tax sale reimbursement expenses with respect to the eligible property exempted under this SECTION for the 2017, 2018, and 2019 assessment dates.

(3) If the eligible property was placed on the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25 because one (1) or more installments of property taxes due for the eligible property for the 2017, 2018, and 2019 assessment dates were not timely paid:

(A) the county auditor shall remove the eligible property from the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5; and

(B) a tax deed may not be issued under IC 6-1.1-25 for the eligible property for any tax sale of the eligible property under IC 6-1.1-24 and IC 6-1.1-25 that was held because one (1) or more installments of property taxes due for the eligible property for the 2017, 2018, and 2019 assessment dates were not timely paid.

(h) A taxpayer is entitled to the exemption from real property tax as claimed on a property tax exemption application filed under this SECTION, regardless of whether:

(1) a property tax exemption application was previously filed for the same or similar property for the assessment date;

(2) the county property tax assessment board of appeals has issued a final determination regarding any previously filed property tax exemption application for the assessment date;

(3) the taxpayer appealed any denial of a previously filed property tax exemption application for the assessment date; or

(4) the records of the county in which the property subject to the property tax exemption application is located identified the taxpayer as the owner of the property on the assessment date described in subsection (b) for which the property tax exemption is claimed.

(i) The exemption allowed by this SECTION shall be applied and considered approved without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review. The exemption approval is final and may not be appealed by the county assessor, the county property tax assessment board of appeals, or any member of the county property tax assessment board of appeals.

(j) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2017, 2018, and 2019 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an

eligible taxpayer under this subsection before September 1, 2020, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(k) This SECTION expires July 1, 2023.

SECTION 86. [EFFECTIVE JANUARY 1, 2018 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring after December 31, 2017, and before January 1, 2020.

(c) As used in this SECTION, "eligible property" means real property:

(1) that was conveyed to an eligible taxpayer in 2014 or 2017;

(2) on which property taxes were imposed for the 2018 and 2019 assessment dates; and

(3) that would have been eligible for an exemption from property taxation under IC 6-1.1-10-16 for the 2018 and 2019 assessment dates if an exemption application had been properly and timely filed under IC 6-1.1 for the real property.

(d) As used in this SECTION, "qualified taxpayer" refers to a nonprofit corporation created in 1903 that owns eligible property.

(e) A qualified taxpayer may, before September 1, 2020, file a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 for any assessment date described in subsection (b).

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been properly and timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e), the following apply:

(1) The property tax exemption for the eligible property is allowed and granted for the 2018 and 2019 assessment dates by the county assessor and county auditor of the county in which the eligible property is located.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, interest, or tax sale reimbursement expenses with respect to the eligible property exempted under this SECTION for the 2018 and 2019 assessment dates.

(3) If the eligible property was placed on the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5 or was otherwise subject to a tax sale under IC 6-1.1-24 and IC 6-1.1-25 because one (1) or more installments of property taxes due for the eligible property for the 2018 and 2019 assessment dates were not timely paid:

(A) the county auditor shall remove the eligible property from the list certified under IC 6-1.1-24-1 or IC 6-1.1-24-1.5; and

(B) a tax deed may not be issued under IC 6-1.1-25 for the eligible property for any tax sale of the eligible property under IC 6-1.1-24 and IC 6-1.1-25 that was held because one (1) or more installments of property taxes due for the eligible

property for the 2018 and 2019 assessment dates were not timely paid.

(h) A taxpayer is entitled to the exemption from real property tax as claimed on a property tax exemption application filed under this SECTION, regardless of whether:

- (1) a property tax exemption application was previously filed for the same or similar property for the assessment date;
- (2) the county property tax assessment board of appeals has issued a final determination regarding any previously filed property tax exemption application for the assessment date;
- (3) the taxpayer appealed any denial of a previously filed property tax exemption application for the assessment date; or
- (4) the records of the county in which the property subject to the property tax exemption application is located identified the taxpayer as the owner of the property on the assessment date described in subsection (b) for which the property tax exemption is claimed.

(i) The exemption allowed by this SECTION shall be applied and considered approved without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review. The exemption approval is final and may not be appealed by the county assessor, the county property tax assessment board of appeals, or any member of the county property tax assessment board of appeals.

(j) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2018 and 2019 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1, 2020, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(k) This SECTION expires July 1, 2023.

SECTION 87. [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)] (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to assessment dates after December 31, 2017, and before January 1, 2020.

(c) As used in this SECTION, "eligible property" means any real property:

- (1) that is owned, occupied, and used by a taxpayer that is a church or religious society and is used for one (1) or more of the purposes described in IC 6-1.1-10-16 or IC 6-1.1-10-21;
- (2) for which an exemption application was filed after June 8, 2019, and before June 15, 2019; and
- (3) that would have been eligible for an exemption under IC 6-1.1-10-16 or IC 6-1.1-10-21 for assessment dates after December 31, 2017, and before January 1, 2020, if an exemption application had been properly and timely filed under IC 6-1.1 for the property.

(d) Before September 1, 2020, the owner of eligible property may file a property tax exemption application and supporting documents claiming a property tax exemption

under this SECTION for the eligible property for an assessment date after December 31, 2017, and before January 1, 2020.

(e) A property tax exemption application filed as provided in subsection (d) is considered to have been properly and timely filed for each assessment date.

(f) The following apply if the owner of eligible property files a property tax exemption application as provided in subsection (d):

- (1) The property tax exemption for the eligible property shall be allowed and granted for the applicable assessment date by the county assessor and county auditor of the county in which the eligible property is located.
- (2) The owner of the eligible property is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the applicable assessment date.

(g) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(h) To the extent the owner of the eligible property has paid any property taxes, penalties, or interest with respect to the eligible property for an applicable date and to the extent that the eligible property is exempt from taxation as provided in this SECTION, the owner of the eligible property is entitled to a refund of the amounts paid. The owner is not entitled to any interest on the refund under IC 6-1.1 or any other law to the extent interest has not been paid by or on behalf of the owner. Notwithstanding the filing deadlines for a claim under IC 6-1.1-26, any claim for a refund filed by the owner of eligible property under this SECTION before September 1, 2020, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(i) This SECTION expires June 30, 2022.

SECTION 88. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-12-9, IC 6-1.1-12-14, and IC 6-1.1-20.6-8.5, all as amended by this act, apply to assessment dates after December 31, 2019.

(b) This SECTION expires June 30, 2023.

SECTION 89. An emergency is declared for this act.

(Reference is to EHB 1113 as reprinted February 28, 2020.)

LEONARD	BASSLER
PRYOR	MELTON
House Conferees	Senate Conferees

Roll Call 383: yeas 90, nays 3. Report adopted.

Representatives Errington and Shackelford, who had been present, are now excused.

Representative Karickhoff, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT

EHB 1131-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1131 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 8-1-1.9-3, AS ADDED BY P.L.126-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. As used in this chapter, "water or wastewater utility" means:

- (1) a public utility that provides water service, wastewater service, or both water service and wastewater service to the public; or
- (2) a municipally owned utility that provides water service to less than eight thousand (8,000) customers.

SECTION 2. IC 8-1-1.9-4, AS ADDED BY P.L.126-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Notwithstanding IC 8-1-2.7 and any other law under which a water or wastewater utility is exempt from or may withdraw from the jurisdiction of the commission, a water or wastewater utility that is organized as a legal entity after June 30, 2018, is subject to the jurisdiction of the commission with respect to:

- (1) rates and charges;
- (2) stocks, bonds, notes, or other evidence of indebtedness;
- (3) rules; and
- (4) the annual report filing requirement;

for the period of ten (10) years beginning on the day on which the water or wastewater utility is organized. as a legal entity.

(b) This section does not affect:

- (1) any statutes requiring or permitting a water or wastewater utility to petition the commission before providing service to the public; or
- (2) the commission's jurisdiction regarding statutes and petitions referred to in subdivision (1).

SECTION 3. IC 8-1-2-46.2, AS ADDED BY P.L.91-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 46.2. (a) As used in this section, "water or wastewater utility" means a public utility, other than a not-for-profit utility, as defined in section 125(a) of this chapter, that provides water or wastewater service to the public.

(b) Notwithstanding any law or rule governing extension of service, a water or wastewater utility may, on a nondiscriminatory basis, extend service for economic development purposes or to rural areas without a deposit or other adequate assurance of performance from the customer, to the extent that the extension of service results in a positive contribution to the utility's overall cost of service over a twenty (20) year period. However, if the water or wastewater utility determines that the extension of service will not result in a positive contribution to the utility's overall cost of service over a twenty (20) year period, the water or wastewater utility may require a deposit or other adequate assurance of performance from:

- (1) the developer of the project; or
- (2) a local, regional, or state economic development organization.

(c) Subsection (d) applies if:

- (1) a county executive, a municipal legislative body, or, in Marion County, the county fiscal body, establishes an infrastructure development zone under IC 6-1.1-12.5-4; and
- (2) the county executive, municipal legislative body, or county fiscal body requests a public utility to extend water or wastewater utility service to the geographic territory established as the infrastructure development zone.

(d) A water or wastewater utility that receives a request described in subsection (c)(2) may file a petition with the commission seeking approval of the requested extension of

service. If the commission approves the petition, in future general rate cases, the commission shall approve rate schedules that include a surcharge payable only by customers located in the geographic area within the jurisdiction of the governmental entity described in subsection (c), ~~including or, if requested by the governmental entity, only within~~ the geographic area established as an infrastructure development zone. The surcharge shall recover depreciation expense, weighted cost of capital, and federal and state income tax applicable to the extension of water or wastewater utility service.

SECTION 4. IC 8-1-2-101.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 101.5. (a) This section applies to:

- (1) a water main extension;
- (2) a wastewater main extension; or
- (3) an agreement that:

- (A) is for a water main extension or a wastewater main extension; and
- (B) is entered into after June 30, 2020, by a utility and the person requesting the extension.

(b) As used in this section, "utility" means a municipally owned utility (as defined in IC 8-1-2-1(h)) that provides water service or wastewater service, or both, to the public.

(c) With respect to any water main extension or wastewater main extension, a utility shall comply with the commission's rules governing water main extensions or wastewater main extensions, as applicable, including:

- (1) 170 IAC 6-1.5, in the case of a water main extension; or
- (2) 170 IAC 8.5-4, in the case of a wastewater main extension;

as may be amended by the commission, regardless of whether the utility is subject to the jurisdiction of the commission for the approval of rates and charges. However, a utility is not required to comply with any provisions in the commission's main extension rules that require reporting to the commission.

(d) Disputes arising under this section may be submitted as informal complaints to the commission's consumer affairs division, in accordance with IC 8-1-2-34.5(b) and the commission's rules under 170 IAC 16, including provisions for referrals and appeals to the full commission, regardless of whether the person requesting the extension is a customer of the utility.

(e) The commission shall adopt by:

- (1) order; or
- (2) rule under IC 4-22-2;

other procedures not inconsistent with this section that the commission determines to be reasonable or necessary to administer this section. In adopting the rules under this section, the commission may adopt emergency rules in the manner provided by IC 4-22-2-37.1. Notwithstanding IC 4-22-2-37.1(g), an emergency rule adopted by the commission under this subsection and in the manner provided by IC 4-22-2-37.1 expires on the date on which a rule that supersedes the emergency rule is adopted by the commission under IC 4-22-2-24 through IC 4-22-2-36.

(f) If the commission determines that it requires additional staff to handle the volume of informal complaints submitted under this section, the commission may impose a fee under this section. Any fee charged by the commission under this section may:

- (1) not exceed:
 - (A) the commission's actual costs in administering this section; or
 - (B) seven hundred fifty dollars (\$750);
- whichever is less; and

(2) be assessed against the party against whom a decision is rendered under this section.

SECTION 5. IC 8-1-30.3-5, AS AMENDED BY P.L.229-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) This section applies if:

- (1) a utility company acquires property from an offered utility in a transaction involving a willing buyer and a willing seller; and
- (2) at least one (1) utility company described in subdivision (1) is subject to the jurisdiction of the commission under this article.

(b) Subject to subsection (c), there is a rebuttable presumption that a cost differential is reasonable.

(c) If the acquisition:

- (1) is made under IC 8-1.5-2-6.1, and to the extent the purchase price does not exceed the appraised value as determined under IC 8-1.5-2-5; or
- (2) is not made under IC 8-1.5-2-6.1, and to the extent the purchase price does not exceed the appraised value as determined under section 5.5 of this chapter;**

the purchase price is considered reasonable for purposes of subsection (d) and any resulting cost differential is considered reasonable.

(d) Before closing on the acquisition, the utility company that acquires the utility property may petition the commission to include any cost differential as part of its rate base in future rate cases. The commission shall approve the petition if the commission finds the following:

- (1) The utility property is used and useful to the offered utility in providing water service, wastewater service, or both water and wastewater service.
- (2) The offered utility is too small to capture economies of scale or has failed to furnish or maintain adequate, efficient, safe, and reasonable service and facilities.
- (3) The utility company will improve economies of scale or, if otherwise needed, make reasonable and prudent improvements to the offered utility's plant, the offered utility's operations, or both, so that customers of the offered utility will receive adequate, efficient, safe, and reasonable service.
- (4) The acquisition of the utility property is the result of a mutual agreement made at arms length.
- (5) The actual purchase price of the utility property is reasonable.
- (6) The utility company and the offered utility are not affiliated and share no ownership interests.
- (7) The rates charged by the utility company will not increase unreasonably in future general rate cases solely as a result of acquiring the utility property from the offered utility. For purposes of this subdivision, the rates and charges will not increase unreasonably in future general rate cases so long as the net original cost proposed to be recorded under subsection (f) is not greater than two percent (2%) of the acquiring utility's net original cost rate base as determined in the acquiring utility's most

recent general rate case, the commission shall proceed to determine whether the rates charged by the utility company will increase unreasonably in future general rate cases solely as a result of acquiring the utility property from the offered utility and, in making the determination, may consider evidence of:

- (A) the anticipated dollar value increase; and
- (B) the increase as a percentage of the average bill.

(8) The cost differential will be added to the utility company's rate base to be amortized as an addition to expense over a reasonable time with corresponding reductions in the rate base.

(e) In connection with its petition under subsection (d), the acquiring utility company shall provide the following:

- (1) Notice to customers of the acquiring utility company that a petition has been filed with the commission under this chapter. The notice provided under this subdivision must include the cause number assigned to the petition. Notice under this subdivision may be provided to customers in a billing insert.
- (2) Notice to the office of the utility consumer counselor.
- (3) A statement of known infrastructure, environmental, or other issues affecting the offered utility, and the process for determining reasonable and prudent improvements upon completing the acquisition.

(f) In a proceeding under subsection (d), the commission shall issue its final order not later than two hundred ten (210) days after the filing of the petitioner's case in chief. If the commission grants the petition, the commission's order shall authorize the acquiring utility company to make accounting entries recording the acquisition and that reflect:

- (1) the full purchase price;
- (2) incidental expenses; and
- (3) other costs of acquisition;

as the net original cost of the utility plant in service assets being acquired, allocated in a reasonable manner among appropriate utility plant in service accounts.

SECTION 6. IC 8-1-30.3-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5.5. (a) For purposes of this section, an individual, or the company employing the individual, is qualified to perform an appraisal if the individual is:**

- (1) an engineer registered under IC 25-31; or**
- (2) an appraiser licensed under IC 25-34.1-8.**

(b) For purposes of this section, an individual performing an appraisal, or the company employing the individual, is disinterested if:

- (1) the fee for the appraisal services is fixed before the individual performs the appraisal;**
- (2) the individual is not an employee of one (1) of the parties to the acquisition;**
- (3) the individual is not a state or municipal employee; and**
- (4) the:**

- (A) individual; and**
- (B) company, if applicable;**

do not have affiliated interests (as defined in IC 8-1-2-49) in one (1) of the parties to the acquisition.

(c) An appraisal under section 5(c)(2) of this chapter must be performed by three (3) qualified and disinterested appraisers, including:

- (1) at least one (1) appraiser qualified under**

**subsection (a)(1); and
(2) at least one (1) appraiser qualified under
subsection (a)(2).**

(d) If the three (3) appraisers performing an appraisal for purposes of section 5(c)(2) of this chapter cannot agree as to an appraised value, the appraisal is sufficient for purposes of section 5(c)(2) of this chapter if the appraisal is signed by two (2) of the appraisers.

SECTION 7. IC 8-1-30.3-6, AS AMENDED BY P.L.229-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. For purposes of section 5(d)(2) of this chapter, an offered utility is too small to capture economies of scale or is not furnishing or maintaining adequate, efficient, safe, and reasonable service and facilities if the commission finds one (1) or more of the following:

- (1) The offered utility violated one (1) or more state or federal statutory or regulatory requirements in a manner that the commission determines affects the safety, adequacy, efficiency, or reasonableness of its services or facilities.
- (2) The offered utility has inadequate financial, managerial, or technical ability or expertise.
- (3) The offered utility fails to provide water in sufficient amounts, that is palatable, or at adequate volume or pressure.
- (4) The offered utility, due to necessary improvements to its plant or distribution or collection system or operations, is unable to furnish and maintain adequate service to its customers at rates equal to or less than those of the acquiring utility company.
- (5) The offered utility serves fewer than **five eight thousand (5,000) (8,000)** customers.
- (6) Any other facts that the commission determines demonstrate the offered utility's inability to capture economies of scale or to furnish or maintain adequate, efficient, safe, or reasonable service or facilities.

SECTION 8. IC 36-4-3-4, AS AMENDED BY P.L.206-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The legislative body of a municipality may, by ordinance, annex any of the following:

- (1) Territory that is contiguous to the municipality.
- (2) Territory that is not contiguous to the municipality and is occupied by a municipally owned or operated as either of the following:
 - (A) An airport or landing field.
 - (B) A wastewater treatment facility or water treatment facility. After a municipality annexes territory under this clause, the municipality may annex additional territory to enlarge the territory for the use of the wastewater treatment facility or water treatment facility only if the county legislative body approves that use of the additional territory by ordinance.
- (3) Territory that is not contiguous to the municipality but is found by the legislative body to be occupied by:
 - (A) a municipally owned or regulated sanitary landfill, golf course, or hospital; or
 - (B) a police station of the municipality.

However, if territory annexed under subdivision (2) or (3) ceases to be used for the purpose for which the territory was annexed for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices required to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation. Territory that is annexed under subdivision (2) (including territory that is enlarged under subdivision (2)(B) for the use of the wastewater treatment facility or water treatment facility) or subdivision (3) may not be considered a part of the municipality for purposes of annexing additional territory.

(b) This subsection applies to municipalities in a county having any of the following populations:

- (1) More than seventy thousand fifty (70,050) but less than seventy-one thousand (71,000).
- (2) More than seventy-five thousand (75,000) but less than seventy-seven thousand (77,000).
- (3) More than seventy-one thousand (71,000) but less than seventy-five thousand (75,000).
- (4) More than forty-seven thousand (47,000) but less than forty-seven thousand five hundred (47,500).
- (5) More than thirty-eight thousand five hundred (38,500) but less than thirty-nine thousand (39,000).
- (6) More than thirty-seven thousand (37,000) but less than thirty-seven thousand one hundred twenty-five (37,125).
- (7) More than thirty-three thousand three hundred (33,300) but less than thirty-three thousand five hundred (33,500).
- (8) More than twenty-three thousand three hundred (23,300) but less than twenty-four thousand (24,000).
- (9) More than one hundred eighty-five thousand (185,000) but less than two hundred fifty thousand (250,000).
- (10) More than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000).
- (11) More than thirty-two thousand five hundred (32,500) but less than thirty-three thousand (33,000).
- (12) More than seventy-seven thousand (77,000) but less than eighty thousand (80,000).

Except as provided in subsection (c), the legislative body of a municipality to which this subsection applies may, by ordinance, annex territory that is not contiguous to the municipality, has its entire area not more than two (2) miles from the municipality's boundary, is to be used for an industrial park containing one (1) or more businesses, and is either owned by the municipality or by a property owner who consents to the annexation. However, if territory annexed under this subsection is not used as an industrial park within five (5) years after the date of passage of the annexation ordinance, or if the territory ceases to be used as an industrial park for at least one (1) year, the territory reverts to the jurisdiction of the unit having jurisdiction before the annexation if the unit that had jurisdiction over the territory still exists. If the unit no longer exists, the territory reverts to the jurisdiction of the unit that would currently have jurisdiction over the territory if the annexation had not occurred. The clerk of the municipality shall notify the offices entitled to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the

jurisdiction of the unit having jurisdiction before the annexation.

(c) A city in a county with a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000) may not annex territory as prescribed in subsection (b) until the territory is zoned by the county for industrial purposes.

(d) Notwithstanding any other law, territory that is annexed under subsection (b) or (h) is not considered a part of the municipality for the purposes of:

- (1) annexing additional territory:
 - (A) in a county that is not described by clause (B); or
 - (B) in a county having a population of more than two hundred fifty thousand (250,000) but less than two hundred seventy thousand (270,000), unless the boundaries of the noncontiguous territory become contiguous to the city, as allowed by Indiana law;
- (2) expanding the municipality's extraterritorial jurisdictional area; or
- (3) changing an assigned service area under IC 8-1-2.3-6(1).

(e) As used in this section, "airport" and "landing field" have the meanings prescribed by IC 8-22-1.

(f) As used in this section, "hospital" has the meaning prescribed by IC 16-18-2-179(b).

(g) An ordinance adopted under this section must assign the territory annexed by the ordinance to at least one (1) municipal legislative body district.

(h) This subsection applies to a city having a population of more than twenty-nine thousand nine hundred (29,900) but less than thirty-one thousand (31,000). The city legislative body may, by ordinance, annex territory that:

- (1) is not contiguous to the city;
- (2) has its entire area not more than eight (8) miles from the city's boundary;
- (3) does not extend more than:
 - (A) one and one-half (1 1/2) miles to the west;
 - (B) three-fourths (3/4) mile to the east;
 - (C) one-half (1/2) mile to the north; or
 - (D) one-half (1/2) mile to the south;

of an interchange of an interstate highway (as designated by the federal highway authorities) and a state highway (as designated by the state highway authorities); and

(4) is owned by the city or by a property owner that consents to the annexation.

(i) This subsection applies to a city having a population of more than thirty-one thousand seven hundred twenty-five (31,725) but less than thirty-five thousand (35,000) in a county having a population of at least one hundred fifty thousand (150,000) but less than one hundred seventy thousand (170,000). The city legislative body may, by ordinance, annex territory under section 5.1 of this chapter:

- (1) that is not contiguous to the city;**
- (2) that is south of the southernmost boundary of the city;**
- (3) the entire area of which is not more than four (4) miles from the city's boundary; and**
- (4) that does not extend more than one (1) mile to the east of a state highway (as designated by the state highway authorities).**

Territory annexed under this subsection is not considered a part of the city for purposes of annexation of additional

territory. A city may not require connection to a sewer installed to provide service to territory annexed under this subsection.

SECTION 9. IC 36-4-3-5.1, AS AMENDED BY P.L.228-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.1. (a) Owners of land **that is located outside but contiguous to a municipality or that is located in territory described in section 4(i) of this chapter** may file a petition with the legislative body of the municipality:

- (1) requesting an ordinance annexing the area described in the petition; and
- (2) signed by:

(A) one hundred percent (100%) of the landowners that reside within the territory that is proposed to be annexed, in the case of a petition filed before July 1, 2015; and

(B) in the case of a petition filed after June 30, 2015, one hundred percent (100%) of the owners of land within the territory that is proposed to be annexed.

(b) Sections 2.1 and 2.2 of this chapter do not apply to an annexation under this section.

(c) The petition circulated by the landowners must include on each page where signatures are affixed a heading that is substantially similar to the following:

"PETITION FOR ANNEXATION INTO THE (insert whether city or town) OF (insert name of city or town)."

(d) The municipality may:

- (1) adopt an annexation ordinance annexing the territory; and
- (2) adopt a fiscal plan and establish a definite policy by resolution of the legislative body;

after the legislative body has held a public hearing on the proposed annexation.

(e) The municipality may introduce and hold the public hearing on the annexation ordinance not later than thirty (30) days after the petition is filed with the legislative body. Notice of the public hearing may be published one (1) time in accordance with IC 5-3-1 at least twenty (20) days before the hearing. All interested parties must have the opportunity to testify at the hearing as to the proposed annexation.

(f) The municipality may adopt the annexation ordinance not earlier than fourteen (14) days after the public hearing under subsection (e).

(g) A landowner may withdraw the landowner's signature from the petition not more than thirteen (13) days after the municipality adopts the fiscal plan by providing written notice to the office of the clerk of the municipality. If a landowner withdraws the landowner's signature, the petition shall automatically be considered a voluntary petition that is filed with the legislative body under section 5 of this chapter, fourteen (14) days after the date the fiscal plan is adopted. All provisions applicable to a petition initiated under section 5 of this chapter apply to the petition.

(h) If the municipality does not adopt an annexation ordinance within sixty (60) days after the landowners file the petition with the legislative body, the landowners may file a duplicate petition with the circuit or superior court of a county in which the territory is located. The court shall determine whether the annexation shall take place as set forth in section 5 of this chapter.

(i) A remonstrance under section 11 of this chapter may not be filed. However, an appeal under section 15.5 of this chapter may be filed.

(j) In the absence of an appeal under section 15.5 of this chapter, an annexation ordinance adopted under this section

takes effect not less than thirty (30) days after the adoption of the ordinance and upon the filing and recording of the ordinance under section 22 of this chapter.

SECTION 10. IC 36-9-25-11.3, AS ADDED BY P.L.175-2006, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.3. (a) This section applies to:

(1) a board and district created under section 3(b)(2) of this chapter; and

(2) a board and district to which the following apply:

(A) The district is within the jurisdiction of a department established under section 1(a)(2) of this chapter.

(B) The district is under an order or party to an agreement with one (1) or more state or federal agencies to remediate environmental conditions.

(b) For purposes of this section, "commission" refers to the Indiana utility regulatory commission created by IC 8-1-1-2.

(c) For purposes of this section, "fees" means fees:

(1) for the treatment and disposal of sewage and other waste discharged into the sewer system of the district; and

(2) related to property that is subject to full taxation.

(d) Fees do not take effect until the fees are:

(1) approved by the board; and

(2) either:

(A) approved in an ordinance adopted by the legislative body of each municipality in the district; or
(B) established by the commission under this section.

(e) Not earlier than thirty (30) days after fees are approved under subsection (d)(1), the board may petition the commission to establish the fees under:

(1) the procedures set forth in IC 8-1-2; and
(2) subsection (f).

(f) The commission shall observe the following requirements when establishing fees for a district:

(1) Fees must be sufficient to enable the district to furnish reasonably adequate services and facilities.

(2) Fees for a service must be nondiscriminatory, reasonable, and just and must produce sufficient revenue, together with taxes levied under this chapter, to do the following:

(A) Pay all legal and other necessary expenses incident to the operation of the utility, including the following:

- (i) Maintenance costs.
- (ii) Operating charges.
- (iii) Upkeep.
- (iv) Repairs.
- (v) Depreciation.
- (vi) Interest charges on bonds or other obligations, including leases.

(B) Provide a sinking fund for the liquidation of bonds or other obligations, including leases.

(C) Provide a debt service reserve for bonds or other obligations, including leases, in an amount established by the board. The amount may not exceed the maximum annual debt service on

the bonds or obligations or the maximum annual lease rentals, if any.

(D) Provide adequate money for working capital.

(E) Provide adequate money for making extensions and replacements to the extent not provided for through depreciation in clause (A).

(F) Provide money for the payment of taxes that may be assessed against the district.

(3) The fees charged by the district must produce an income sufficient to maintain district property in a sound physical and financial condition to render adequate and efficient service. Fees may not be too low to meet these requirements.

(4) If the board petitions the commission under subsection (e), the fees established must produce a reasonable return on the sanitary district facilities.

(5) Fees other than fees established for a municipally owned utility taxed under IC 6-1.1-8-3 must be sufficient to compensate the municipality for taxes that would be due the municipality on the utility property located in the municipality if the property were privately owned.

(6) The commission must grant a request by the board to postpone an increase in fees until after the occurrence of a future event.

(g) The board may transfer fees in lieu of taxes established under subsection (f)(5) to the general fund of the appropriate municipality.

(h) Fees established by the commission under this section take effect to the same extent as if the fees were approved by an ordinance adopted by the legislative body of each municipality in the district.

SECTION 11. An emergency is declared for this act.

(Reference is to EHB 1131 as reprinted February 28, 2020.)

PRESSEL BOOTS
PIERCE GARTEN
House Conferees Senate Conferees

Roll Call 384: yeas 92, nays 0. Report adopted.

Representatives Karickhoff and Negele, who had been present, are now excused.

Representatives Errington, Morrison and Shackelford, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT

ESB 1-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 1 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 7.1-1-3-25, AS AMENDED BY P.L.176-2015, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 25. (a) "Minor" except as provided in subsection (b); means a person less than

twenty-one (21) years of age.

(b) ~~"Minor"~~, for purposes of IC 7-1-7, has the meaning set forth in IC 7-1-7-2-17.

SECTION 2. IC 7.1-2-3-33, AS AMENDED BY P.L.214-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 33. The commission is authorized to:

- (1) investigate a violation of; and
- (2) enforce a penalty for a violation of;

IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2, **IC 35-46-1-11.4**, IC 35-46-1-11.5, IC 35-46-1-11.7, or IC 35-46-1-11.8.

SECTION 3. IC 7.1-3-18.5-2, AS AMENDED BY P.L.231-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) A person who desires a certificate must provide the following to the commission:

- (1) The applicant's name and mailing address and the address of the premises for which the certificate is being issued.
- (2) Except as provided in section 6(c) of this chapter, a fee of two hundred dollars (\$200).
- (3) The name under which the applicant transacts or intends to transact business.
- (4) The address of the applicant's principal place of business or headquarters, if any.
- (5) The statement required under section 2.6 of this chapter.

(b) A separate certificate is required for each location where the tobacco products or electronic cigarettes are sold or distributed.

(c) A certificate holder shall conspicuously display the holder's certificate on the holder's premises where the tobacco products or electronic cigarettes are sold or distributed.

(d) Any intentional misstatement or suppression of a material fact in an application filed under this section constitutes grounds for denial of the certificate.

(e) A certificate may be issued only to a person who meets the following requirements:

- (1) If the person is an individual, the person must be at least ~~eighteen (18)~~ **twenty-one (21)** years of age.
- (2) The person must be authorized to do business in Indiana.
- (3) The person has not had an interest in a certificate revoked by the commission for that business location within the preceding one (1) year.**

(f) The fees collected under this section shall be deposited in the enforcement and administration fund under IC 7.1-4-10.

SECTION 4. IC 7.1-3-18.5-5, AS AMENDED BY P.L.214-2016, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) Subject to subsection (b), the commission may suspend the certificate of a person who fails to pay a civil penalty imposed for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2, **IC 35-46-1-11.4**, IC 35-46-1-11.5, IC 35-46-1-11.7, or IC 35-46-1-11.8.

(b) Before enforcing the imposition of a civil penalty or suspending or revoking a certificate under this chapter, the commission shall provide written notice of the alleged violation to the certificate holder and conduct a hearing. The commission shall provide written notice of the civil penalty or suspension or revocation of a certificate to the certificate holder.

(c) Subject to subsection (b), the commission shall revoke the certificate of a person upon a finding by a preponderance of the evidence that the person:

- (1) has violated IC 35-45-5-3, IC 35-45-5-3.5, IC 35-45-5-4, IC 35-46-1-11, IC 35-46-1-11.2, **IC 35-46-1-11.4**, or IC 35-46-1-11.8;

- (2) has committed habitual illegal sale of tobacco as established under ~~IC 35-46-1-10.2(h)~~; **IC 35-46-1-10.2(j)**; or
- (3) has committed habitual illegal entrance by a minor as established under IC 35-46-1-11.7(f).

SECTION 5. IC 7.1-3-18.5-6, AS AMENDED BY P.L.214-2016, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) If a certificate has:

- (1) expired; or
- (2) been suspended;

the commission may not reinstate or renew the certificate until all civil penalties imposed against the certificate holder for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2, **IC 35-46-1-11.4**, IC 35-46-1-11.5, IC 35-46-1-11.7, or IC 35-46-1-11.8 have been paid.

(b) The failure to pay a civil penalty described in subsection (a) is a Class B infraction.

(c) If a certificate has been revoked, the commission may not reinstate or renew the certificate for at least one hundred eighty (180) days after the date of revocation. The commission may reinstate or renew the certificate only upon a reasonable showing by the applicant that the applicant shall:

- (1) exercise due diligence in the sale of tobacco products or electronic cigarettes on the applicant's premises where the tobacco products or electronic cigarettes are sold or distributed; and
- (2) properly supervise and train the applicant's employees or agents in the handling and sale of tobacco products or electronic cigarettes.

If a certificate is reinstated or renewed, the applicant of the certificate shall pay an application fee of one thousand dollars (\$1,000).

(d) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

SECTION 6. IC 7.1-3-18.5-8, AS AMENDED BY P.L.214-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. The commission may mitigate civil penalties imposed against a certificate holder for violating IC 35-46-1-10, IC 35-46-1-10.2, IC 35-46-1-11, IC 35-46-1-11.2, **IC 35-46-1-11.4**, IC 35-46-1-11.5, IC 35-46-1-11.7, IC 35-46-1-11.8, or any of the provisions of this chapter if a certificate holder provides a training program for the certificate holder's employees that includes at least the following topics:

- (1) Laws governing the sale of tobacco products and electronic cigarettes.
- (2) Methods of recognizing and handling customers who are less than ~~eighteen (18)~~ **twenty-one (21)** years of age.
- (3) Procedures for proper examination of identification cards to verify that customers are under ~~eighteen (18)~~ **twenty-one (21)** years of age.

SECTION 7. IC 7.1-3-18.5-9, AS AMENDED BY P.L.231-2015, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. A certificate holder shall exercise due diligence in the supervision and training of the certificate holder's employees or agents in the handling and sale of tobacco products and electronic cigarettes on the holder's retail premises. Proof that employees or agents of the certificate holder, while in the scope of their employment, committed at least six (6) violations relating to ~~IC 35-46-1-10.2(a)~~ **IC 35-46-1-10.2(b)** in any one ~~hundred eighty (180) day~~ **(1) year** period shall be prima facie evidence of a lack of due diligence by the certificate holder in the supervision and training of the certificate holder's employees or

agents.

SECTION 8. IC 7.1-5-12-5, AS AMENDED BY HEA 1210-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) Except as provided in subsection (c) and subject to section 13 of this chapter, smoking may be allowed in the following:

- (1) A horse racing facility operated under a permit under IC 4-31-5 and any other permanent structure on land owned or leased by the owner of the facility that is adjacent to the facility.
- (2) A riverboat (as defined in IC 4-33-2-17) and any other permanent structure that is:
 - (A) owned or leased by the owner of the riverboat; and
 - (B) located on land that is adjacent to:
 - (i) the dock to which the riverboat is moored; or
 - (ii) the land on which the riverboat is situated in the case of a riverboat described in IC 4-33-2-17(2).
- (3) A facility that operates under a gambling game license under IC 4-35-5 and any other permanent structure on land owned or leased by the owner of the facility that is adjacent to the facility.
- (4) A satellite facility licensed under IC 4-31-5.5.
- (5) An establishment owned or leased by a business that meets the following requirements:
 - (A) The business was in business and permitted smoking on December 31, 2012.
 - (B) The business prohibits entry by an individual who is less than twenty-one (21) years of age.
 - (C) The owner or operator of the business holds a beer, liquor, or wine retailer's permit.
 - (D) The business limits smoking in the establishment to smoking with a waterpipe or hookah device.
 - (E) During the preceding calendar year, at least ten percent (10%) of the business's annual gross income was from the sale of loose tobacco for use in a waterpipe or hookah device.
 - (F) The person in charge of the business posts in the establishment conspicuous signs that display the message that cigarette smoking is prohibited.
- (6) An establishment owned or leased by a business that meets the following requirements:
 - (A) The business prohibits entry by an individual who is less than twenty-one (21) years of age.
 - (B) The owner or operator of the business holds a beer, liquor, or wine retailer's permit.
 - (C) The business limits smoking in the establishment to cigar smoking.
 - (D) During the preceding calendar year, at least ten percent (10%) of the business's annual gross income was from the sale of cigars and the rental of onsite humidors.
 - (E) The person in charge of the business posts in the establishment

conspicuous signs that display the message that cigarette smoking is prohibited.

(7) A premises owned or leased by and regularly used for the activities of a business that meets all of the following:

(A) The business is exempt from federal income taxation under 26 U.S.C. 501(c).

(B) The business:

(i) meets the requirements to be considered a club under IC 7.1-3-20-1; or

(ii) is a fraternal club (as defined in IC 7.1-3-20-7).

(C) The business provides food or alcoholic beverages only to its bona fide members and their guests.

(D) The business:

(i) provides a separate, enclosed, designated smoking room or area that is adequately ventilated to prevent migration of smoke to nonsmoking areas of the premises;

(ii) allows smoking only in the room or area described in item (i);

(iii) does not allow an individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age to enter into the room or area described in item (i); and

(iv) allows a guest in the smoking room or area described in item (i) only when accompanied by a bona fide member of the business.

(8) A retail tobacco store used primarily for the sale of tobacco products and tobacco accessories that meets the following requirements:

(A) The owner or operator of the store holds a valid tobacco sales certificate issued under IC 7.1-3-18.5.

(B) The store prohibits entry by an individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age.

(C) The sale of products other than tobacco products and tobacco accessories is merely incidental.

(D) The sale of tobacco products accounts for at least eighty-five percent (85%) of the store's annual gross sales.

(E) Food or beverages are not sold in a manner that requires consumption on the premises, and there is not an area set aside for customers to consume food or beverages on the premises.

(9) A bar or tavern:

(A) for which a permittee holds:

(i) a beer retailer's permit under IC 7.1-3-4;

(ii) a liquor retailer's permit under IC 7.1-3-9; or

(iii) a wine retailer's permit under IC 7.1-3-14;

(B) that does not employ an

individual who is less than eighteen (18) years of age;

(C) that does not allow an individual who:

(i) is less than twenty-one (21) years of age; and

(ii) is not an employee of the bar or tavern;

to enter any area of the bar or tavern; and

(D) that is not located in a business that would otherwise be subject to this chapter.

(10) A cigar manufacturing facility that does not offer retail sales.

(11) A premises of a cigar specialty store to which all of the following apply:

(A) The owner or operator of the store holds a valid tobacco sales certificate issued under IC 7.1-3-18.5.

(B) The sale of tobacco products and tobacco accessories account for at least fifty percent (50%) of the store's annual gross sales.

(C) The store has a separate, enclosed, designated smoking room that is adequately ventilated to prevent migration of smoke to nonsmoking areas.

(D) Smoking is allowed only in the room described in clause (C).

(E) Individuals who are less than ~~eighteen (18)~~ **twenty-one (21)** years of age are prohibited from entering into the room described in clause (C).

(F) Cigarette smoking is not allowed on the premises of the store.

(G) The owner or operator of the store posts a conspicuous sign on the premises of the store that displays the message that cigarette smoking is prohibited.

(H) The store does not prepare any food or beverage that would require a certified food ~~handler~~ **protection manager** under IC 16-42-5.2.

(12) The premises of a business that is located in the business owner's private residence (as defined in IC 3-5-2-42.5) if the only employees of the business who work in the residence are the owner and other individuals who reside in the residence.

(b) The owner, operator, manager, or official in charge of an establishment or premises in which smoking is allowed under this section shall post conspicuous signs in the establishment that read "WARNING: Smoking Is Allowed In This Establishment" or other similar language.

(c) This section does not allow smoking in the following enclosed areas of an establishment or premises described in subsection (a)(1) through (a)(11):

(1) Any hallway, elevator, or other common area where an individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age is permitted.

(2) Any room that is intended for use by an individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age.

(d) The owner, operator, or manager of an establishment or premises that is listed under subsection (a) and that allows smoking shall provide a verified statement to the commission that states that the establishment or premises qualifies for the exemption. The commission may require the owner, operator, or manager of an establishment or premises to provide documentation or additional information concerning the exemption of the establishment or premises.

SECTION 9. IC 7.1-6-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. The division of mental health and addiction established under IC 12-21 shall coordinate the conduct of random unannounced inspections at locations where tobacco products, **e-liquids, or electronic cigarettes** are sold or distributed to ensure compliance with this article. Only the commission, an Indiana law enforcement agency, the office of the sheriff of a county, or an organized police department of a municipal corporation may conduct the random unannounced inspections. These entities may use retired or off-duty law enforcement officers to conduct inspections under this section.

SECTION 10. IC 7.1-6-2-4, AS AMENDED BY P.L.20-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) An enforcement officer vested with full police powers and duties may engage a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age as part of an enforcement action under this article if the initial or contemporaneous receipt or purchase of a tobacco product, **e-liquid**, or electronic cigarette by a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age occurs under the direction of an enforcement officer vested with full police powers and duties and is part of the enforcement action.

(b) An enforcement officer vested with full police powers and duties shall not:

(1) recruit or attempt to recruit a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age to participate in an enforcement action under subsection (a) at the scene of a violation of section 2 of this chapter; or

(2) allow a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age to purchase or receive a tobacco product, **e-liquid**, or electronic cigarette as part of an enforcement action under subsection (a) without the written permission of the person's parents or legal guardians.

SECTION 11. IC 7.1-7-2-6.3, AS ADDED BY P.L.206-2017, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6.3. "Delivery sale" means a sale of ~~e-liquids~~ **an e-liquid** to a purchaser in Indiana in which the purchaser submits the order for the sale:

(1) by telephone;

(2) over the Internet; or

(3) through the mail or another delivery system;

and the ~~e-liquids~~ **e-liquid** is shipped through a delivery service. "Delivery sale" does not include a sale of ~~e-liquids~~ **an e-liquid** not for personal consumption to a person who is a retailer.

SECTION 12. IC 7.1-7-2-17 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 17. "~~Minor~~" means an individual who is less than ~~eighteen (18)~~ years of age.

SECTION 13. IC 7.1-7-4-1, AS AMENDED BY P.L.206-2017, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) A manufacturer of e-liquid may not mix, bottle, package, or sell e-liquid to retailers, consumers, or distributors in Indiana without a permit issued by the commission under this article.

(b) ~~All e-liquids~~ **An e-liquid** manufactured by an e-liquids manufacturer approved by the commission under this article before July 1, 2017, may be distributed and sold for retail until the expiration date of the ~~e-liquids~~ **e-liquid**.

(c) A manufacturing permit issued by the commission is valid for five (5) years. A manufacturing permit issued by the commission under this article before July 1, 2017, does not expire before July 1, 2020.

(d) An initial application for a manufacturing permit must include the following:

- (1) The name, telephone number, and address of the applicant.
- (2) The name, telephone number, and address of the manufacturing facility.
- (3) The name, telephone number, title, and address of the person responsible for the manufacturing facility.
- (4) Verification that the facility will comply with applicable tobacco products good manufacturing practices promulgated under 21 U.S.C. 387f(e) of the federal Food, Drug, and Cosmetic Act.
- (5) Verification that the manufacturer will comply with the applicable ingredient listing required by 21 U.S.C. 387d(a)(1) of the federal Food, Drug, and Cosmetic Act.
- (6) Written consent allowing the state police department to conduct a state or national criminal history background check on any person listed on the application.
- (7) A nonrefundable initial application fee of one thousand dollars (\$1,000).

(e) The fees collected under subsection (d)(7) shall be deposited in the enforcement and administration fund established under IC 7.1-4-10.

SECTION 14. IC 7.1-7-5.5-1, AS ADDED BY P.L.206-2017, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. A retailer may not make a delivery sale of e-liquid to a **minor an individual who does not meet the minimum age requirement** as set forth in IC 7.1-7-6-5.

SECTION 15. IC 7.1-7-5.5-2, AS ADDED BY P.L.206-2017, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. A retailer may not ship ~~e-liquids~~ **an e-liquid** without first making a good faith effort to verify the age of the purchaser of the ~~e-liquids~~ **e-liquid** as set forth in IC 7.1-7-6-6.

SECTION 16. IC 7.1-7-5.5-3, AS ADDED BY P.L.206-2017, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) Before ~~e-liquids are~~ **an e-liquid is** shipped in a delivery sale, a retailer must be fully paid for the purchase and shall accept payment from the purchaser:

- (1) by a check drawn on an account in the purchaser's name;
- (2) by a credit card issued in the purchaser's name; or
- (3) by a debit card issued in the purchaser's name.

(b) A retailer may ship ~~e-liquids~~ **an e-liquid** only to a purchaser.

SECTION 17. IC 7.1-7-5.5-5, AS ADDED BY P.L.206-2017, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. A retailer who ships ~~e-liquids~~ **an e-liquid** from a delivery sale order shall include as part of the shipping documents a document with the following statement: "E-LIQUIDS: Indiana law prohibits the sale of this product to a person who is less than ~~18~~ **21** years of age."

SECTION 18. IC 7.1-7-6-2 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 2: (a) **This subsection does not apply to a delivery sale as defined in IC 7.1-7-2-6.3. If a retailer:**

- (1) knowingly and intentionally sells e-liquid to a **minor**; or
- (2) knowingly, intentionally, or negligently fails

to verify the age of a person who appears to be less than twenty-seven (27) years of age by checking a government issued identification and sells the person e-liquid;

the retailer commits a Class C infraction. For a sale to take place under this section, the buyer must pay the retail establishment for the e-liquid.

(b) Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction committed under this section must be imposed as follows:

- (1) If the retail establishment at that specific business location has not been issued a citation or summons for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to two hundred dollars (\$200).
- (2) If the retail establishment at that specific business location has had one (1) citation or summons issued for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to four hundred dollars (\$400).
- (3) If the retail establishment at that specific business location has had two (2) citations or summonses issued for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to seven hundred dollars (\$700).
- (4) If the retail establishment at that specific business location has had three (3) or more citations or summonses issued for a violation of this section in the previous one hundred eighty (180) days, a civil penalty of up to one thousand dollars (\$1,000).

A retail establishment may not be issued a citation or summons for a violation of this section more than once every twenty-four (24) hours for each specific business location.

(c) It is not a defense that the person to whom e-liquid was sold or distributed did not inhale or otherwise consume e-liquid.

(d) The following defenses are available to a retail establishment accused of selling or distributing e-liquid to a person who is less than eighteen (18) years of age:

- (1) The buyer or recipient produced a driver's license bearing the purchaser's or recipient's photograph showing that the purchaser or recipient was of legal age to make the purchase.
- (2) The buyer or recipient produced a photographic identification card issued under IC 9-24-16-1 or a similar card issued under the laws of another state or the federal government showing that the purchaser or recipient was of legal age to make the purchase.
- (3) The appearance of the purchaser or recipient was such that an ordinary prudent person would believe that the purchaser or recipient was not less than the age that complies with regulations promulgated by the federal Food and Drug Administration.

(e) It is a defense that the accused retail establishment sold or delivered e-liquid to a person who acted in the ordinary course of employment or a business concerning e-liquid:

- (1) agriculture;
- (2) processing;
- (3) transporting;
- (4) wholesaling; or
- (5) retailing.

(f) As used in this section, "distribute" means to give e-liquid to another person as a means of promoting, advertising, or marketing e-liquid to the general public.

(g) Unless a person buys or receives e-liquid under the direction of a law enforcement officer as part of an enforcement

action; a retail establishment that sells or distributes e-liquid is not liable for a violation of this section unless the person less than eighteen (18) years of age who bought or received the e-liquid is issued a citation or summons in violation of this article.

(h) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund (IC 7-1-6-2-6).

(i) A person who violates subsection (a) at least six (6) times in any one hundred eighty (180) day period commits habitual illegal sale of e-liquid; a Class B infraction.

SECTION 19. IC 7.1-7-6-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 2.1. A person who sells or distributes an e-liquid to a person less than twenty-one (21) years of age may be in violation of IC 35-46-1.**

SECTION 20. IC 7.1-7-6-5, AS ADDED BY P.L.206-2017, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. A person who knowingly or intentionally makes a delivery sale of e-liquids **an e-liquid to a minor an individual who is less than twenty-one (21) years of age** commits a Class C infraction.

SECTION 21. IC 7.1-7-6-6, AS ADDED BY P.L.206-2017, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) As used in this section, "good faith effort to verify the age of **a the purchaser of e-liquids" the e-liquid**" means:

- (1) verifying the age of the purchaser in a commercially available database; or
- (2) obtaining a photocopy of a government issued identification;

that indicates the birth date or age of the purchaser.

(b) A person who knowingly or intentionally ships **e-liquids an e-liquid** without first making a good faith effort to verify the age of the purchaser of the **e-liquids e-liquid** commits a Class C infraction.

SECTION 22. IC 24-3-5-4, AS AMENDED BY P.L.160-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. Subject to section 4.5 of this chapter, a merchant may not mail or ship cigarettes as part of a delivery sale unless, before mailing or shipping the cigarettes, the merchant:

(1) obtains from the prospective customer a written statement signed by the prospective customer under penalty of perjury:

(A) providing the prospective customer's address and date of birth;

(B) advising the prospective customer that:

(i) signing another person's name to the statement required under this subdivision may subject the person to a civil monetary penalty of not more than one thousand dollars (\$1,000); and

(ii) purchasing cigarettes by a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age is a Class C infraction under IC 35-46-1-10.5;

(C) confirming that the cigarette order was placed by the prospective customer;

(D) providing a warning under 15 U.S.C. 1333(a)(1); and

(E) stating the sale of cigarettes by delivery sale is a taxable event for purposes of IC 6-7-1;

(2) makes a good faith effort to verify the information in the written statement obtained under subdivision (1) by using a federal or commercially available data base; and

(3) receives payment for the delivery sale by a credit or debit card issued in the name of the prospective purchaser.

SECTION 23. IC 24-3-5-5, AS AMENDED BY P.L.160-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) A merchant who mails or ships cigarettes as part of a delivery sale shall:

(1) use a mailing or shipping service that requires the customer or a person at least ~~eighteen (18)~~ **twenty-one (21)** years of age who is designated by the customer to:

(A) sign to accept delivery of the cigarettes; and

(B) present a valid operator's license issued under IC 9-24-3 or an identification card issued under IC 9-24-16 if the customer or the customer's designee, in the opinion of the delivery agent or employee of the mailing or shipping service, appears to be less than ~~twenty-seven (27)~~ **thirty (30)** years of age;

(2) provide to the mailing or shipping service used under subdivision (1) proof of compliance with section 6(a) of this chapter; and

(3) include the following statement in bold type or capital letters on an invoice or shipping document:

INDIANA LAW PROHIBITS THE MAILING OR SHIPPING OF CIGARETTES TO A PERSON LESS THAN ~~EIGHTEEN (18)~~ **TWENTY-ONE (21)** YEARS OF AGE AND REQUIRES PAYMENT OF ALL APPLICABLE TAXES.

(b) The commission may impose a civil penalty of not more than one thousand dollars (\$1,000) if a mailing or shipping service:

(1) delivers cigarettes as part of a delivery sale without first receiving proof from the merchant of compliance with section 6(a) of this chapter; or

(2) fails to obtain a signature and proof of identification of the customer or the customer's designee under subsection (a)(1).

The commission shall deposit amounts collected under this subsection into the **Richard D. Doyle** youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

(c) The following apply to a merchant that mails or ships cigarettes as part of a delivery sale without using a third party service as required by subsection (a)(1):

(1) The merchant shall require the customer or a person at least ~~eighteen (18)~~ **twenty-one (21)** years of age who is designated by the customer to:

(A) sign to accept delivery of the cigarettes; and

(B) present a valid operator's license issued under IC 9-24-3 or identification card issued under IC 9-24-16 if the customer or the customer's designee, in the opinion

of the merchant or the merchant's employee making the delivery, appears to be less than ~~twenty-seven (27)~~ **thirty (30)** years of age.

(2) The commission may impose a civil penalty of not more than one thousand dollars (\$1,000) if the merchant:

- (A) delivers the cigarettes without first complying with section 6(a) of this chapter; or
- (B) fails to obtain a signature and proof of identification of the customer or the customer's designee under subdivision (1).

The commission shall deposit amounts collected under this subdivision into the **Richard D. Doyle** youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

SECTION 24. IC 24-3-5-8, AS AMENDED BY P.L.160-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. The commission may impose a civil penalty of not more one thousand dollars (\$1,000) on a:

- (1) customer who signs another person's name to a statement required under section 4(1) of this chapter; or
- (2) merchant who sells cigarettes by delivery sale to a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age.

The commission shall deposit amounts collected under this section into the **Richard D. Doyle** youth tobacco education and enforcement fund established by IC 7.1-6-2-6.

SECTION 25. IC 35-31.5-2-100, AS AMENDED BY P.L.185-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 100. (a) "Distribute", for purposes of IC 35-45-4-8, has the meaning set forth in IC 35-45-4-8.

(b) "Distribute", for purposes of IC 35-46-1-10, has the meaning set forth in ~~IC 35-46-1-10(c)~~ **IC 35-46-1-10(f)**.

(c) "Distribute", for purposes of IC 35-46-1-10.2, has the meaning set forth in ~~IC 35-46-1-10.2(e)~~ **IC 35-46-1-10.2(g)**.

(d) "Distribute", for purposes of IC 35-47.5, has the meaning set forth in IC 35-47.5-2-6.

(e) "Distribute", for purposes of IC 35-48, has the meaning set forth in IC 35-48-1-14.

(f) "Distribute", for purposes of IC 35-49, has the meaning set forth in IC 35-49-1-2.

SECTION 26. IC 35-31.5-2-107.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 107.5. "E-liquid", for purposes of IC 35-46-1, has the meaning set forth in IC 35-46-1-1.4.**

SECTION 27. IC 35-43-5-3.8, AS AMENDED BY P.L.158-2013, SECTION 473, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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 cigarette or tobacco product (as defined in IC 6-7-2-5);~~
- ~~(B) (A) a periodical, a videotape, or other communication medium that contains or depicts nudity (as defined in IC 35-49-1-5);~~
- ~~(C) (B) admittance to a performance (live or on film) that prohibits the attendance of the minor based on age; or~~
- ~~(D) (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 28. IC 35-46-1-1, AS AMENDED BY P.L.99-2007, SECTION 210, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter:

"Dependent" means:

- (1) an unemancipated person who is under eighteen (18) years of age; or
- (2) a person of any age who has a mental or physical disability.

"Endangered adult" has the meaning set forth in IC 12-10-3-2.

"Support" means food, clothing, shelter, or medical care.

"Tobacco and vaping business" means a sole proprietorship, partnership, or other enterprise in which:

- (1) the primary activity is the sale of:**
 - (A) e-liquids;**
 - (B) e-liquid accessories;**
 - (C) electronic cigarettes;**
 - (D) tobacco;**
 - (E) tobacco products;**
 - (F) tobacco accessories; or**
 - (G) any combination of the products listed in clauses (A) through (F); and**
- (2) the sale of other products is incidental.**

"Tobacco business" means a sole proprietorship, corporation, partnership, or other enterprise in which:

- (1) the primary activity is the sale of tobacco, tobacco products, and tobacco accessories; and
- (2) the sale of other products is incidental.

SECTION 29. IC 35-46-1-1.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 1.4. As used in this chapter, "e-liquid" has the meaning set forth in IC 7.1-7-2-10.**

SECTION 30. IC 35-46-1-10, AS AMENDED BY P.L.20-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) **A person may not be charged with a violation under this section and a violation under IC 7.1-7-6-5.**

(b) A person who knowingly:

(1) sells or distributes tobacco, **an e-liquid**, or an electronic cigarette to a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age; or
 (2) purchases tobacco, **an e-liquid**, or an electronic cigarette for delivery to another person who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age;

commits a Class C infraction. For a sale to take place under this section, the buyer must pay the seller for the tobacco product, **the e-liquid**, or the electronic cigarette.

~~(b)~~ **(c)** It is not a defense that the person to whom the tobacco, **the e-liquid**, or electronic cigarette was sold or distributed did not smoke, chew, inhale, or otherwise consume the tobacco, **e-liquid**, or the electronic cigarette.

~~(c)~~ **(d)** The following defenses are available to a person accused of selling or distributing tobacco, **an e-liquid**, or an electronic cigarette to a person who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age:

(1) The buyer or recipient produced a driver's license bearing the purchaser's or recipient's photograph, showing that the purchaser or recipient was of legal age to make the purchase.

(2) The buyer or recipient produced a photographic identification card issued under IC 9-24-16-1, or a similar card issued under the laws of another state or the federal government, showing that the purchaser or recipient was of legal age to make the purchase.

(3) The appearance of the purchaser or recipient was such that an ordinary prudent person would believe that the purchaser or recipient was not less than ~~the age that complies with regulations~~ **thirty (30) years of age, promulgated by the federal Food and Drug Administration**.

~~(d)~~ **(e)** It is a defense that the accused person sold or delivered the tobacco, **e-liquid**, or electronic cigarette to a person who acted in the ordinary course of employment or a business concerning tobacco, **an e-liquid**, or electronic cigarettes **including the following activities**:

- (1) Agriculture.
- (2) Processing.
- (3) Transporting.
- (4) Wholesaling. ~~or~~
- (5) Retailing.

~~(e)~~ **(f)** As used in this section, "distribute" means to give tobacco, **an e-liquid**, or an electronic cigarette to another person as a means of promoting, advertising, or marketing the tobacco, **e-liquid**, or electronic cigarette to the general public.

~~(f)~~ **(g)** Unless the person buys or receives tobacco, **an e-liquid**, or an electronic cigarette under the direction of a law enforcement officer as part of an enforcement action, a person who sells or distributes tobacco, **an e-liquid**, or an electronic cigarette is not liable for a violation of this section unless the person less than ~~eighteen (18)~~ **twenty-one (21)** years of age who bought or received the tobacco, **e-liquid**, or electronic cigarette is issued a citation or summons under section 10.5 of this chapter.

~~(g)~~ **(h)** Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund (IC 7.1-6-2-6).

SECTION 31. IC 35-46-1-10.2, AS AMENDED BY P.L.20-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10.2. (a) **A person may not be charged with a violation under this section and a violation under IC 7.1-7-6-5.**

(b) A retail establishment that sells or distributes tobacco, **an e-liquid**, or an electronic cigarette to a person less than ~~eighteen (18)~~ **twenty-one (21)** years of age commits a Class C infraction. For a sale to take place under this section, the buyer must pay

the retail establishment for the tobacco product, **an e-liquid**, or electronic cigarette.

(c) Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction committed under this section must be imposed as follows:

(1) If the retail establishment at that specific business location has not been issued a citation or summons for a violation of this section in the previous one ~~hundred eighty (180) days~~, **(1) year**, a civil penalty of up to ~~two four hundred dollars (\$200)~~, **(\$400)**.

(2) If the retail establishment at that specific business location has had one (1) citation or summons issued for a violation of this section in the previous one ~~hundred eighty (180) days~~, **(1) year**, a civil penalty of up to ~~four eight hundred dollars (\$400)~~, **(\$800)**.

(3) If the retail establishment at that specific business location has had two (2) citations or summonses issued for a violation of this section in the previous one ~~hundred eighty (180) days~~, **(1) year**, a civil penalty of up to ~~seven one thousand four hundred dollars (\$700)~~, **(\$1,400)**.

(4) If the retail establishment at that specific business location has had three (3) or more citations or summonses issued for a violation of this section in the previous one ~~hundred eighty (180) days~~, **(1) year**, a civil penalty of up to ~~one two thousand dollars (\$1,000)~~, **(\$2,000)**.

A retail establishment may not be issued a citation or summons for a violation of this section more than once every twenty-four (24) hours for each specific business location.

~~(b)~~ **(d)** It is not a defense that the person to whom the tobacco, **an e-liquid**, or electronic cigarette was sold or distributed did not smoke, chew, inhale, or otherwise consume the tobacco, **e-liquid**, or electronic cigarette.

~~(c)~~ **(e)** The following defenses are available to a retail establishment accused of selling or distributing tobacco, **an e-liquid**, or an electronic cigarette to a person who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age:

(1) The buyer or recipient produced a driver's license bearing the purchaser's or recipient's photograph showing that the purchaser or recipient was of legal age to make the purchase.

(2) The buyer or recipient produced a photographic identification card issued under IC 9-24-16-1 or a similar card issued under the laws of another state or the federal government showing that the purchaser or recipient was of legal age to make the purchase.

(3) The appearance of the purchaser or recipient was such that an ordinary prudent person would believe that the purchaser or recipient was not less than ~~the age that complies with regulations~~ **thirty (30) years of age, promulgated by the federal Food and Drug Administration**.

~~(d)~~ **(f)** It is a defense that the accused retail establishment sold or delivered the tobacco, **e-liquid**, or electronic cigarette to a person who acted in the ordinary course of employment or a business concerning tobacco, **an e-liquid**, or electronic cigarettes **for the following activities**:

- (1) Agriculture.
- (2) Processing.
- (3) Transporting.
- (4) Wholesaling. ~~or~~
- (5) Retailing.

~~(e)~~ **(g)** As used in this section, "distribute" means to give tobacco, **an e-liquid**, or an electronic cigarette to another person as a means of promoting, advertising, or marketing the

tobacco or electronic cigarette to the general public.

(~~h~~) **(h)** Unless a person buys or receives tobacco, **an e-liquid**, or an electronic cigarette under the direction of a law enforcement officer as part of an enforcement action, a retail establishment that sells or distributes tobacco, **an e-liquid**, or an electronic cigarette is not liable for a violation of this section unless the person less than ~~eighteen (18)~~ **twenty-one (21)** years of age who bought or received the tobacco, **an e-liquid**, or electronic cigarette is issued a citation or summons under section 10.5 of this chapter.

(~~g~~) **(i)** Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund (IC 7.1-6-2-6).

(~~h~~) **(j)** A person who violates subsection (~~a~~) **(b)** at least six (6) times in any one ~~hundred eighty (180) day period~~ **(1) year** commits habitual illegal sale of tobacco, a Class B infraction.

SECTION 32. IC 35-46-1-10.5, AS AMENDED BY P.L.20-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10.5. (a) A person less than ~~eighteen (18)~~ **twenty-one (21)** years of age who:

- (1) purchases tobacco, **an e-liquid**, or an electronic cigarette;
- (2) accepts tobacco, **an e-liquid**, or an electronic cigarette for personal use; or
- (3) possesses tobacco, **an e-liquid**, or an electronic cigarette on ~~his~~ **the person's** person;

commits a Class C infraction.

(b) It is a defense under subsection (a) that the accused person acted in the ordinary course of employment in a business concerning tobacco, **an e-liquid**, or **an electronic cigarette**: **cigarette for the following activities:**

- (1) Agriculture.
- (2) Processing.
- (3) Transporting.
- (4) Wholesaling. ~~or~~
- (5) Retailing.

SECTION 33. IC 35-46-1-11, AS AMENDED BY P.L.20-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) A tobacco or electronic cigarette vending machine that is located in a public place must bear the following conspicuous notices:

- (1) A notice:
 - (A) that reads as follows, with the capitalization indicated: "If you are under ~~18 21~~ years of age, YOU ARE FORBIDDEN by Indiana law to buy tobacco or electronic cigarettes from this machine."; or
 - (B) that:
 - (i) conveys a message substantially similar to the message described in clause (A); and
 - (ii) is formatted with words and in a form authorized under the rules adopted by the alcohol and tobacco commission.
- (2) A notice that reads as follows, "Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, and Low Birth Weight."
- (3) A notice printed in letters and numbers at least one-half (1/2) inch high that displays a toll free phone number for assistance to callers in quitting smoking, as determined by the state department of health.

(b) A person who owns or has control over a tobacco or electronic cigarette vending machine in a public place and who:

- (1) fails to post a notice required by subsection (a) on the vending machine; or

- (2) fails to replace a notice within one (1) month after it is removed or defaced;

commits a Class C infraction.

(c) An establishment selling tobacco or electronic cigarettes at retail shall post and maintain in a conspicuous place, at the point of sale, the following:

- (1) Signs printed in letters at least one-half (1/2) inch high, reading as follows:
 - (A) "The sale of tobacco or electronic cigarettes to persons under ~~18 21~~ years of age is forbidden by Indiana law."
 - (B) "Smoking by Pregnant Women May Result in Fetal Injury, Premature Birth, and Low Birth Weight."

- (2) A sign printed in letters and numbers at least one-half (1/2) inch high that displays a toll free phone number for assistance to callers in quitting smoking, as determined by the state department of health.

(d) A person who:

- (1) owns or has control over an establishment selling tobacco or electronic cigarettes at retail; and
- (2) fails to post and maintain the sign required by subsection (c);

commits a Class C infraction.

SECTION 34. IC 35-46-1-11.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11.2. (a) This section does not apply to a tobacco business:

- (1) operating as a tobacco business before April 1, 1996; ~~or~~
- (2) that ~~begins began~~ operating as a tobacco business after April 1, 1996, if at the time the tobacco business ~~begins operation began operating~~ the tobacco business ~~is was~~ not located in an area prohibited under this section; ~~or~~
- (3) that began operating after June 30, 2020.**

(b) A person may not operate a tobacco business within two hundred (200) feet of a public or private elementary or secondary school, as measured between the nearest point of the premises occupied by the tobacco business and the nearest point of a building used by the school for instructional purposes.

(c) A person who violates this section commits a Class C misdemeanor.

SECTION 35. IC 35-46-1-11.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11.4. (a) **This section does not apply to a tobacco and vaping business:**

- (1) operating as a tobacco and vaping business before July 1, 2020; or**
- (2) that began operating as a tobacco and vaping business after June 30, 2020, if at the time the tobacco and vaping business began operating the tobacco and vaping business was not located in an area prohibited under this section.**

(b) A person may not operate a tobacco and vaping business within one thousand (1,000) feet of a public or private elementary or secondary school, as measured between the nearest point of the premises occupied by the tobacco and vaping business and the nearest point of a building used by the school for instructional purposes.

(c) A person who violates this section commits a Class C misdemeanor.

SECTION 36. IC 35-46-1-11.5, AS AMENDED BY P.L.20-2013, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11.5. (a)

Except for a coin machine that is placed in or directly adjacent to an entranceway or an exit, or placed in a hallway, a restroom, or another common area that is accessible to persons who are less than ~~eighteen (18)~~ **twenty-one (21)** years of age, this section does not apply to a coin machine that is located in the following:

- (1) That part of a licensed premises (as defined in IC 7.1-1-3-20) where entry is limited to persons who are at least ~~eighteen (18)~~ **twenty-one (21)** years of age.
- (2) Private industrial or office locations that are customarily accessible only to persons who are at least ~~eighteen (18)~~ **twenty-one (21)** years of age.
- (3) Private clubs if the membership is limited to persons who are at least ~~eighteen (18)~~ **twenty-one (21)** years of age.
- (4) Riverboats where entry is limited to persons who are at least twenty-one (21) years of age and on which lawful gambling is authorized.

(b) As used in this section, "coin machine" has the meaning set forth in IC 35-43-5-1.

(c) Except as provided in subsection (a), an owner of a retail establishment may not:

- (1) distribute or sell tobacco or electronic cigarettes by use of a coin machine; or
- (2) install or maintain a coin machine that is intended to be used for the sale or distribution of tobacco or electronic cigarettes.

(d) An owner of a retail establishment who violates this section commits a Class C infraction. A citation or summons issued under this section must provide notice that the coin machine must be moved within two (2) business days. Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction committed under this section must be imposed as follows:

- (1) If the owner of the retail establishment has not been issued a citation or summons for a violation of this section in the previous ninety (90) days, a civil penalty of fifty dollars (\$50).
- (2) If the owner of the retail establishment has had one (1) citation or summons issued for a violation of this section in the previous ninety (90) days, a civil penalty of two hundred fifty dollars (\$250).
- (3) If the owner of the retail establishment has had two (2) citations or summonses issued for a violation of this section in the previous ninety (90) days for the same machine, the coin machine shall be removed or impounded by a law enforcement officer having jurisdiction where the violation occurs.

An owner of a retail establishment may not be issued a citation or summons for a violation of this section more than once every two (2) business days for each business location.

(e) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

SECTION 37. IC 35-46-1-11.7, AS AMENDED BY P.L.94-2008, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11.7. (a) A retail establishment ~~that has as its in which tobacco products, electronic cigarettes, and e-liquids account for at least eighty-five percent (85%) of the retail establishment's gross sales primary purpose the sale of tobacco products;~~ may not allow an individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age to enter the retail establishment.

(b) An individual who is less than ~~eighteen (18)~~ **twenty-one (21)** years of age may not enter a retail establishment described

in subsection (a).

(c) A retail establishment described in subsection (a) must conspicuously post on all entrances to the retail establishment the following:

- (1) A sign in boldface type that states "NOTICE: It is unlawful for a person less than ~~18 21~~ years old to enter this store."
- (2) A sign printed in letters and numbers at least one-half (1/2) inch high that displays a toll free phone number for assistance to callers in quitting smoking, as determined by the state department of health.

(d) A person who violates this section commits a Class C infraction. Notwithstanding IC 34-28-5-4(c), a civil judgment for an infraction committed under this section must be imposed as follows:

- (1) If the person has not been cited for a violation of this section in the previous one ~~hundred eighty (180) days;~~ **(1) year**, a civil penalty of up to ~~two four~~ hundred dollars ~~(\$200); (\$400)~~.
- (2) If the person has had one (1) violation in the previous one ~~hundred eighty (180) days;~~ **(1) year**, a civil penalty of up to ~~four eight~~ hundred dollars ~~(\$400); (\$800)~~.
- (3) If the person has had two (2) violations in the previous one ~~hundred eighty (180) days;~~ **(1) year**, a civil penalty of up to ~~seven one thousand four~~ hundred dollars ~~(\$700); (\$1,400)~~.
- (4) If the person has had three (3) or more violations in the previous one ~~hundred eighty (180) days;~~ **(1) year**, a civil penalty of up to ~~one two thousand~~ dollars ~~(\$1,000); (\$2,000)~~.

A person may not be cited more than once every twenty-four (24) hours.

(e) Notwithstanding IC 34-28-5-5(c), civil penalties collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund established under IC 7.1-6-2-6.

(f) A person who violates subsection (a) at least six (6) times in any one ~~hundred eighty (180) day~~ **(1) year** period commits habitual illegal entrance by a minor, a Class B infraction.

SECTION 38. IC 35-46-1-11.8, AS AMENDED BY P.L.20-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11.8. (a) As used in this section, "self-service display" means a display that contains tobacco or electronic cigarettes in an area where a customer:

- (1) is permitted; and
- (2) has access to the tobacco or electronic cigarettes without assistance from a sales person.

(b) This section does not apply to a self-service display located in a retail establishment: ~~that:~~

- (1) ~~has a primary purpose to sell tobacco or electronic cigarettes; in which tobacco products, electronic cigarettes, and e-liquids account for at least eighty-five percent (85%) of the retail establishment's gross sales; and~~
- (2) ~~that prohibits entry by persons who are less than eighteen (18) twenty-one (21) years of age.~~

(c) The owner of a retail establishment that sells or distributes tobacco or electronic cigarettes through a self-service display, other than a coin operated machine operated under IC 35-46-1-11 or IC 35-46-1-11.5, commits a Class C infraction.

(d) Notwithstanding IC 34-28-5-5(c), civil penalties

collected under this section must be deposited in the Richard D. Doyle youth tobacco education and enforcement fund (IC 7.1-6-2-6).

SECTION 39. IC 35-46-1-11.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 11.9. A person who knowingly sells tobacco, an e-liquid, or an electronic cigarette that contains vitamin E acetate commits a Class B infraction.**

(Reference is to ESB 1 as reprinted March 3, 2020.)

CHARBONNEAU	KIRCHHOFER
STOOPS	SHACKLEFORD
Senate Conferees	House Conferees

Roll Call 385: yeas 77, nays 16. Report adopted.

Representative Soliday, who had been present, is now excused.

Representative Negele, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
ESB 47-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 47 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 24-4-18-1, AS AMENDED BY P.L.112-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) As used in this chapter, "criminal history information" means information:

- (1) concerning:
 - (A) a criminal conviction in Indiana; or
 - (B) an Indiana civil protection order under IC 34-26-5; and
- (2) available in records kept by a clerk of a circuit, superior, city, or town court with jurisdiction in Indiana.

(b) The term consists of the following:

- (1) Identifiable descriptions and notations of arrests, indictments, informations, or other formal criminal charges.
- (2) **Protection order records (as defined in IC 34-26-7.5-2).**
- ~~(2)~~ (3) Information, including a photograph, regarding a sex or violent offender (as defined in IC 11-8-8-5) obtained through sex or violent offender registration under IC 11-8-8.
- ~~(3)~~ (4) Any disposition, including sentencing, and correctional system intake, transfer, and release.
- ~~(4)~~ (5) A photograph of the person who is the subject of the information described in ~~subdivisions (1) through (3)~~: **this subsection.**

(c) The term includes fingerprint information described in IC 10-13-3-24(f).

SECTION 2. IC 34-6-2-121.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 121.7. "Protection order records", for purposes of IC 34-26-7.5, has the meaning set forth in IC 34-26-7.5-2.**

SECTION 3. IC 34-26-7.5-1, AS ADDED BY P.L.219-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. This chapter applies to a person named as the subject of a protection order, and if one (1) of the following applies:

(1) A protection order was issued to the plaintiff, but is subsequently terminated due to the:

- (A) dismissal of the petition before a court hearing on the protection order;
- (B) denial of the protection order upon the order of the court; or
- (C) failure of the plaintiff to appear to the court hearing on the protection order.

(2) A protection order was reversed or vacated by an appellate court.

(3) A petition for a protection order was filed but the court did not grant the petition.

SECTION 4. IC 34-26-7.5-2, AS ADDED BY P.L.219-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. The following definitions apply throughout this chapter:

(1) "Protection order" means an Indiana civil protection order under IC 34-26-5. The term includes an order for protection and an order for protection ex parte.

(2) "Protection order records" means an Indiana civil protection order under IC 34-26-5 and all records that relate to the protection order, including the petition for the protection order.

~~(2)~~ (3) "Subject of a protection order" means the person against whom a protection order was issued.

~~(3)~~ (4) "Plaintiff" means the person for whom a protection order was issued.

~~(4)~~ (5) "Expungement" means the sealing of protection order ~~court~~ records from public inspection, but not from a law enforcement agency or the court.

SECTION 5. IC 34-26-7.5-3, AS ADDED BY P.L.219-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) At any time after a court dismisses or denies an order for protection following issuance of an order for protection ex parte, as described in section 1(1) of this chapter, the subject of the protection order may petition to expunge ~~the~~ protection order **records:**

- (1) with the court that issued or denied the protection order; and
- (2) in the cause the protection order was issued under.

(b) A petition seeking to expunge a protection order **records** must be filed under seal, verified, and include the following information:

- (1) The petitioner's full name.
- (2) The petitioner's date of birth.
- (3) The petitioner's address.
- (4) The case number or court cause number, if available.
- (5) The petitioner's Social Security number.
- (6) The petitioner's driver's license number.
- (7) The date of the order for protection or order for protection ex parte, if applicable.
- (8) A description of why the petitioner is entitled to relief, including all relevant dates.
- (9) Certified copies of the following, if applicable:

- (A) The order for protection.
- (B) The order for protection ex parte.
- (C) The order denying an order for protection.
- (D) The opinion from the appellate court reversing or vacating an order for protection or an order for protection ex parte.

(c) The petition may include any other information that the petitioner believes may assist the court.

SECTION 6. IC 34-26-7.5-5, AS ADDED BY P.L.219-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. The petitioner bears the burden of proof in a proceeding to expunge a protection order **records**. The court shall order the protection order **records** expunged if the petitioner proves by a preponderance of the evidence that the petitioner is entitled to relief.

SECTION 7. IC 34-26-7.5-6, AS ADDED BY P.L.219-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) If a court orders a protection order **records** expunged under this chapter, the court shall do the following with respect to the specific records expunged by the court:

- (1) Order the office of judicial administration to remove the protection order from the Indiana protective order registry established under IC 5-2-9-5.5.
- (2) Redact or permanently seal the court's own records relating to the protection order.

(b) If an appellate court reverses or vacates a protection order, and the protection order is then expunged, the appellate court shall:

- (1) redact the opinion or memorandum decision as it appears on the computer gateway administered by the office of technology so that it does not include the name of the subject of the protection order (in the same manner that opinions involving juveniles are redacted); and
- (2) provide a redacted copy of the opinion to any publisher or organization to whom the opinion or memorandum decision is provided after the date of the order of expungement.

The supreme court and the court of appeals are not required to redact, destroy, or otherwise dispose of any existing copy of an opinion or memorandum decision that includes the name of the subject of the protection order.

SECTION 8. IC 34-26-7.5-7, AS ADDED BY P.L.219-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. A petitioner whose **record is protection order records are** expunged under this chapter:

- (1) shall be treated as if the protection order **and petition for protection order** had never been filed; and
- (2) may answer truthfully to a question from the petitioner's employer or prospective employer that a petition or order of protection has never been filed against the petitioner.

SECTION 9. IC 35-38-9-2, AS AMENDED BY P.L.219-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (b) and section 8.5 of this chapter, this section applies only to a person convicted of a misdemeanor, including a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) reduced to a misdemeanor.

(b) This section does not apply to the following:

- (1) A person convicted of two (2) or more felony offenses that:
 - (A) involved the unlawful use of a

deadly weapon; and
(B) were not committed as part of the same episode of criminal conduct.

(2) A sex or violent offender (as defined in IC 11-8-8-5).

(c) Not earlier than five (5) years after the date of conviction (unless the prosecuting attorney consents in writing to an earlier period) **for the misdemeanor or the felony reduced to a misdemeanor pursuant to IC 35-38-1-1.5 or IC 35-50-2-7, the person convicted of the misdemeanor or the felony reduced to a misdemeanor** may petition a court to expunge all conviction records, including records contained in:

- (1) a court's files;
- (2) the files of the department of correction;
- (3) the files of the bureau of motor vehicles; and
- (4) the files of any other person who provided treatment or services to the petitioning person under a court order;

that relate to the person's misdemeanor conviction, including records of a collateral action.

(d) A person who files a petition to expunge conviction records, including any records relating to the conviction and any records concerning a collateral action, shall file the petition in a circuit or superior court in the county of conviction.

(e) If the court finds by a preponderance of the evidence that:

- (1) the period required by this section has elapsed;
- (2) no charges are pending against the person;
- (3) the person has paid all fines, fees, and court costs, and satisfied any restitution obligation placed on the person as part of the sentence; and
- (4) the person has not been convicted of a crime within the previous five (5) years (or within a shorter period agreed to by the prosecuting attorney if the prosecuting attorney has consented to a shorter period under subsection (c));

the court shall order the conviction records described in subsection (c), including any records relating to the conviction and any records concerning a collateral action, expunged in accordance with section 6 of this chapter.

SECTION 10. IC 35-38-9-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9.5. (a) **This section applies to a collateral action adjudicated or conducted in a county other than the county in which a court granted an expungement.**

(b) **Upon receipt of a request to expunge records related to a collateral action and a properly certified expungement order, a circuit or superior court in the county in which the collateral action occurred shall:**

- (1) **notify the prosecuting attorney of the county in which the court is located of the request to expunge records related to a collateral action and set the matter for hearing; or**
- (2) **if it conclusively appears from the court's records that the person is entitled to expungement as described in subsection (c), order the records expunged without a hearing.**

(c) **The circuit or superior court in the county in which the collateral action was adjudicated or conducted shall order records of the collateral action expunged (for an expungement granted under sections 1 through 3 of this chapter) or marked as expunged (for an expungement granted under sections 4 through 5 of this chapter), unless**

the court finds that the collateral action does not relate to the expunged arrest or conviction.

(d) A request to expunge records of a collateral action may be made at any time after the original expungement order is issued.

(e) A request to expunge records shall be filed under the cause number of the collateral action, if applicable. A person who requests expungement of records of a collateral action under this section is not required to pay a filing fee, even if the request is filed under a new cause of action.

SECTION 11. IC 35-38-9-10, AS AMENDED BY P.L.219-2019, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) This section does not apply to a person to whom sealed records may be disclosed under section 6(a)(3) of this chapter. **With respect to a person seeking employment with a law enforcement agency or a probation or community corrections department, including volunteer employment, subsections (b), (d), (e), and (f) do not apply to the law enforcement agency or the probation or community corrections department.**

(b) It is unlawful discrimination for any person to:

- (1) suspend;
- (2) expel;
- (3) refuse to employ;
- (4) refuse to admit;
- (5) refuse to grant or renew a license, permit, or certificate necessary to engage in any activity, occupation, or profession; or
- (6) otherwise discriminate against;

any person because of a conviction or arrest record expunged or sealed under this chapter.

(c) Except as provided in section 6(f) of this chapter, the civil rights of a person whose conviction has been expunged shall be fully restored, including the right to vote, to hold public office, to be a proper person under IC 35-47-1-7(2), and to serve as a juror.

(d) In any application for employment, a license, or other right or privilege, a person may be questioned about a previous criminal record only in terms that exclude expunged convictions or arrests, such as: "Have you ever been arrested for or convicted of a crime that has not been expunged by a court?"

(e) A person whose record is expunged shall be treated as if the person had never been convicted of the offense. However, upon a subsequent arrest or conviction for an unrelated offense, the prior expunged conviction:

- (1) may be considered by the court in determining the sentence imposed for the new offense;
- (2) is a prior unrelated conviction for purposes of:
 - (A) a habitual offender enhancement; and
 - (B) enhancing the new offense based on a prior conviction; and
- (3) may be admitted as evidence in the proceeding for a new offense as if the conviction had not been expunged.

(f) Any person that discriminates against a person as described in subsection (b) commits a Class C infraction and may be held in contempt by the court issuing the order of expungement or by any other court of general jurisdiction. Any person may file a written motion of contempt to bring an alleged violation of this section to the attention of a court. In addition, the person is entitled to injunctive relief.

(g) In any judicial or administrative proceeding alleging negligence or other fault, an order of expungement may be introduced as evidence of the person's exercise of due care in hiring, retaining, licensing, certifying, admitting to a school or program, or otherwise transacting business or engaging in

activity with the person to whom the order of expungement was issued.

(h) A conviction, including any records relating to the conviction and any records concerning a collateral action, that has been expunged under this chapter is not admissible as evidence in an action for negligent hiring, admission, or licensure against a person or entity who relied on the order.

(i) An expungement case, and all documents filed in the case, becomes confidential when the court issues the order granting the petition. However, until the court issues the order granting the petition, documents filed in the case are not confidential, and any hearing held in the case shall be open.

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

(Reference is to ESB 47 as printed February 28, 2020.)

FREEMAN	YOUNG, J.
YOUNG, M.	PIERCE
Senate Conferees	House Conferees

Roll Call 386: yeas 89, nays 4. Report adopted.

Representatives Barrett and Jackson, who had been present, are now excused.

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 6, after line 25, begin a new paragraph and insert:
"SECTION 1. IC 34-30-14-2, AS AMENDED BY P.L.166-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 2. If compliance with sections 3 and 4 of this chapter has occurred, a school administrator, teacher, or other school employee designated by the school administrator, after consultation with the school nurse, who in good faith administers to a pupil:

- (1) a nonprescription medication in compliance with the written permission of the pupil's parent or guardian, except in the case of a life threatening emergency;
- (2) a legend drug (as defined in IC 16-18-2-199) **and including or** injectable insulin in compliance with the:
 - (A) written order of a practitioner; and
 - (B) written permission of the pupil's parent or guardian, except in the case of a life threatening emergency;
- (3) a glucose test in compliance with the written order of a practitioner;
- (4) health care services, basic life support, or other services that require the administrator, teacher, or employee to place the administrator's, teacher's, or employee's hands on the pupil for therapeutic or sanitary purposes; or
- (5) any combination of subdivisions (1) through (4);

is not personally liable for civil damages for any act that is incident to or within the scope of the duties of the employee as a result of the administration except for an act or omission amounting to gross negligence or willful and wanton misconduct.

SECTION 2. IC 5-10-5.5-0.1, AS AMENDED BY SEA 181-2020, SECTION 1, AND AS AMENDED BY SEA 406-2020, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 0.1. (a) As used in this section, "plan" refers to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan established by section 2 of this chapter.

(b) The following amendments to this chapter apply as follows:

(1) The addition of section 7.5 of this chapter by P.L.180-2007 applies after June 30, 2007, to active participants of the plan.

(2) The amendments made to section 8 of this chapter by P.L.180-2007 apply after June 30, 2007, to active participants of the plan.

(3) The amendments made to sections 10, 11, and 12 of this chapter by P.L.180-2007 apply to participants of the plan who retire after June 30, 2007.

(4) The amendments made to sections 7 and 13.5 of this chapter by P.L.180-2007 apply to participants of the plan who become disabled after June 30, 2007.

(5) The addition of section 22 of this chapter by P.L.128-2008 applies only to a participant in the plan who is in active service after June 30, 2008.

(6) The amendments made to sections 9 and 10 of this chapter by P.L.128-2008 apply only to a participant in the plan who is in active service after June 30, 2008.

(7) *The amendments made to section 22 of this chapter during the 2020 regular session of the general assembly apply only to a participant who:*

(A) enters the DROP, before, on, or after June 30, 2020; and

(B) dies after June 30, 2020.

(c) Notwithstanding any other law, if a participant dies in the line of duty after January 31, 2018, and before April 1, 2020, and a survivor's benefit is paid under section 17(b) of this chapter to the participant's survivor, either:

(1) the survivor may repay the full amount distributed under section 17(b) of this chapter and the board shall provide the full annual survivors' allowance allowed under section 16.6 of this chapter; or

(2) the board may adjust the amount of the full annual survivors' allowance allowed under section 16.6 of this chapter to account for any amount distributed under section 17(b) of this chapter.

SECTION 3. IC 34-30-2-24.2, AS AMENDED BY SEA 267-2020, SECTION 10, AND AS AMENDED BY SEA 343-2020, SECTION 23, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 24.2. (a) IC 8-1-2.8-25 (Concerning InTRAC or a local exchange company for the development, adoption, implementation, maintenance, or operation of dual party relay services or telecommunications devices).

(b) IC 8-1-17.5-16 (Concerning a member or director of a rural electric membership corporation or *telephone communications* cooperative corporation that is merged or consolidated).

~~(c) IC 8-1-19.5-10 (Concerning a recognized 211 service provider and its employees, directors, officers, and agents for injuries or loss to persons or property as a result of an act or omission in connection with developing and providing 211 services).~~

SECTION 4. IC 35-40.5-4-2, AS ADDED BY SEA

146-2020, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. Before a provider commences a forensic medical examination, or as soon as possible, the provider shall inform the victim of the following:

(1) The victim's rights under this article and other relevant law in a document to be developed by the state sexual assault response team, ~~as described in IC 16-21-8-2~~, which shall be signed by the victim to confirm receipt, unless the victim has already been provided with the document under IC 35-40.5-5-1.

(2) The victim's right to speak with a victim advocate or victim service provider. If a victim advocate or victim service provider is not available, a victim has the right to speak with victims assistance or a social worker.

SECTION 5. IC 35-40.5-5-1, AS ADDED BY SEA 146-2020, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. Before a law enforcement officer commences an interview of a victim, the law enforcement officer shall inform the victim of the following:

(1) The victim's rights under this article and other relevant law in a document to be developed by the state sexual assault response team, ~~as described in IC 16-21-8-2~~, which shall be signed by the victim to confirm receipt, unless the victim has already been provided with the document under IC 35-40.5-4-2.

(2) The victim's right to speak with a victim advocate or victim service provider during the course of the investigation, and that the victim has the right to speak to victims assistance or a social worker if a victim advocate or victim service provider is not available.

SECTION 6. IC 35-40.5-7-1, AS ADDED BY SEA 146-2020, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Upon initial interaction with a victim, a law enforcement officer or provider shall provide the victim with a document developed by the state sexual assault response team ~~as described in IC 16-21-8-2~~, that explains the rights of victims:

(1) under this article and other relevant law;

(2) in a format accessible to persons with visual disabilities; and

(3) in English, Spanish, and German.

(b) The document described in subsection (a) shall include the following:

(1) A clear statement that a victim is not required to receive a medical evidentiary or physical examination in order to retain the rights provided under this article or any other relevant law.

(2) Information concerning state and federal victim compensation funds for medical and other costs associated with the sexual assault.

SECTION 7. IC 5-10-8-7.3, AS AMENDED BY SEA 1176-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 7.3. (a) As used in this section, "covered individual" means an individual who is:

(1) covered under a self-insurance program established under section 7(b) of this chapter to provide group health coverage; or

(2) entitled to services under a contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(b) As used in this section, "early intervention services"

means services provided to a first steps child under IC 12-12.7-2 and 20 U.S.C. 1432(4).

(c) As used in this section, "first steps child" means an infant or toddler from birth through two (2) years of age who is enrolled in the Indiana first steps program and is a covered individual.

(d) As used in this section, "first steps program" refers to the program established under IC 12-12.7-2 and 20 U.S.C. 1431 et seq. to meet the needs of:

- (1) children who are eligible for early intervention services; and
- (2) their families.

The term includes the coordination of all available federal, state, local, and private resources available to provide early intervention services within Indiana.

(e) As used in this section, "health benefits plan" means a:

- (1) self-insurance program established under section 7(b) of this chapter to provide group health coverage; or
- (2) contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(f) A health benefits plan that provides coverage for early intervention services shall reimburse the first steps program a monthly fee established by the division of disability and rehabilitative services established by IC 12-9-1-1. Except when the monthly fee is less than the product determined under IC 12-12.7-2-23(b), the monthly fee shall be provided instead of claims processing of individual claims.

(g) The reimbursement required under subsection (f) may not be applied to any annual or aggregate lifetime limit on the first steps child's coverage under the health benefits plan.

(h) The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. A health benefits plan shall apply any payments made by the first steps program to the health benefits plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health benefits plan.

(i) A health benefits plan may not require authorization for services specified in the covered individual's individualized family service plan, if those services are a covered benefit under the ~~plan plan~~, once the individualized family service plan is signed by a physician.

(j) The department of insurance shall adopt rules under IC 4-22-2 to ensure compliance with this section.

SECTION 8. IC 21-38-6-1, AS AMENDED BY HEA 1176-2020, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 1. (a) An employee health plan that provides coverage for early intervention services shall reimburse the first steps program a monthly fee established by the division of disability and rehabilitative services. Except when the monthly fee is less than the product determined under IC 12-12.7-2-23(b), the monthly fee shall be provided instead of claims processing of individual claims.

(b) An employee health plan may not require authorization for services specified in the covered individual's individualized family service plan, if those services are a covered benefit under the ~~plan plan~~, once the individualized family service plan is signed by a physician.

(c) The department of insurance shall adopt rules under IC 4-22-2 to ensure compliance with this section.

SECTION 9. IC 27-8-27-6, AS AMENDED BY HEA 1176-2020, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: Sec. 6. (a) A health insurance plan that provides coverage for early intervention services shall reimburse the first steps program a monthly fee established by the division of disability and rehabilitative services. Except when the monthly fee is less than

the product determined under IC 12-12.7-2-23(b), the monthly fee shall be provided instead of claims processing of individual claims.

(b) A health insurance plan may not require authorization for services specified in the covered individual's individualized family service plan, if those services are a covered benefit under the ~~plan plan~~, once the individualized family service plan is signed by a physician.

(c) The department of insurance shall adopt rules under IC 4-22-2 to ensure compliance with this section.

SECTION 10. IC 35-44.1-3-1, AS AMENDED BY HEA 1032-2020, SECTION 1, AND AS AMENDED BY HEA 1225-2020, SECTION 4, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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~~ *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 ~~law enforcement~~, *public safety*, a Class B misdemeanor, except as provided in subsection (c) or ~~(j)~~ *(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 draws or uses a deadly weapon, inflicts bodily injury on or otherwise causes bodily injury to another person, or operates a vehicle in a manner that creates a substantial risk of bodily injury to another person;
- (2) Level 5 felony if, while committing the offense, the person operates a vehicle in a manner that causes serious bodily injury to another person;
- (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~~ *an emergency medical services provider or a law enforcement officer* while the *emergency medical services provider or law enforcement officer* is engaged in the ~~officer'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).*

~~(d)~~ (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.

~~(e)~~ (f) Notwithstanding IC 35-50-2-2.2 and IC 35-50-3-1, the mandatory minimum sentence imposed under subsection ~~(d)~~ (e) may not be suspended.

~~(f)~~ (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)(3) 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.

~~(g)~~ (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.

~~(h)~~ (i) A person who commits an offense described in subsection ~~(b)~~ (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 ~~(b)~~ (c).

~~(i)~~ (j) A court may order terms of imprisonment imposed on a person convicted of more than one (1) offense described in subsection ~~(b)~~ (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).

~~(j)~~ (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 11. IC 4-3-27-3, AS AMENDED BY HEA 1153-2020, SECTION 1, AND AS AMENDED BY HEA 1419-2020, SECTION 1, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. The governor's workforce cabinet is established under the applicable state and federal programs to do the following:

(1) Review the services and use of funds and resources under applicable state and federal programs and advise the governor, general assembly, commission for higher education, and state board of education on methods of coordinating the services and use of funds and resources consistent with the laws and regulations governing the particular applicable state and federal programs.

(2) Advise the governor, general assembly, commission for higher education, and state board of education on:

- (A) the development and implementation of state and local standards and measures; and
- (B) the coordination of the standards and measures;

concerning the applicable federal programs.

(3) Perform the duties as set forth in federal law of the particular advisory bodies for applicable federal programs described in section 4 of this chapter.

(4) Identify the workforce needs in Indiana and recommend to the governor, general assembly, commission for higher education, and state board of education goals to meet the investment needs.

(5) Recommend to the governor, general assembly, commission for higher education, and state board of education goals for the development and coordination of the talent development system in Indiana.

(6) Prepare and recommend to the governor, general assembly, commission for higher education, and state board of education a strategic plan to accomplish the goals developed under subdivisions (4) and (5).

(7) Monitor and direct the implementation of and evaluate the effectiveness of the strategic plan described in subdivision (6).

(8) Advise the governor, general assembly, commission for higher education, and state board of education on the coordination of federal, state, and local education and training programs and on the allocation of state and federal funds in Indiana to promote effective services, service delivery, and innovative programs.

(9) Review and approve regional workforce development board plans, and work with regional workforce development boards to determine appropriate metrics for workforce programming at the state and local levels.

(10) Design for implementation a comprehensive career navigation and coaching system as described in section 11 of this chapter.

(11) Conduct a systematic and comprehensive review, analysis, and evaluation of workforce funding described in section 12 of this chapter.

(12) Conduct a systematic and comprehensive review, analysis, and evaluation of the college and career funding described in section 13 of this chapter.

(13) Based on the reviews in sections 12 and 13 of this chapter, direct the appropriate state agencies to implement administrative changes to the delivery of these programs that align with Indiana's workforce goals, and make recommendations to:

- (A) the governor;
- (B) the commission for higher education;
- (C) the state board of education; and
- (D) the general assembly in an electronic format under IC 5-14-6;

on possible legislative changes in the future.
 (14) Study the advisability of establishing one (1) or more real world career readiness programs as described in section 14 of this chapter and report to:

- (A) the governor;
- (B) the commission for higher education;
- (C) the state board of education; and
- (D) the general assembly in an electronic format under IC 5-14-6;

concerning the results of the study.
 (15) Conduct a systematic and comprehensive review, analysis, and evaluation of whether:

- (A) Indiana's *early childhood, primary, secondary, and postsecondary education systems* are aligned with employer needs; and
- (B) Indiana's students and workforce are prepared for success in the twenty-first century economy.

(16) *On or before December 1, 2020, create a comprehensive strategic plan to ensure alignment between Indiana's early childhood, primary, secondary, and postsecondary education systems with Indiana's workforce training programs and employer needs.*

(17) Administer the workforce diploma reimbursement program established by IC 22-4.1-27-7.

(18) Work with stakeholders from early learning to the workforce to establish alignment and coordination between the early learning advisory committee (established by IC 12-17.2-3.8-5), state board of education, commission for higher education, and department of workforce development.

~~(18)~~ (19) Carry out other policy duties and tasks as assigned by the governor."

Renumber all SECTIONS consecutively.
 (Reference is to ESB 80 as printed February 11, 2020.)
 YOUNG, M. YOUNG, J.
 TAYLOR DELANEY
 Senate Conferees House Conferees

Roll Call 387: yeas 91, nays 0. Report adopted.

Representative Jackson, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
ESB 295-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 295 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 20-30-5-5.7, AS ADDED BY P.L.115-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5.7. (a) Not later than December 15, ~~2018~~, **2020**, and each December 15 thereafter, each public school, including a charter school, and accredited nonpublic school shall provide age appropriate: ~~and~~

- (1) research and evidence based; or**
- (2) research or evidence based;**

instruction on child abuse and child sexual abuse to students in kindergarten through grade 12.

(b) The department, in consultation with school safety specialists, ~~and~~ school counselors, **school social workers, or school psychologists**, shall identify outlines or materials for the instruction described in subsection (a) and incorporate the instruction in kindergarten through grade 12.

(c) Any outlines and materials identified under subsection (b) must be demonstrated to be effective and promising.

~~(c)~~ **(d)** Instruction on child abuse and child sexual abuse may be delivered by a school safety specialist, school counselor, or any other person with training and expertise in the area of child abuse and child sexual abuse.

SECTION 2. IC 20-30-5-14, AS AMENDED BY P.L.57-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14. (a) As used in this section, "Indiana career explorer program and standards" refers to the:

- (1) ~~software or~~ Internet based system approved by the department of workforce development; and
- (2) standards established by the department of workforce development that are aligned to interdisciplinary employability skills standards prescribed in subsection (c);

that provides students with career and college planning resources.

(b) To:

- (1) educate students on the importance of their future career choices;
- (2) prepare students for the realities inherent in the work environment; and
- (3) instill in students work values that will enable them to succeed in their respective careers;

each school within a school corporation shall include in the school's curriculum for all students in grades 1 through 12 instruction concerning employment matters and work values described in subsection (c).

~~(c) Not later than July 1, 2019;~~ Each school within a school corporation shall include interdisciplinary employability skills standards established by the department, in conjunction with the department of workforce development, and approved by the state board in the school's curriculum.

(d) Each school shall:

- (1) integrate within the curriculum instruction that is; or
- (2) conduct activities or special events periodically that are;

designed to foster overall career awareness and career development as described in subsection (b).

(e) The department shall develop career awareness and career development models as described in subsection (f) to assist schools in complying with this section.

(f) The models described in this subsection must be developed in accordance with the following:

- (1) For grades 1 through 5, career awareness models to introduce students to work values and basic employment concepts.

(2) For grades 6 through 8, initial career information models that focus on career choices as they relate to student interest and skills.

(3) For grades 9 through ~~10~~, **12**, career exploration models that offer students insight into future employment options **and**

~~(4) For grades 11 through 12~~, career preparation models that provide job or further education counseling, including the following:

(A) Initial job counseling, including the use of job service officers to provide school based assessment, information, and guidance on employment options and the rights of students as employees.

(B) Workplace orientation visits.

(C) On-the-job experience exercises.

(g) The department, with assistance from the department of labor and the department of workforce development, shall:

(1) develop and make available teacher guides; and

(2) conduct seminars or other teacher education activities;

to assist teachers in providing the instruction described in this section.

(h) The department shall, with assistance from the department of workforce development, design and implement innovative career preparation demonstration projects for students in at least grade 9.

~~(i) Beginning July 1, 2017, the department, in consultation with the department of workforce development, shall implement a pilot program for instruction in and use of the Indiana career explorer program and standards by all students in grade 8 attending schools in fifteen (15) schools. The department shall select the following to participate in the pilot program:~~

~~(1) Five (5) urban schools;~~

~~(2) Five (5) rural schools;~~

~~(3) Five (5) suburban schools.~~

The pilot program expires July 1, 2018, unless the department determines that the pilot program should be continued for an additional year. If the department determines that the pilot program should be extended, the department, in consultation with the department of workforce development, shall increase the number of schools involved in the pilot program by at least fifteen (15) additional schools in the second year of the pilot program, if possible based on the interest from schools. The pilot program expires July 1, 2019.

~~(j) Beginning July 1 in the year in which the pilot program described in subsection (i) expires;~~ (i) Each school in a school corporation and each charter school:

(1) shall include in the school's curriculum state developed career standards for all students in grade 8 that include instruction in and use of either:

~~(1) (A) the Indiana career explorer program and standards; or~~

~~(2) (B) an alternative Internet based system and standards that provide students with career and college planning resources that have been approved by the state board under subsection ~~(k)~~; (j); and~~

(2) except as provided in subdivision (1), may include in the school's curriculum state developed career standards for all students in any grade level that include instruction in and use of the program and standards or system and standards described in

subdivision (1)(A) or (1)(B).

~~(k) (j)~~ A school corporation or charter school may submit a request to the state board to approve an alternative Internet based system and standards that provide students with career and college planning resources. The state board, in consultation with the department and the department of workforce development, may approve an alternative system and standards if the state board determines that the alternative system:

(1) has an aptitude assessment tool;

(2) contains educational course track information;

(3) has a tool for the preparation and development of the graduation plan prescribed in IC 20-30-4, including a parent sign in component;

(4) allows access to education and career demand information using data prepared by the department of workforce development; and

(5) is aligned to interdisciplinary employability skills standards prescribed in subsection (c).

(k) Beginning July 1, 2021, the department of workforce development shall implement an Indiana career explorer program that includes software or an Internet based system that does the following:

(1) Provides access to education and career demand information using data prepared by the department of workforce development.

(2) Provides educational and career assessments or tools that:

(A) must include an aptitude and career assessment;

(B) are aligned to interdisciplinary employability skills standards prescribed in subsection (c); and

(C) may include:

(i) educational course track information; and

(ii) a tool for the preparation and development of the graduation plan prescribed in IC 20-30-4, including a parent sign in component.

SECTION 3. IC 20-30-5-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 14.5. (a) Not later than December 31, 2020, the department of workforce development shall issue a request for proposals in accordance with IC 5-22-9 for the purpose of entering a public-private partnership for the provision of educational and career assessments or tools described in section 14(k)(2) of this chapter.**

(b) The department of workforce development shall complete the request for proposals process and implement the Indiana career explorer program described in section 14(k) of this chapter not later than July 1, 2021.

(c) The department of workforce development may adopt rules under IC 4-22-2 to implement this section and section 14(k) of this chapter.

(d) This section expires July 1, 2022.

SECTION 4. IC 20-30-5-23, AS ADDED BY P.L.132-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 23. (a) After June 30, 2021, each public high school, including each charter school, shall offer at least one (1) computer science course as a one (1) semester elective in the public high school's curriculum at least once each school year for high school students.**

(b) After June 30, 2021, each public school, including each charter school, shall include computer science in the public school's curriculum for students in kindergarten through grade

12. A public high school fulfills the requirements under this subsection by meeting the requirements under subsection (a).

(c) If a public school fails to comply with this section, the department shall assist the public school in meeting the requirements under this section.

(d) The department shall:

- (1) prepare an annual report concerning the implementation of computer science courses in public high schools, including charter schools, that includes the information described in subsection (e); and**
- (2) submit, before December 1 of each year, the report to the following:**

- (A) The state board.**
- (B) The general assembly.**
- (C) The commission for higher education.**

The department shall submit the written report to the general assembly in an electronic format under IC 5-14-6.

(e) The report under subsection (d) must include the following information:

- (1) The total number and percentage of computer science unique student course enrollments and course completions for each public high school, including each charter school, and by each course title approved by the department.**
- (2) The number and percentage of unique student enrollments and course completions in a computer science course by each course title approved by the department and disaggregated by:**
 - (A) race;**
 - (B) gender;**
 - (C) grade;**
 - (D) ethnicity;**
 - (E) limited English language proficiency;**
 - (F) free or reduced price lunch status; and**
 - (G) eligibility for special education.**
- (3) The number of computer science instructors at each school disaggregated by:**
 - (A) gender;**
 - (B) certification, if applicable; and**
 - (C) academic degree.**
- (4) Any other pertinent matters.**

(f) The department shall post the report described in subsections (d) and (e) on the department's Internet web site.

SECTION 5. IC 20-31-5-4, AS AMENDED BY P.L.143-2019, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) A plan must:

- (1) state objectives for a three (3) year period; and
- (2) be annually reviewed and revised to accomplish the achievement objectives of the school.

(b) A plan must establish objectives for the school to achieve.
(c) A plan must address the learning needs of all students, including programs and services for exceptional learners.

(d) A plan must specify how and to what extent the school expects to make continuous improvement in all areas of the education system where results are measured by setting benchmarks for progress on an individual school basis.

(e) A plan must note specific areas where improvement is needed immediately.

~~(f) On or before November 1 of the year in which the pilot program described in IC 20-30-5-14(f) expires,~~ Each school in a school corporation and each charter school shall include in the plan a summary of how the school will implement the curriculum described in IC 20-30-5-14(f), including the proposed student activities. A school may subsequently amend the school's plan under this subsection in a manner prescribed by the department. The department shall review the submitted plans under this subsection every two (2) years and may review a plan at random to review the relevancy of the plan to the changing economy. The department shall assist schools in incorporating best practices from around the state.

(g) Each year before November 1, the budget agency shall estimate the costs incurred by each school corporation in the immediately preceding school year to implement the curriculum described in IC 20-30-5-14(f), including the proposed student activities, and submit a report of these costs by school corporation to the general assembly in an electronic format under IC 5-14-6.

(Reference is to ESB 295 as printed February 25, 2020.)

RAATZ	BEHNING
MELTON	GOODIN
Senate Conferees	House Conferees

Roll Call388: yeas 92, nays 0. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 9:08 p.m. with the Speaker in the Chair.

Upon request of Representative Pryor, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 389: 69 present. The Speaker declared a quorum present.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1006, 1108, 1372 and 1065

Engrossed Senate Bills 335

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 2 hours, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1006, 1108, 1372 and 1065

Engrossed Senate Bills 335

LEONARD, Chair

Motion prevailed.

Representatives Bauer and Kirchhofer, who had been present, is now excused.

Representative Barrett, Karickhoff and Soliday, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT
EHB 1006-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1006 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 31-9-2-7, AS AMENDED BY P.L.191-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) "Adult", for purposes of IC 31-19-17 through IC 31-19-25.5, means a person who is at least twenty-one (21) years of age.

(b) "Adult", for purposes of the juvenile law, means a person other than a child.

(c) "Adult", for purposes of IC 31-11, means:

- (1) a person at least eighteen (18) years of age; or
(2) a:

- (A) married minor who is at least sixteen (16) years of age; or
(B) minor who has been completely emancipated by a court;

subject to specific constitutional and statutory age requirements and health and safety regulations that remain applicable to the person because of the person's age.

SECTION 2. IC 31-9-2-133.1, AS AMENDED BY P.L.144-2018, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 133.1. "Victim of human or sexual trafficking", for purposes of IC 31-34-1-3.5, refers to a child who is recruited, harbored, transported, or engaged in:

- (1) forced labor;
(2) involuntary servitude;
(3) prostitution;
(4) juvenile prostitution, as defined in IC 35-31.5-2-178.5;
(5) child exploitation, as defined in IC 35-42-4-4(b);
(6) marriage, unless authorized by a court under ~~IC 31-11-1-6~~; **IC 31-11-1-7**;
(7) trafficking for the purpose of prostitution, juvenile prostitution, or participation in sexual conduct as defined in IC 35-42-4-4(a)(4); or
(8) human trafficking as defined in IC 35-42-3.5-0.5.

SECTION 3. IC 31-11-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. Except as provided in ~~section sections 5 or 6 and 7~~ of this chapter, two (2) individuals may not marry each other unless both individuals are at least eighteen (18) years of age.

SECTION 4. IC 31-11-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. Two (2) individuals may marry each other if:

- (1) both individuals are at least ~~seventeen (17)~~ **sixteen (16)** years of age;
(2) ~~one (1) of the individuals is not more than four (4) years older than the other individual if the other individual is sixteen (16) or seventeen (17) years of age;~~
(3) each individual who is less than eighteen (18) years of age: ~~receives the consent required by IC 31-11-2;~~

(A) has been granted an order by a juvenile court under section 7 of this chapter granting the individual approval to marry and completely emancipating the individual; and

(B) not earlier than fifteen (15) days after the issuance of the order described in clause (A), presents to the clerk of the circuit court an application for a marriage license accompanied by:

(i) a certified copy of the order; and

(ii) a certificate of completion of any premarital counseling required under the order; and

~~(3)~~ (4) the individuals are not prohibited from marrying each other for a reason set forth in this article.

SECTION 5. IC 31-11-1-6 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 6: (a) Two (2) individuals may marry each other if:

~~(1)~~ the individuals are not prohibited from marrying for a reason set forth in this article; and

(2) a circuit or superior court of the county of residence of either individual considers the information required to be submitted by subsection (b) and authorizes the clerk of the circuit court to issue the individuals a marriage license:

(b) A court may not authorize the clerk of the circuit court to issue a marriage license under subsection (a) unless:

(1) the individuals have filed with the court a verified petition that includes allegations that:

(A) the female is at least fifteen (15) years of age;

(B) the female is pregnant or is a mother;

(C) each of the individuals who is less than eighteen (18) years of age has received the consent required by IC 31-11-2;

(D) the male is at least fifteen (15) years of age and is either:

(i) the putative father of the expected child of the female; or

(ii) the father of the female's child; and

(E) the individuals desire to marry each other;

(2) the court has provided notice of the hearing required by this section to both parents of both petitioners or, if applicable to either petitioner:

(A) to the legally appointed guardian or custodian of a petitioner; or

(B) to one (1) parent of a petitioner if the other parent:

- (i) is deceased;
- (ii) has abandoned the petitioner;
- (iii) is mentally incompetent;
- (iv) is an individual whose whereabouts is unknown; or
- (v) is a noncustodial parent who is delinquent in the payment of court ordered child support on the date the petition is filed;

(3) a hearing is held on the petition in which the petitioners and interested persons, including parents, guardians, and custodians, are given an opportunity to appear and present evidence; and
 (4) the allegations of the petition filed under subdivision (1) have been proven.

- (c) A court's authorization granted under subsection (a):
 - (1) constitutes part of the confidential files of the clerk of the circuit court; and
 - (2) may be inspected only by written permission of a circuit, superior, or juvenile court.

SECTION 6. IC 31-11-1-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:
 Sec. 7. (a) A minor who is sixteen (16) or seventeen (17) years of age may petition the juvenile court in the county in which the minor resides for an order granting the minor approval to marry and completely emancipating the minor. The petition must contain the following information:

- (1) The minor's name, gender, and age.
- (2) Documentary proof of the minor's date of birth.
- (3) The minor's address, and how long the minor has resided at that address.
- (4) The following information with regard to the intended spouse:
 - (A) The intended spouse's name, gender, and age.
 - (B) Documentary proof of the intended spouse's date of birth.
 - (C) The intended spouse's address, and how long the intended spouse has resided at that address.
- (5) A statement of:
 - (A) the reasons the minor desires to marry;
 - (B) how the minor and the intended spouse came to know each other; and
 - (C) how long the minor and the intended spouse have known each other.
- (6) Copies of:
 - (A) any criminal records of the minor and of the intended spouse; and
 - (B) any protective order:
 - (i) issued to protect or restrain either the minor or the intended spouse; and
 - (ii) relating to domestic or family violence, a sexual offense, or stalking.
- (7) Evidence that the minor has demonstrated maturity and capacity for self-sufficiency and self-support independent of the minor's parents or legal guardians or the intended spouse, including proof that the minor:
 - (A) has graduated from high school;
 - (B) has obtained a high school

- equivalency diploma;
- (C) has a plan for continued education;
- (D) has completed a vocational training or certificate program;
- (E) has attained a professional licensure or certification; or
- (F) has maintained stable housing or employment for at least three (3) consecutive months prior to filing the petition.

(b) A court with which a petition under subsection (a) is filed shall:

- (1) set a date for an evidentiary hearing on the petition;
- (2) provide reasonable notice of the hearing to the minor and the minor's parents or legal guardians; and
- (3) appoint an attorney to serve as guardian ad litem for the minor.

(c) At the evidentiary hearing, the court shall conduct an in camera interview with the minor separate from the minor's parents or legal guardians and intended spouse.

(d) Following the evidentiary hearing, and subject to subsection (e), the court may grant the petition if the court finds all of the following:

- (1) The minor is a county resident who is at least sixteen (16) years of age.
- (2) The intended spouse is not more than four (4) years older than the minor.
- (3) The minor's decision to marry is voluntary, and free from force, fraud, or coercion.
- (4) The minor is mature enough to make a decision to marry.
- (5) The minor has established the minor's capacity to be self-sufficient and self-supporting independent of the minor's parents, legal guardians, and intended spouse.
- (6) The minor understands the rights and responsibilities of parties to marriage and of completely emancipated minors.
- (7) It is in the best interests of the minor for the court to grant the petition to marry and to completely emancipate the minor. In making the determination under this subdivision, the court shall consider how marriage and emancipation may affect the minor's health, safety, education, and welfare.

A court that grants a petition under this section shall issue written findings regarding the court's conclusions under subdivisions (1) through (7).

(e) The following, considered independently or together, are not sufficient to determine the best interests of a minor for purposes of this section:

- (1) The fact that the minor or the intended spouse is pregnant or has had a child.
- (2) The wishes of the parents or legal guardians of the minor.

However, there is a rebuttable presumption that marriage and emancipation are not in the best interests of the minor if both parents of the minor oppose the minor's marriage and emancipation.

(f) The juvenile court shall deny a petition under this section if the court finds any of the following:

- (1) The intended spouse:
 - (A) is or was in a position of authority or special trust in

relation to the minor; or
 (B) has or had a professional relationship with the minor, as defined in IC 35-42-4-7.

(2) The intended spouse has been convicted of, or entered into a diversion program for, an offense under IC 35-42:

(A) that involves an act of violence;

(B) of which a child was the victim; or

(C) that is an offense under:

(i) IC 35-42-3.5; or

(ii) IC 35-42-4.

(3) Either the minor or the intended spouse is pregnant or is the mother of a child, and the court finds by a preponderance of evidence that:

(A) the other party to the marriage is the father of the child or unborn child; and

(B) the conception of the child or unborn child resulted from the commission of an offense under:

(i) IC 35-42-4-3 (child molesting);

(ii) IC 35-42-4-6 (child solicitation);

(iii) IC 35-42-4-7 (child seduction); or

(iv) IC 35-42-4-9 (sexual misconduct with a minor).

(4) The intended spouse has previously been enjoined by a protective order relating to domestic or family violence, a sexual offense, or stalking, regardless of whether the person protected by the order was the minor.

(g) If a court grants a petition under this section, the court shall also issue an order of complete emancipation of the minor and provide a certified copy of the order to the minor.

(h) A minor emancipated under this section is considered to have all the rights and responsibilities of an adult, except as provided under specific constitutional or statutory age requirements that apply to the minor because of the minor's age, including requirements related to voting, use of alcoholic beverages or tobacco products, and other health and safety regulations.

(i) A court hearing a petition under this section may issue any other order the court considers appropriate for the minor's protection.

(j) A court that grants a petition under this section may require that both parties to the marriage complete premarital counseling with a marriage and family therapist licensed under IC 25-22.5, IC 25-23.6-8, or IC 25-33.

(k) A court that grants a petition under this section may impose any other condition on the grant of the petition that the court determines is reasonable under the circumstances.

SECTION 7. IC 31-11-2 IS REPEALED [EFFECTIVE JULY 1, 2020]. (Consent to Marry Required for Certain Individuals).

SECTION 8. IC 31-11-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. Each individual who applies for a marriage license must submit to the clerk of the circuit court documentary proof of the individual's age, in the form of:

(1) a:

(A) certified copy of the individual's birth certificate;

(B) copy of a birth record; or

(C) certification of birth issued by the state department of

health, a local registrar of vital statistics, or another public office charged with similar duties under the law of another state, territory, or country;

(2) a certified copy of a judicial decree issued under IC 34-28-1 (or IC 34-4-3 before its repeal) that establishes the date of the individual's birth;

(3) any written evidence of the individual's date of birth that is satisfactory to the clerk; or

(3) a passport;

(4) a valid operator's license or other identification that is issued by a state or another governmental entity and that contains the individual's date of birth and current address;

(5) an immigration or naturalization record showing the individual's date of birth;

(6) a United States selective service card or armed forces record showing the individual's date of birth; or

(7) a:

(A) court record; or

(B) document or record issued by a governmental entity;

showing the individual's date of birth.

SECTION 9. IC 31-11-4-8 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 8: If a written consent is required by IC 31-11-2, a clerk of a circuit court may not receive an application for a marriage license unless:

(1) the clerk has filed the consent form in the clerk's office; and

(2) the clerk has entered a notice of the filing on the marriage license docket.

SECTION 10. IC 31-11-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. A marriage is void if the parties to the marriage:

(1) are residents of Indiana;

(2) had their marriage solemnized in another state with the intent to:

(A) evade IC 31-11-1-4, IC 31-11-4-4, or IC 31-11-4-11 (or IC 31-7-3-3 or IC 31-7-3-10 before their repeal); and

(B) subsequently return to Indiana and reside in Indiana; and

(3) without having established residence in another state in good faith, return to Indiana and reside in Indiana after the marriage is solemnized.

SECTION 11. IC 31-11-11-2 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 2: A person who knowingly furnishes false information in a verified written consent under IC 31-11-2 commits a Level 6 felony.

SECTION 12. IC 31-34-20-6, AS AMENDED BY P.L.85-2017, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) The juvenile court for the county in which a child resides may emancipate a the child under section 1(a)(5) of this chapter upon a petition brought by the child.

(b) The court in which a petition is filed under subsection (a) shall appoint an attorney to serve as guardian ad litem for the child. The guardian ad litem shall investigate the statements contained in the petition and file a report of the investigation with the court.

(c) After receiving the report of the guardian ad litem under subsection (b) and holding a hearing, the court may grant the petition if the court finds:

(1) that emancipation is in the child's best

interests; and

(2) that the child:

- (1) wishes to be free from parental control and protection and no longer needs that control and protection;
- (2) has sufficient money for the child's own support;
- (3) understands the consequences of being free from parental control and protection; and
- (4) has an acceptable plan for independent living.

(b) (d) If the juvenile court **completely emancipates the child, the child has all the rights and responsibilities of an adult. If the juvenile court partially or completely** emancipates the child, the court shall specify the terms of the emancipation, which may include the following:

- (1) Suspension of the parent's or guardian's duty to support the child. In this case, the judgment of emancipation supersedes the support order of a court.
- (2) Suspension of the following:
 - (A) The parent's or guardian's right to the control or custody of the child.
 - (B) The parent's right to the child's earnings.
- (3) ~~Empowering the child to consent to marriage.~~
- (4) (3) Empowering the child to consent to military enlistment.
- (5) (4) Empowering the child to consent to:
 - (A) medical;
 - (B) psychological;
 - (C) psychiatric;
 - (D) educational; or
 - (E) social;

services.

- (6) (5) Empowering the child to contract.
- (7) (6) Empowering the child to own property.

(c) (e) An emancipated child remains subject to the following:

- (1) IC 20-33-2 concerning compulsory school attendance.
- (2) The continuing jurisdiction of the court.
- (3) **IC 31-11-1-4 concerning minimum age for marriage.**
- (4) **Other specific constitutional and statutory age requirements applicable to the emancipated child because of the emancipated child's age, including requirements regarding voting, use of alcoholic beverages or tobacco products, and other health and safety regulations.**

SECTION 13. IC 31-37-19-27, AS AMENDED BY P.L.85-2017, SECTION 107, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 27. (a) The juvenile court **for the county in which a child resides** may emancipate a the child under section 1(a)(5) or 5(b)(5) of this chapter **upon a petition brought by the child.**

(b) **The court in which a petition is filed under subsection (a) shall appoint an attorney to serve as guardian ad litem for the child. The guardian ad litem shall investigate the statements contained in the petition and file a report of the investigation with the court.**

(c) **After receiving the report of the guardian ad litem under subsection (b) and holding a hearing, the court may grant the petition if the court finds that the child:**

- (1) wishes to be free from parental control and protection and no longer needs that control and protection;
- (2) has sufficient money for the child's own support;
- (3) understands the consequences of being free from parental control and protection; and
- (4) has an acceptable plan for independent living.

(b) (d) ~~Whenever~~ **If the juvenile court completely emancipates the child, the child has all the rights and responsibilities of an adult. If the juvenile court partially or completely** emancipates the child, the court shall specify the terms of the emancipation, which may include the following:

- (1) Suspension of the parent's or guardian's duty to support the child. In this case, the judgment of emancipation supersedes the support order of a court.
- (2) Suspension of:
 - (A) the parent's or guardian's right to the control or custody of the child; and
 - (B) the parent's right to the child's earnings.
- (3) ~~Empowering the child to consent to marriage.~~
- (4) (3) Empowering the child to consent to military enlistment.
- (5) (4) Empowering the child to consent to:
 - (A) medical;
 - (B) psychological;
 - (C) psychiatric;
 - (D) educational; or
 - (E) social;

services.

- (6) (5) Empowering the child to contract.
- (7) (6) Empowering the child to own property.

(c) (e) An emancipated child remains subject to the following:

- (1) IC 20-33-2 concerning compulsory school attendance. ~~and~~
- (2) The continuing jurisdiction of the court.
- (3) **IC 31-11-1-4 concerning minimum age for marriage.**
- (4) **Other specific constitutional and statutory age requirements applicable to the emancipated child because of the emancipated child's age, including requirements regarding voting, use of alcoholic beverages or tobacco products, and other health and safety regulations.**

SECTION 14. IC 35-52-31-2 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 2. ~~IC 31-11-11-2 defines a crime concerning marriage.~~

(Reference is to EHB 1006 as reprinted March 3, 2020.)

ENGLEMAN	CHARBONNEAU
WRIGHT	STOOPS
House Conferees	Senate Conferees

Roll Call 390: yeas 93, nays 0. Report adopted.

CONFEREES AND ADVISORS APPOINTED

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

EHB 1004 Conferee: Representative Schaibley replacing Representative Austin
 Advisor: Remove Representative Schaibley

Representative Bacon, who had been present, is now excused.

CONFERENCE COMMITTEE REPORTS

CONFERENCE COMMITTEE REPORT EHB 1065-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1065 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 6-1.1-1-8.4, AS AMENDED BY P.L.235-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 8.4. (a) "Inventory" means:

- (1) materials held for processing or for use in production;
- (2) finished or partially finished goods of a manufacturer or processor; ~~and~~
- (3) property held for sale in the ordinary course of trade or business; ~~and~~
- (4) uniforms, garments, linens, and facilities services supplies owned, held, possessed, or controlled for the purpose of rental or lease in the ordinary course of trade or business.**

(b) The term includes:

- (1) items that qualify as inventory under 50 IAC 4.2-5-1 (as effective December 31, 2008); and
- (2) subject to subsection (c), a mobile home or manufactured home that:
 - (A) does not qualify as real property;
 - (B) is located in a mobile home community;
 - (C) is unoccupied; and
 - (D) is owned and held for sale or lease by the owner of the mobile home community.

(c) Subsection (b)(2) applies regardless of whether the mobile home that is held for sale or lease is new or was previously owned.

SECTION 2. IC 6-1.1-4-12, AS AMENDED BY P.L.257-2019, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) As used in this section, "land developer" means a person that holds land for sale in the ordinary course of the person's trade or business. The term includes a financial institution (as defined in IC 28-1-1-3(1)) if the financial institution's land in inventory is purchased, acquired, or held for one (1) or more of the purposes established under IC 28-1-11-5(a)(2), IC 28-1-11-5(a)(3), and IC 28-1-11-5(a)(4). **The determination of whether a person qualifies as a land developer shall be based upon whether such person satisfies the requirements contained in this subsection, and no consideration shall be given to either the person's industry classification, such as classification as a developer or builder, or any other activities undertaken by the person in addition to holding land for sale in the ordinary course of the person's trade or business.**

(b) As used in this section, "land in inventory" means:

- (1) a lot; or
- (2) a tract that has not been subdivided into lots;

to which a land developer holds title in the ordinary course of the land developer's trade or business.

(c) As used in this section, "title" refers to legal or equitable title, including the interest of a contract purchaser.

(d) For purposes of this section, land purchased, acquired, or held by a financial institution for one (1) or more of the purposes established under IC 28-1-11-5(a)(2), IC 28-1-11-5(a)(3), and IC 28-1-11-5(a)(4) is considered held for sale in the ordinary course of the financial institution's trade or business.

(e) Except as provided in subsections (i), (j), and (k), if:

- (1) land assessed on an acreage basis is subdivided into lots; or
- (2) land is rezoned for, or put to, a different use;

the land shall be reassessed on the basis of its new classification.

(f) If improvements are added to real property, the improvements shall be assessed.

(g) An assessment or reassessment made under this section is effective on the next assessment date.

(h) No petition to the department of local government finance is necessary with respect to an assessment or reassessment made under this section.

(i) Except as provided in subsection (k) and subject to subsection (j), land in inventory may not be reassessed until the next assessment date following the earliest of:

- (1) the date on which title to the land is transferred by:

- (A) the land developer; or
- (B) a successor land developer that acquires title to the land;

to a person that is not a land developer;

- (2) the date on which construction of a structure begins on the land; or

- (3) the date on which a building permit is issued for construction of a building or structure on the land.

(j) Subsection (i) applies regardless of whether the land in inventory is rezoned while a land developer holds title to the land.

(k) This subsection applies to land in inventory that a for-profit land developer acquires from a:

- (1) school corporation; or
- (2) local unit of government (as defined in IC 14-22-31.5-1), but only if the local unit of government:

- (A) acquired the land in a tax sale procedure under IC 6-1.1; or
- (B) has held the land for not less than three (3) years prior to the date on which the for-profit land developer acquires it from the local unit of government.

Land in inventory to which this subsection applies shall be assessed on the first assessment date immediately following the date on which the land developer acquires title to the land in inventory. Notwithstanding section 13(a) of this chapter, land in inventory to which this subsection applies is considered to be devoted to agricultural use and shall be assessed at the agricultural land base rate. After the initial assessment under this subsection, land in inventory to which this subsection applies shall be reassessed in accordance with subsection (i).

SECTION 3. IC 6-1.1-9-10, AS ADDED BY P.L.154-2006, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec.

10. (a) If in the course of a review of a taxpayer's personal property assessment under this chapter an assessing official or the assessing official's representative or contractor discovers an error indicating that the taxpayer has overreported a personal property assessment, the assessing official shall:

- (1) adjust the personal property assessment to correct the error; and
- (2) process a refund or credit for any resulting overpayment.

(b) Application of subsection (a) is subject to the restrictions of IC 6-1.1-11-1.

(c) If a taxpayer believes that the taxpayer overreported a personal property assessment that is discovered in the course of a review of the taxpayer's personal property assessment under this chapter for which the assessing official fails to make an adjustment to correct the error under this section either in whole or in part, the taxpayer may:

- (1) initiate an appeal of the assessment under IC 6-1.1-15-1.1 for a credit to offset any resulting overpayment against the taxpayer's current personal property tax liability; or**
- (2) file a claim for refund under IC 6-1.1-26-1.1 of personal property taxes paid with regard to any resulting overpayment.**

SECTION 4. IC 6-1.1-15-3, AS AMENDED BY P.L.121-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 3. (a) A taxpayer may obtain a review by the Indiana board of:

- (1) a county board's action with respect to a claim under section 1.1 of this chapter; or**
- (2) a denial by the county auditor, the county assessor, or the county treasurer of a claim for refund under IC 6-1.1-9-10(c)(2) that is appealed to the Indiana board as authorized in IC 6-1.1-26-2.1(d)(2).**

(b) The county assessor is the party to the a review under this section ~~subsection (a)(1)~~ to defend the determination of the county board. The county auditor may appear as an additional party to the review if the determination concerns a matter that is in the discretion of the county auditor. At the time the notice of that determination is given to the taxpayer, the taxpayer shall also be informed in writing of:

- ~~(1) the taxpayer's opportunity for review under this section; subsection (a)(1); and~~
- ~~(2) the procedures the taxpayer must follow in order to obtain review under this section.~~

(c) A county assessor who dissents from the determination of the county board may obtain a review by the Indiana board. A county auditor who dissents from the determination of the county board concerning a matter that is in the discretion of the county auditor may obtain a review by the Indiana board.

(d) In order to obtain a review by the Indiana board under this section; **subsection (a)(1)**, the party must, not later than forty-five (45) days after the date of the notice given to the party or parties of the determination of the county board:

- (1) file a petition for review with the Indiana board; and**
- (2) mail a copy of the petition to the other party.**

(e) The Indiana board shall prescribe the form of the petition for review under this chapter. The Indiana board shall issue instructions for completion of the form. The form and the instructions must be clear, simple, and understandable to the average individual. A petition for review of such a determination must be made on the form prescribed by the Indiana board. The form must require the petitioner to specify the reasons why the petitioner believes that the determination by the county board is erroneous.

(f) If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

- (1) Initiate the review.
- (2) Prosecute the review.

(g) If an owner petitions the Indiana board under IC 6-1.1-11-7(d), the Indiana board is authorized to approve or disapprove an exemption application:

- (1) previously submitted to a county board under IC 6-1.1-11-6; and
- (2) that is not approved or disapproved by the county board within one hundred eighty (180) days after the owner filed the application for exemption under IC 6-1.1-11.

The county assessor is a party to a petition to the Indiana board under IC 6-1.1-11-7(d).

(h) This subsection applies only to the review by the Indiana board of a denial of a refund claim described in subsection (a)(2). The county assessor is the party to a review under subsection (a)(2) to defend the denial of the refund under IC 6-1.1-26-2.1. In order to obtain a review by the Indiana board under subsection (a)(2), the taxpayer must, within forty-five (45) days of the notice of denial under IC 6-1.1-26-2.1(d):

- (1) file a petition for review with the Indiana board; and**
- (2) mail a copy of the petition to the county auditor.**

SECTION 5. IC 6-1.1-18-28 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28. (a) The executive of a township may, upon approval by the township fiscal body, submit a petition to the department of local government finance for an increase in the township's maximum permissible ad valorem property tax levy for its township firefighting fund under IC 36-8-13-4 for property taxes first due and payable in 2021 or for any year thereafter for which a petition is submitted under this section.

(b) If the township submits a petition as provided in subsection (a) before August 1, 2020, or April 1 of a year thereafter, the department of local government finance shall increase the township's maximum permissible ad valorem property tax levy for the township firefighting fund under IC 36-8-13-4 for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

STEP ONE: Determine the percentage increase in the population, as determined by the township fiscal body and as may be prescribed by the department of local government finance, that is within the fire protection and emergency services area of the township during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The township fiscal body may use the most recently available population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

STEP TWO: Determine the greater of zero (0) or the result of:

- (A) the STEP ONE percentage; minus**
- (B) six percent (6%);**

expressed as a decimal.

STEP THREE: Determine a rate that is the lesser of:

- (A) fifteen-hundredths (0.15); or**
- (B) the STEP TWO result.**

STEP FOUR: Reduce the STEP THREE rate by any rate increase in the township's property tax rate for its township firefighting fund within the immediately preceding ten (10) year period that was made based on a petition submitted by the township under this section.

(c) The township's maximum permissible ad valorem

property tax levy for its township firefighting fund under IC 36-8-13-4 for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:

- (1) the amount of the ad valorem property tax levy increase for the township firefighting fund without regard to this section; plus
- (2) an amount equal to the result of:
 - (A) the rate determined under the formula in subsection (b); multiplied by
 - (B) the net assessed value of the fire protection and emergency services area divided by one hundred (100).

The calculation under this subsection shall be used in the determination of the township's maximum permissible ad valorem property tax levy under IC 36-8-13-4 for property taxes first due and payable in the first year of the increase and thereafter.

SECTION 6. IC 6-1.1-18-29 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 29. (a) The board of trustees of a fire protection district may, upon approval by the county legislative body, submit a petition to the department of local government finance for an increase in the fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in 2021 or for any year thereafter for which a petition is submitted under this section.

(b) If a petition is submitted as provided in subsection (a) before August 1, 2020, or April 1 of a year thereafter, the department of local government finance shall increase the fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in the immediately succeeding year by using the following formula for purposes of subsection (c)(2):

STEP ONE: Determine the percentage increase in the population, as determined by the county legislative body and as may be prescribed by the department of local government finance, that is within the fire protection district area during the ten (10) year period immediately preceding the year in which the petition is submitted under subsection (a). The county legislative body may use the most recently available population data issued by the Bureau of the Census during the ten (10) year period immediately preceding the petition.

STEP TWO: Determine the greater of zero (0) or the result of:

- (A) the STEP ONE percentage; minus
- (B) six percent (6%);

expressed as a decimal.

STEP THREE: Determine a rate that is the lesser of:

- (A) fifteen-hundredths (0.15); or
- (B) the STEP TWO result.

STEP FOUR: Reduce the STEP THREE rate by any rate increase in the fire protection district's property tax rate within the immediately preceding ten (10) year period that was made based on a petition submitted by the fire protection district under this section.

(c) The fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in a given year, as adjusted under this section, shall be calculated as:

- (1) the amount of the ad valorem property tax levy increase for the fire protection district without regard to this section; plus
- (2) an amount equal to the result of:

- (A) the rate determined under the formula in subsection (b); multiplied by
- (B) the net assessed value of the fire protection district area divided by one hundred (100).

The calculation under this subsection shall be used in the determination of the fire protection district's maximum permissible ad valorem property tax levy for property taxes first due and payable in the first year of the increase and thereafter.

SECTION 7. IC 6-1.1-20.3-17, AS ADDED BY P.L.257-2019, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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.

(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 8. IC 6-1.1-26-2.1, AS ADDED BY P.L.232-2017, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2019 (RETROACTIVE)]: Sec. 2.1. (a) The county auditor shall approve or deny a claim for refund.

(b) If the county auditor approves the claim for refund, the county auditor shall forward the claim to the county treasurer

and county assessor for approval or denial. The county treasurer and county assessor shall each certify their approval or denial and return the claim to the county auditor not later than seventy-five (75) days after the date of the filing of the claim under section 1.1 of this chapter.

(c) If the county auditor, the county assessor, and the county treasurer approve the refund, the county auditor shall issue a warrant to the claimant payable on the general fund for the amount due under this section within forty-five (45) days of the approval of a claim for refund. In addition, the taxpayer is entitled to interest on any overpayment of property taxes. Interest shall be computed:

- (1) from the date on which the taxes were paid or due, whichever is later, to the date on which the county auditor and the county treasurer approve the refund; and
- (2) using the rate in effect under IC 6-8.1-10-1 for each particular year covered by the refund.

If the taxpayer no longer owns the property on which the tax was assessed and paid, the county auditor shall pay the refunds to the taxpayer or other lawful claimant.

(d) If the county auditor, the county assessor, or the county treasurer denies a refund, the county auditor shall send a notice to the claimant. The claimant may, within forty-five (45) days of the notice of denial:

- (1) file an original action claiming a refund in a court of competent jurisdiction in the county where the property is located; or
- (2) in the case of notice of denial of a claim for refund that is filed pursuant to IC 6-1.1-9-10(c)(2), file a petition for review with the Indiana board under the procedures set forth in IC 6-1.1-15-3.**

(e) If a credit is not applied or a refund is not paid within one hundred twenty (120) days from the date a claim was filed under section 1.1 of this chapter, a claimant may file an original action claiming a refund in a court of competent jurisdiction in the county where the property is located. An original action must be filed by the later of four (4) years after the tax is paid, or four (4) years after the final disposition of an appeal by the county board, board of tax review, department of local government finance, or a court, with respect to a particular tax year.

(f) The county auditor shall correct the tax duplicate for refunds. In the June or December settlement and apportionment of taxes, or both the June and December settlement and apportionment of taxes, immediately following a refund made under this section the county auditor shall deduct the amount refunded from the gross tax collections of the taxing units for which the refunded taxes were originally paid and shall pay the amount so deducted out of the general fund. However, the county auditor shall make the deductions and payments required by this subsection not later than the December settlement and apportionment. The county auditor shall notify the county executive of the payment of the amount due.

SECTION 9. IC 6-3-3-10, AS AMENDED BY P.L.182-2009(ss), SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) As used in this section:

"Base period wages" means the following:

- (1) In the case of a taxpayer other than a pass through entity, wages paid or payable by a taxpayer to its employees during the year that ends on the last day of the month that immediately precedes the month in which an enterprise zone is established, to the extent that the wages would have been qualified wages if the enterprise zone had been in effect for that year. If the taxpayer did not engage in an active trade or business during that year in the area that is later designated as an enterprise zone, then the

base period wages equal zero (0). If the taxpayer engaged in an active trade or business during only part of that year in an area that is later designated as an enterprise zone, then the department shall determine the amount of base period wages.

- (2) In the case of a taxpayer that is a pass through entity, base period wages equal zero (0).

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Enterprise zone adjusted gross income" means adjusted gross income of a taxpayer that is derived from sources within an enterprise zone. Sources of adjusted gross income shall be determined with respect to an enterprise zone, to the extent possible, in the same manner that sources of adjusted gross income are determined with respect to the state of Indiana under IC 6-3-2-2.

"Enterprise zone gross income" means gross income of a taxpayer that is derived from sources within an enterprise zone.

"Enterprise zone insurance premiums" means insurance premiums derived from sources within an enterprise zone.

"Monthly base period wages" means base period wages divided by twelve (12).

"Qualified employee" means an individual who is employed by a taxpayer and who:

- (1) has the individual's principal place of residence in the enterprise zone in which the individual is employed;
- (2) performs services for the taxpayer, ninety percent (90%) of which are directly related to the conduct of the taxpayer's trade or business that is located in an enterprise zone;
- (3) performs at least fifty percent (50%) of the individual's services for the taxpayer during the taxable year in the enterprise zone; and
- (4) in the case of an individual who is employed by a taxpayer that is a pass through entity, was first employed by the taxpayer after December 31, 1998.

"Qualified increased employment expenditures" means the following:

- (1) For a taxpayer's taxable year other than the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during the taxable year to qualified employees exceeds the taxpayer's base period wages.
- (2) For the taxpayer's taxable year in which the enterprise zone is established, the amount by which qualified wages paid or payable by the taxpayer during all of the full calendar months in the taxpayer's taxable year that succeed the date on which the enterprise zone was established exceed the taxpayer's monthly base period wages multiplied by that same number of full calendar months.

"Qualified state tax liability" means a taxpayer's total income tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (adjusted gross income tax) with respect to enterprise zone adjusted gross income;
- (2) IC 27-1-18-2 (insurance premiums tax) with respect to enterprise zone insurance premiums; ~~and~~
- (3) IC 6-5.5 (the financial institutions tax); **and**
- (4) IC 6-8-15 (nonprofit agricultural organization health coverage 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 section.

"Qualified wages" means the wages paid or payable to qualified employees during a taxable year.

"Taxpayer" includes a pass through entity.

(b) A taxpayer is entitled to a credit against the taxpayer's qualified state tax liability for a taxable year in the amount of the lesser of:

- (1) the product of ten percent (10%) multiplied by the qualified increased employment expenditures of the taxpayer for the taxable year; or
- (2) one thousand five hundred dollars (\$1,500) multiplied by the number of qualified employees employed by the taxpayer during the taxable year.

(c) The amount of the credit provided by this section that a taxpayer uses during a particular taxable year may not exceed the taxpayer's qualified state tax liability for the taxable year. If the credit provided by this section exceeds the amount of that tax liability for the taxable year it is first claimed, then the excess may be carried back to preceding taxable years or carried over to succeeding taxable years and used as a credit against the taxpayer's qualified state tax liability for those taxable years. Each time that the credit is carried back to a preceding taxable year or carried over to a succeeding taxable year, the amount of the carryover is reduced by the amount used as a credit for that taxable year. Except as provided in subsection (e), the credit provided by this section may be carried forward and applied in the ten (10) taxable years that succeed the taxable year in which the credit accrues. The credit provided by this section may be carried back and applied in the three (3) taxable years that precede the taxable year in which the credit accrues.

(d) A credit earned by a taxpayer in a particular taxable year shall be applied against the taxpayer's qualified state tax liability for that taxable year before any credit carryover or carryback is applied against that liability under subsection (c).

(e) Notwithstanding subsection (c), if a credit under this section results from wages paid in a particular enterprise zone, and if that enterprise zone terminates in a taxable year that succeeds the last taxable year in which a taxpayer is entitled to use the credit carryover that results from those wages under subsection (c), then the taxpayer may use the credit carryover for any taxable year up to and including the taxable year in which the enterprise zone terminates.

(f) A taxpayer is not entitled to a refund of any unused credit.

(g) A taxpayer that:

- (1) does not own, rent, or lease real property outside of an enterprise zone that is an integral part of its trade or business; and
- (2) is not owned or controlled directly or indirectly by a taxpayer that owns, rents, or leases real property outside of an enterprise zone;

is exempt from the allocation and apportionment provisions of this section.

(h) If a pass through entity is entitled to a credit under subsection (b) but does not have state tax liability against which the tax credit may be applied, an individual who is a shareholder, partner, beneficiary, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, beneficiary, or member is entitled.

The credit provided under this subsection is in addition to a tax credit to which a shareholder, partner, beneficiary, or member of a pass through entity is entitled. However, a pass through entity and an individual who is a shareholder, partner, beneficiary, or member of a pass through entity may not claim

more than one (1) credit for the qualified expenditure.

SECTION 10. IC 6-3-3-12, AS AMENDED BY P.L.214-2018(ss), SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 12. (a) As used in this section, "account" has the meaning set forth in IC 21-9-2-2.

(b) As used in this section, "account beneficiary" has the meaning set forth in IC 21-9-2-3.

(c) As used in this section, "account owner" has the meaning set forth in IC 21-9-2-4.

(d) As used in this section, "college choice 529 education savings plan" refers to a college choice 529 plan established under IC 21-9.

(e) As used in this section, "contribution" means the amount of money directly provided to a college choice 529 education savings plan account by a taxpayer. A contribution does not include any of the following:

- (1) Money credited to an account as a result of bonus points or other forms of consideration earned by the taxpayer that result in a transfer of money to the account.
- (2) Money transferred from any other qualified tuition program under Section 529 of the Internal Revenue Code or from any other similar plan.
- (3) Money that is credited to an account and that will be transferred to an ABLE account (as defined in Section 529A of the Internal Revenue Code).

(f) As used in this section, "nonqualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is not a qualified withdrawal.

(g) As used in this section, "qualified higher education expenses" has the meaning set forth in IC 21-9-2-19.5, **except that the term does not include qualified education loan repayments under Section 529(c)(9) of the Internal Revenue Code.**

(h) As used in this section, "qualified K-12 education expenses" means expenses that are for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school located in Indiana and are permitted under Section 529 of the Internal Revenue Code.

(i) As used in this section, "qualified withdrawal" means a withdrawal or distribution from a college choice 529 education savings plan that is made:

- (1) to pay for qualified higher education expenses, excluding any withdrawals or distributions used to pay for qualified higher education expenses, if the withdrawals or distributions are made from an account of a college choice 529 education savings plan that is terminated within twelve (12) months after the account is opened;
- (2) as a result of the death or disability of an account beneficiary;
- (3) because an account beneficiary received a scholarship that paid for all or part of the qualified higher education expenses of the account beneficiary, to the extent that the withdrawal or distribution does not exceed the amount of the scholarship; or
- (4) by a college choice 529 education savings plan as the result of a transfer of funds by a college choice 529 education savings plan from one (1) third party custodian to another.

However, a qualified withdrawal does not include a withdrawal or distribution that will be used for expenses that are for tuition in connection with enrollment or attendance at an elementary or secondary public, private, or religious school unless the school is located in Indiana. A qualified withdrawal does not include

a rollover distribution or transfer of assets from a college choice 529 education savings plan to any other qualified tuition program under Section 529 of the Internal Revenue Code or to any other similar plan.

(j) As used in this section, "taxpayer" means:

- (1) an individual filing a single return; **or**
- (2) a married couple filing a joint return; **or**
- (3) for taxable years beginning after December 31, 2019, a married individual filing a separate return.**

(k) A taxpayer is entitled to a credit against the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for a taxable year equal to the least of the following:

(1) The following amount:

(A) For taxable years beginning before January 1, 2019, the sum of twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that will be used to pay for qualified higher education expenses that are not qualified K-12 education expenses, plus the lesser of:

- (i) five hundred dollars (\$500); or
- (ii) ten percent (10%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that will be used to pay for qualified K-12 education expenses.

(B) For taxable years beginning after December 31, 2018, the sum of:

- (i) twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified higher education expenses that are not qualified K-12 education expenses; plus
- (ii) twenty percent (20%) multiplied by the amount of the total contributions that are made by the taxpayer to an account or accounts of a college choice 529 education savings plan during the taxable year and that are designated to pay for qualified K-12 education expenses.

(2) One thousand dollars (\$1,000), **or five hundred dollars (\$500) in the case of a married individual filing a separate return.**

(3) The amount of the taxpayer's adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for the taxable year, reduced by the sum of all credits (as determined without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

(l) This subsection applies after December 31, 2018. At the time a contribution is made to or a withdrawal is made from an

account or accounts of a college choice 529 education savings plan, the person making the contribution or withdrawal shall designate whether the contribution is made for or the withdrawal will be used for:

- (1) qualified higher education expenses that are not qualified K-12 education expenses; or
- (2) qualified K-12 education expenses.

The Indiana education savings authority (IC 21-9-3) shall use subaccounting to track the designations.

(m) A taxpayer who makes a contribution to a college choice 529 education savings plan is considered to have made the contribution on the date that:

- (1) the taxpayer's contribution is postmarked or accepted by a delivery service, for contributions that are submitted to a college choice 529 education savings plan by mail or delivery service; or
- (2) the taxpayer's electronic funds transfer is initiated, for contributions that are submitted to a college choice 529 education savings plan by electronic funds transfer.

(n) A taxpayer is not entitled to a carryback, carryover, or refund of an unused credit.

(o) A taxpayer may not sell, assign, convey, or otherwise transfer the tax credit provided by this section.

(p) To receive the credit provided by this section, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this section.

(q) An account owner of an account of a college choice 529 education savings plan must repay all or a part of the credit in a taxable year in which any nonqualified withdrawal is made from the account. The amount the taxpayer must repay is equal to the lesser of:

- (1) twenty percent (20%) of the total amount of nonqualified withdrawals made during the taxable year from the account; or
- (2) the excess of:

(A) the cumulative amount of all credits provided by this section that are claimed by any taxpayer with respect to the taxpayer's contributions to the account for all prior taxable years beginning on or after January 1, 2007; over

(B) the cumulative amount of repayments paid by the account owner under this subsection for all prior taxable years beginning on or after January 1, 2008.

(r) Any required repayment under subsection (q) shall be reported by the account owner on the account owner's annual state income tax return for any taxable year in which a nonqualified withdrawal is made.

(s) A nonresident account owner who is not required to file an annual income tax return for a taxable year in which a nonqualified withdrawal is made shall make any required repayment on the form required under IC 6-3-4-1(2). If the nonresident account owner does not make the required repayment, the department shall issue a demand notice in accordance with IC 6-8.1-5-1.

(t) The executive director of the Indiana education savings authority shall submit or cause to be submitted to the department a copy of all information returns or statements issued to account owners, account beneficiaries, and other taxpayers for each taxable year with respect to:

- (1) nonqualified withdrawals made from accounts, including subaccounts of a college

choice 529 education savings plan for the taxable year; or

(2) account closings for the taxable year.

SECTION 11. IC 6-3.1-7-1, AS AMENDED BY P.L.4-2005, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter:

"Enterprise zone" means an enterprise zone created under IC 5-28-15.

"Pass through entity" means a:

- (1) corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) partnership;
- (3) trust;
- (4) limited liability company; or
- (5) limited liability partnership.

"Qualified loan" means a loan made to an entity that uses the loan proceeds for:

- (1) a purpose that is directly related to a business located in an enterprise zone;
- (2) an improvement that increases the assessed value of real property located in an enterprise zone; or
- (3) rehabilitation, repair, or improvement of a residence.

"State tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);** and
- (3) 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.

"Taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability. The term includes a pass through entity.

SECTION 12. IC 6-3.1-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Second, against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) **or nonprofit agricultural organization health coverage tax liability (IC 6-8-15)** for the taxable year.
- (3) Third, against the taxpayer's financial institutions tax liability (IC 6-5.5) for the taxable year.

(b) If the tax paid by the taxpayer under a tax provision listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this chapter.

SECTION 13. IC 6-3.1-11-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. 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);
- (2) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);** and
- (3) 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.

SECTION 14. IC 6-3.1-11-16, AS AMENDED BY SEA 272-2020, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) Subject to entering into an agreement with the corporation under section 19.5 of this chapter and subject to section 21 of this chapter, a taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year if the taxpayer makes a qualified investment **as certified by the corporation for in** that year.

(b) The amount of the credit to which a taxpayer is entitled is the qualified investment made by the taxpayer **and certified by the corporation for a during** the taxable year multiplied by the applicable percentage.

(c) The taxpayer may assign any part of the credit that the taxpayer may claim under this chapter. A credit that is assigned under this subsection remains subject to this chapter. **If a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another taxpayer. Nothing in this subsection shall prohibit a taxpayer from making more than one (1) assignment of any part of the credit, but a taxpayer may not assign the same part of a credit more than once.**

(d) ~~If a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another taxpayer. A taxpayer may make only one (1) assignment of a credit.~~ 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. An assignment of a credit must be in writing, and both the taxpayer and assignee shall report the assignment on the taxpayer's and the assignee's state tax returns for the year in which the assignment is made, in the manner prescribed by the department. A taxpayer may not receive value in connection with an assignment under this section that exceeds the value of the part of the credit assigned.

SECTION 15. IC 6-3.1-11-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 22. (a) A credit to which a taxpayer is entitled under this chapter shall be applied against taxes owed by the taxpayer in the following order:

- (1) Against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.
- (2) Against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) **or nonprofit agricultural organization health coverage tax (IC 6-8-15)** for the taxable year.
- (3) Against the taxpayer's financial institutions tax (IC 6-5.5) for the taxable year.

(b) Whenever the tax paid by the taxpayer under any of the tax provisions listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer is entitled under this chapter.

SECTION 16. IC 6-3.1-13-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);** and
- (3) 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.

SECTION 17. IC 6-3.1-19-1, AS AMENDED BY P.L.197-2016, SECTION 30, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter, "state and local tax liability" means a taxpayer's total tax liability incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 6-3.6 (local income tax);
- (3) IC 6-5.5 (the financial institutions tax); and
- (4) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage tax);**

as computed after the application of all credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

SECTION 18. IC 6-3.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-2.5 (state gross retail and use tax);
- (2) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (3) IC 6-5.5 (the financial institutions tax); and
- (4) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage 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.

SECTION 19. IC 6-3.1-26-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 27-1-18-2 (the insurance premiums tax); and
- (3) IC 6-5.5 (the financial institutions tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage 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.

SECTION 20. IC 6-3.1-30.5-5, AS ADDED BY P.L.182-2009(ss), SECTION 205, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 6-5.5 (the financial institutions tax); and
- (3) IC 27-1-18-2 (the insurance premiums tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage 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.

SECTION 21. IC 6-3.1-34-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 3.5. As used in this chapter, "mine reclamation site" means:**

- (1) land that has been mined using surface mining methods or underground mining methods, specifically and primarily for the removal of coal; and**
- (2) land that is contiguous to land described in subdivision (1).**

SECTION 22. IC 6-3.1-34-6, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. As used in this chapter, "qualified redevelopment site" means:

- (1) land on which a vacant building or complex

of buildings was placed in service at least fifteen (15) years before the date on which the application is filed with the corporation under this chapter;

- (2) land on which a vacant building or complex of buildings:

- (A) was placed in service at least fifteen (15) years before the date on which the demolition of the vacant building or complex of buildings was completed; and
- (B) that was demolished in an effort to protect the health, safety, and welfare of the community;

- (3) land on which a vacant building or complex of buildings:

- (A) was placed in service at least fifteen (15) years before the date on which the demolition of the vacant building or complex of buildings was completed;
- (B) was placed in service as a public building;
- (C) was owned by a unit of local government; and
- (D) has not been redeveloped since the building was taken out of service as a public building;

- (4) vacant land; ~~or~~

- (5) mine reclamation site; or**

- ~~(5)~~ **(6) brownfields** consisting of more than fifty (50) acres.

For a complex of buildings to be considered a qualified redevelopment site under subdivision (1), (2) or (3), the buildings must have been located on a single parcel or contiguous parcels of land that were under common ownership at the time the site was placed in service.

SECTION 23. IC 6-3.1-34-9, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. 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);
- (2) IC 27-1-18-2 (the insurance premiums tax); and
- (3) IC 6-5.5 (the financial institutions tax) **or IC 6-8-15 (the nonprofit agricultural organization health coverage 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.

SECTION 24. IC 6-3.1-34-10, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. As used in this chapter, "taxpayer" means any person, corporation, limited liability company, partnership, or other entity that has any state tax liability. The term includes the owner or the developer of the qualified development site property, a pass through entity, and **a person an assignee** that is assigned part or all of a credit under section 14 of this chapter.

SECTION 25. IC 6-3.1-34-12, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) A tax credit that a taxpayer may claim under this chapter shall be applied against taxes owed by the taxpayer in the following order:

- (1) First, against the taxpayer's adjusted gross income tax liability (IC 6-3-1 through IC 6-3-7) for the taxable year.

(2) Second, against the taxpayer's insurance premiums tax liability (IC 27-1-18-2) **or nonprofit agricultural organization health coverage tax liability (IC 6-8-15)** for the taxable year.

(3) Third, against the taxpayer's financial institutions tax liability (IC 6-5.5) for the taxable year.

(b) If the tax paid by the taxpayer under a tax provision listed in subsection (a) is a credit against the liability or a deduction in determining the tax base under another Indiana tax provision, the credit or deduction shall be computed without regard to the credit to which a taxpayer may claim under this chapter.

SECTION 26. IC 6-3.1-34-14, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14.(a) If a taxpayer is awarded a credit under this chapter before July 1, 2029, the taxpayer may assign any part of the credit that the taxpayer may claim under this chapter. A credit that is assigned under this subsection remains subject to this chapter.

(b) If a taxpayer assigns a part of a credit during a taxable year, the assignee may not subsequently assign all or part of the credit to another ~~person~~ taxpayer. A taxpayer may make only one (1) assignment of a credit. 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. 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. 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.

(c) 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.

SECTION 27. IC 6-3.1-34-17, AS ADDED BY P.L.158-2019, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17. (a) The following apply if the corporation determines that a credit should be awarded under this chapter:

(1) The corporation shall require the taxpayer to enter into an agreement with the corporation as a condition of receiving a credit under this chapter.

(2) The agreement with the corporation must:

- (A) prescribe the method of certifying the taxpayer's qualified investment; and
- (B) include provisions that authorize the corporation to work with the department and the taxpayer, if the corporation determines that the taxpayer is noncompliant with the terms of the agreement or the provisions of this chapter, to bring the taxpayer into compliance or to protect the interests of the state.

(3) The corporation shall specify the taxpayer's expenditures that will be considered a qualified investment.

(4) The corporation shall determine the applicable credit percentage under subsections (b) and (c).

(b) If the corporation determines that a credit should be awarded under this chapter, the corporation shall determine the

applicable credit percentage for a qualified investment certified by the corporation. However, and except as provided in subsection (c), the applicable credit percentage may not exceed the following:

(1) If the qualified redevelopment site was placed in service at least fifteen (15) years ago but less than thirty (30) years ago, or is vacant land or a brownfield described in section ~~6(5)~~ **6(6)** of this chapter:

(A) fifteen percent (15%), if the qualified redevelopment site is part of a development plan of a regional development authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or

(B) ten percent (10%), if the qualified redevelopment site is not part of a development plan of a regional development authority described under clause (A).

(2) If the qualified redevelopment site was placed in service at least thirty (30) years ago but less than forty (40) years ago:

(A) twenty percent (20%), if the qualified redevelopment site is part of a development plan of a regional development authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or

(B) ten percent (10%), if the qualified redevelopment site is not part of a development plan of a regional development authority described under clause (A).

(3) If the qualified redevelopment site was placed in service at least forty (40) years ago:

(A) twenty-five percent (25%), if the qualified redevelopment site is part of a development plan of a regional development authority established under IC 36-7.5-2-1 or IC 36-7.6-2-3; or

(B) fifteen percent (15%), if the qualified redevelopment site is not part of a development plan of a regional development authority described under clause (A).

(c) The corporation may increase the credit amount by not more than an additional five percent (5%) if:

(1) the qualified redevelopment site is located in a federally designated qualified opportunity zone (Section 1400Z-1 and 1400Z-2 of the Internal Revenue Code); or

(2) the project qualifies for federal new markets tax credits under Section 45D of the Internal Revenue Code.

(d) To be eligible for the credit for a qualified investment, a taxpayer's expenditures that are considered a qualified investment must be certified by the corporation not later than two (2) taxable years after the end of the calendar year in which the taxpayer's expenditures are made.

SECTION 28. IC 6-3.6-2-7.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION 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.**

SECTION 29. IC 6-3.6-3-5, AS ADDED BY P.L.243-2015, SECTION 10, 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.**

SECTION 30. IC 6-3.6-3-6, AS ADDED BY P.L.243-2015, SECTION 10, 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) 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.**

(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.

SECTION 31. IC 6-3.6-3-7, AS AMENDED BY P.L.247-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) This section applies to a county in which the county adopting body is a local income tax council.

(b) Before a member of the local income tax council may propose an ordinance **under section 8 of this chapter,** or vote on a proposed ordinance **(including a proposed ordinance under section 8(e) of this chapter that is being considered by the local income tax council as a whole as required under section 9.5 of this chapter (before its expiration)),** the member must hold a public hearing on the proposed ordinance and provide the public with notice of the time and place where the public hearing will be held.

(c) The notice required by subsection (b) must be given in accordance with IC 5-3-1 and include the proposed ordinance or resolution to propose an ordinance.

(d) In addition to the notice required by subsection (b), the adopting body shall also provide a copy of the notice to all taxing units in the county at least ten (10) days before the public hearing.

SECTION 32. IC 6-3.6-3-8, AS ADDED BY P.L.243-2015, SECTION 10, 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.**

(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.

(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.

(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.

SECTION 33. IC 6-3.6-3-9, AS ADDED BY P.L.243-2015, SECTION 10, 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.**

SECTION 34. IC 6-3.6-3-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION 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.**

SECTION 35. IC 6-3.6-3-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2020 (RETROACTIVE)]: Sec. 11. (a) **This section applies to a county in which the county adopting body is the local income tax council and is a county with a single voting bloc.**

(b) **Notwithstanding any other law, any action taken under this chapter after December 31, 2019, and before April 1, 2020, by:**

- (1) a member of a local income tax council; or
- (2) the local income tax council;

on a resolution or proposed ordinance to increase a local income tax rate in the county is void. However, this subsection does not apply to any action taken under this chapter on a resolution or proposed ordinance to decrease a local income tax rate in the county.

(c) **This section expires May 31, 2021.**

SECTION 36. IC 6-3.6-7-10, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 10. (a) This section applies only to Howard County.

(b) Maintaining low property tax rates is essential to economic development, and the use of a tax under this section, as needed in the county, to carry out the purposes of this section, rather than the use of property taxes, promotes these purposes.

(c) The county fiscal body may impose a tax rate on the adjusted gross income of local taxpayers that does not exceed twenty-five hundredths percent (0.25%).

(d) Revenues raised from a tax imposed under this section may be used only for the purposes of funding a property tax credit to reduce the property tax liability imposed by a county to fund the county's operation and maintenance of a jail or a juvenile detention center, or both.

(e) The total of all tax credits granted under this section for a year may not exceed the amount of revenue raised by the tax imposed under this section. If the amount available in a year for property tax credits under this section is less than the amount necessary to provide all the property tax credits authorized by the adopting body, the county auditor shall reduce the property tax credits granted to eliminate the excess. The county auditor shall reduce credits uniformly in proportion to the tax liability incurred by each taxpayer.

(f) The total of all tax credits granted under this section for a year may not exceed the amount necessary to offset the property tax liability imposed for the purposes of this section. If the amount available in a year for property tax credits under this section is greater than the amount necessary to provide property tax credits to offset the property tax liability imposed for the purposes of this section, the county auditor shall retain and apply the excess, as necessary, to provide the property tax credits for the purposes of this section for the following year.

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

SECTION 37. IC 6-3.6-7-16, AS ADDED BY P.L.243-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 16. (a) This section applies only to Monroe County.

(b) Maintaining low property tax rates is essential to

economic development, and the use of a tax under this section, as needed in the county, to carry out the purposes of this section, rather than the use of property taxes, promotes these purposes.

(c) The county fiscal body may impose a tax rate on the adjusted gross income of local taxpayers that does not exceed twenty-five hundredths percent (0.25%).

(d) Revenues raised from a tax imposed under this section may be used only for the purposes of funding a property tax credit to reduce the property tax liability imposed by a county to fund the operation and maintenance of a juvenile detention center and other facilities to provide juvenile services.

(e) The total of all tax credits granted under this section for a year may not exceed the amount of revenue raised by the tax imposed under this section. If the amount available in a year for property tax credits under this section is less than the amount necessary to provide all the property tax credits authorized by the adopting body, the county auditor shall reduce the property tax credits granted to eliminate the excess. The county auditor shall reduce credits uniformly in proportion to the tax liability incurred by each taxpayer.

(f) The total of all tax credits granted under this section for a year may not exceed the amount necessary to offset the property tax liability imposed for the purposes of this section. If the amount available in a year for property tax credits under this section is greater than the amount necessary to provide property tax credits to offset the property tax liability imposed for the purposes of this section, the county auditor shall retain and apply the excess, as necessary, to provide the property tax credits for the purposes of this section for the following year.

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

SECTION 38. IC 6-8-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 15. Nonprofit Agricultural Organization Health Coverage Tax

Sec. 1. As used in this chapter, "commissioner" refers to the insurance commissioner appointed under IC 27-1-1-2.

Sec. 2. As used in this chapter, "department" refers to the Indiana department of insurance created by IC 27-1-1-1.

Sec. 3. As used in this chapter, "nonprofit agricultural organization" means an organization:

- (1) that is exempt from taxation under Section 501(c)(5) of the Internal Revenue Code;
- (2) that is domiciled in Indiana;
- (3) that was in existence before 1950; and
- (4) the members of which include residents of every county in Indiana.

Sec. 4. As used in this chapter, "nonprofit agricultural organization coverage" means health benefit coverage that is:

- (1) sponsored by:
 - (A) a nonprofit agricultural organization; or
 - (B) an affiliate of a nonprofit agricultural organization;
- (2) offered only to:
 - (A) members of the nonprofit agricultural organization; and
 - (B) families of the members of the nonprofit agricultural organization;
- (3) deemed by the nonprofit agricultural organization to be important in assisting its members to live long and productive lives; and
- (4) offered to members of the nonprofit agricultural organization in every county in Indiana.

Sec. 5. If an organization provides nonprofit agricultural organization coverage in Indiana, the organization is subject to a nonprofit agricultural organization health coverage tax under this chapter.

Sec. 6. (a) Before March 1 of each year, an organization providing nonprofit agricultural organization coverage shall report to the department, under the oath of the president and secretary, the gross premiums received from providing nonprofit agricultural organization coverage during the twelve (12) month period ending on December 31 of the preceding calendar year.

(b) Any organization providing nonprofit agricultural organization coverage shall pay into the treasury of Indiana an amount equal to one and three-tenths percent (1.3%) of gross premiums collected during the previous calendar year. In the computation of the tax, the organization providing nonprofit agricultural organization coverage shall be entitled to deduct any annual Indiana gross premiums returned on account of cancellation or dividends returned to members or expenditures used for the purchase of reinsurance or stop-loss coverage.

(c) Payments of the nonprofit agricultural organization health coverage tax imposed by this chapter shall be made on a quarterly estimated basis. The amounts of the quarterly installments shall be computed on the basis of the total estimated tax liability for the current calendar year and the installments shall be due and payable on or before April 15, June 15, September 15, and December 15 of the current calendar year.

(d) Any balance due shall be paid on or before April 15 of the next succeeding calendar year.

(e) Any overpayment of the estimated tax during the preceding calendar year shall be allowed as a credit against the liability for the first installment of the current calendar year.

(f) If an organization providing nonprofit agricultural organization coverage fails to make any quarterly payment in an amount equal to at least:

- (1) twenty-five percent (25%) of the total tax paid during the preceding calendar year; or
- (2) twenty percent (20%) of the actual tax for the current calendar year;

the organization shall be liable, in addition to the amount due, for interest in the amount of one percent (1%) of the amount due and unpaid for each month or part of a month that the amount due, together with interest, remains unpaid. This interest penalty shall be exclusive of and in addition to any other fee, assessment, or charge made by the department.

(g) The nonprofit agricultural organization health coverage tax under this chapter shall be in lieu of all license fees or privilege or other tax levied or assessed by Indiana or by any municipality, county, or other political subdivision of Indiana. No municipality, county, or other political subdivision of Indiana shall impose any license fee or privilege or other tax upon any nonprofit agricultural organization or any of its agents for the privilege of providing nonprofit agricultural organization coverage in the municipality, county, or other political subdivision, except the tax authorized by IC 22-12-6-5. However, the taxes authorized under IC 22-12-6-5 shall be credited against the taxes provided for under this chapter. This section shall not be construed to prohibit the levy and collection of state, county, or municipal taxes upon real and tangible personal property of an organization providing nonprofit agricultural organization coverage or to prohibit the levy of any retaliatory tax, fine, penalty, or fee provided by law. However, all organizations providing nonprofit agricultural organization coverage paying taxes in Indiana predicated in part on their income from nonprofit agricultural organization coverage provided shall have the

same rights and privileges from further taxation, and shall be given the same credits wherever applicable, as those set out for insurance companies paying only a tax on premiums as set out in IC 27-1-18-2.

(h) Any organization providing nonprofit agricultural organization coverage that fails or refuses, for more than thirty (30) days, to:

- (1) render an accurate account of its receipts as provided in this chapter; and
- (2) pay the nonprofit agricultural organization health coverage tax due thereon;

shall be subject to a penalty of one hundred dollars (\$100) for each additional day such report and payment shall be delayed, not to exceed a maximum penalty of ten thousand dollars (\$10,000). The penalty may be ordered by the commissioner after a hearing under IC 4-21.5-3. The commissioner may revoke all authority of the defaulting nonprofit agricultural organization to provide nonprofit agricultural organization coverage or suspend the nonprofit agricultural organization's authority during the period of the default, in the discretion of the commissioner.

SECTION 39. IC 20-24-7-6, AS AMENDED BY P.L.244-2017, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) With the approval of a majority of the members of the governing body, a school corporation may distribute a proportionate share of the school corporation's operations fund to a charter school. A charter school may elect to distribute a proportionate share of the charter school's operations fund to the school corporation in whose district the charter school is located.

(b) A governing body may distribute money that is received as part of a tax levy collected under IC 20-46-1 from the school corporation's education fund to a charter school, excluding a virtual charter school, in the manner provided by IC 20-46-1-8(d).

(c) A governing body may distribute money from the school safety referendum tax levy fund to a charter school, excluding a virtual charter school, in the manner prescribed by IC 20-46-9-6(b).

SECTION 40. IC 20-40-3-5, AS AMENDED BY P.L.244-2017, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Money in the fund may be used for any lawful school expenses, including making a transfer to the school corporation's education fund (IC 20-40-2) or operations fund (IC 20-40-18).

(b) A school corporation may distribute proceeds of a tax levy collected under IC 20-46-1 that is transferred to the school corporation's education fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation.

SECTION 41. IC 20-40-20-6, AS ADDED BY P.L.272-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Subject to subsections (b) and (c); (c) and (d), money in the fund may be used only for the following purposes:

- (1) To employ or compensate a school resource officer or school resource officers.
- (2) To establish or fund a school safety office.
- (3) To conduct a threat assessment of a school building.
- (4) To create or update a school safety plan.
- (5) To develop or update school emergency response systems.
- (6) To purchase equipment to improve the safety of a school building, school grounds, or school buses.
- (7) To pay capital expenses to improve the safety of a school building.
- (8) To establish and administer programs to

address youth specific mental illness, addiction, anger management, bullying, and school violence.

(9) To develop and administer professional development programs for teachers, administrators, and other school employees designed to improve school safety and reduce violence.

(b) A school corporation may distribute, with the approval of the majority of members of the governing body, a portion of the proceeds of a tax levy collected under IC 20-46-9 that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation, to be used by the charter school for the purposes described in subsection (a).

(c) Expenditures paid using money collected from the levy shall be included in a school's safety plan.

(d) Local law enforcement shall participate in:

- (1) development of a school safety plan;
- (2) development or updates to school emergency response systems; and
- (3) determination of capital expenses that would improve the safety of a school building.

(e) Money in the fund may be transferred to the school corporation's education fund (IC 20-40-2), operations fund (IC 20-40-18), or school safety referendum debt service fund (IC 20-40-21), as applicable, to pay for expenditures listed in subsection (a).

SECTION 42. IC 20-43-8-15, AS AMENDED BY P.L.108-2019, SECTION 230, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: 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 applies to state fiscal years beginning after June 30, 2020. 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).

(c) ~~The amount distributed under subsection (b) may not exceed one hundred thirty million dollars (\$130,000,000) for a state fiscal year. If the amount determined under subsection (b) will exceed one hundred thirty million dollars (\$130,000,000) for a state fiscal year, the amount distributed to each recipient during the remaining months of the state fiscal year shall be proportionately reduced so that the total reductions equal the amount of the excess for the state fiscal year.~~

SECTION 43. IC 20-46-1-8, AS AMENDED BY P.L.272-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) Subject to subsection (c) and this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot for **either any** of the following purposes:

(1) The governing body of the school corporation determines that it cannot, in a calendar year, carry out its public educational duty unless it imposes a referendum tax levy under this chapter.

(2) The governing body of the school corporation determines that a referendum tax levy under this chapter should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the credit under IC 6-1.1-20.6.

(3) The governing body makes the determination required under subdivision (1) or (2) and determines to share a portion of the referendum proceeds with a charter school, excluding a virtual charter school, in the manner prescribed in subsection (d).

(b) The governing body of the school corporation shall certify a copy of the resolution **to place a referendum on the ballot** to the following:

(1) The department of local government finance, including the language for the question required by section 10 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance after March 15, 2016, section 10.1 of this chapter. The department shall review the language for compliance with section 10 or 10.1 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the

governing body of the school corporation not more than ten (10) days after the resolution is submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(c) If a school safety referendum tax levy under IC 20-46-9 has been approved by the voters in a school corporation at any time in the previous three (3) years, the school corporation may not:

(1) adopt a resolution to place a referendum under this chapter on the ballot; or

(2) otherwise place a referendum under this chapter on the ballot.

(d) The resolution described in subsection (a) must indicate whether proceeds in the school corporation's education fund collected from a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-3-5 as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools.

SECTION 44. IC 20-46-1-18, AS AMENDED BY P.L.1-2009, SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 18. A school corporation's levy may not be considered in the determination of the school corporation's **or a charter school's (excluding a virtual charter school)** state tuition support distribution under IC 20-43 or the determination of any other property tax levy imposed by the school corporation.

SECTION 45. IC 20-46-9-6, AS ADDED BY P.L.272-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) Subject to this chapter, the governing body of a school corporation may adopt a resolution to place a referendum under this chapter on the ballot if the governing body of the school corporation determines that a referendum levy should be imposed for measures to improve school safety as described in IC 20-40-20-6(a) **or IC 20-40-20-6(b)**.

(b) A school corporation may, with the approval of the majority of members of the governing body, distribute a portion of the proceeds of a tax levy collected under this chapter that is deposited in the fund to a charter school, excluding a virtual charter school, that is located within the attendance area of the school corporation, to be used by the charter school for the purposes described in IC 20-40-20-6(a).

(b) (c) The governing body of the school corporation shall certify a copy of the resolution to the following:

(1) The department of local government finance, including the language for the question required by section 9 of this chapter, or in the case of a resolution to extend a referendum levy certified to the department of local government finance, section 10 of this chapter. The department shall review the language for compliance with section 9 or 10 of this chapter, whichever is applicable, and either approve or reject the language. The department shall send its decision to the governing body of the school corporation not more than ten (10) days after the resolution is

submitted to the department. If the language is approved, the governing body of the school corporation shall certify a copy of the resolution, including the language for the question and the department's approval.

(2) The county fiscal body of each county in which the school corporation is located (for informational purposes only).

(3) The circuit court clerk of each county in which the school corporation is located.

(d) The resolution described in subsection (a) must indicate whether proceeds in the school corporation's fund collected from a tax levy under this chapter will be used to provide a distribution to a charter school or charter schools, excluding a virtual charter school, under IC 20-40-20-6(b) as well as the amount that will be distributed to the particular charter school or charter schools. A school corporation may request from the designated charter school or charter schools any financial documentation necessary to demonstrate the financial need of the charter school or charter schools.

SECTION 46. IC 36-7-4-1103, AS AMENDED BY P.L.119-2012, SECTION 195, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1103. **(a)** This section does not apply to a plan commission exercising jurisdiction in a county having a population of more than twenty thousand nine hundred (20,900) but less than twenty-one thousand (21,000):

(b) (a) ADVISORY—AREA. For purposes of this section, urban areas include all lands and lots within the corporate boundaries of a municipality, any other lands or lots used for residential purposes where there are at least eight (8) residences within any quarter mile square area, and other lands or lots that have been or are planned for residential areas contiguous to the municipality.

(b) (b) ADVISORY—AREA. This chapter does not authorize an ordinance or action of a plan commission that would prevent, outside of urban areas, the complete use and alienation of any mineral resources or forests by the owner or alienee of them.

SECTION 47. IC 36-7-14-0.5, AS AMENDED BY P.L.235-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 0.5. (a) The definitions in this section apply throughout this chapter.

(b) "Obligation" means any bond, note, warrant, lease, or other instrument under which money is borrowed.

(c) "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.

(d) "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) "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) "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 48. IC 36-7-14-53, AS ADDED BY P.L.235-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 53. (a) Subject to subsection (g), a commission may establish a residential housing development program by resolution for the

construction of new residential housing or the renovation of existing residential housing **in an area within the jurisdiction of the commission** if:

- (1) for a commission established by a county, the average of new, single family residential houses constructed **in the unincorporated within the township in which the area of the county is located** during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within **the unincorporated area of the county that township** on January 1 of the year in which the resolution is adopted; or
- (2) for a commission established by a municipality, the average of new, single family residential houses constructed within the municipal boundaries during the preceding three (3) calendar years is less than one percent (1%) of the total number of single family residential houses within the boundaries of the municipality on January 1 of the year in which the resolution is adopted.

However, the calculations described in subdivisions (1) and (2) and the provisions of subsection (f) do not apply for purposes of establishing a residential housing development program within an economic development target area designated under IC 6-1.1-12.1-7.

(b) The program, which may include any relevant elements the commission considers appropriate, may be adopted as part of a redevelopment plan or amendment to a redevelopment plan, and must establish an allocation area for purposes of sections 39 and 56 of this chapter for the accomplishment of the program. The program must be approved by the municipal legislative body or county executive as specified in section 17 of this chapter.

(c) The notice and hearing provisions of sections 17 and 17.5 of this chapter, including notice under section 17(c) of this chapter to a taxing unit that is wholly or partly located within an allocation area, apply to the resolution adopted under subsection (b). Judicial review of the resolution may be made under section 18 of this chapter.

(d) Before formal submission of any residential housing development program to the commission, the department of redevelopment shall:

- (1) consult with persons interested in or affected by the proposed program, **including the superintendents and governing body presidents of all school corporations located within the proposed allocation area;**
- (2) provide the affected neighborhood associations, residents, and township assessors with an adequate opportunity to participate in an advisory role in planning, implementing, and evaluating the proposed program; and
- (3) hold **public meetings in the affected neighborhood at least one (1) public meeting** to obtain the views of neighborhood associations and residents **of the affected neighborhood. The department of redevelopment shall send notice thirty (30) days prior to the public meeting to the fiscal officer of all affected taxing units and to the superintendents and governing body presidents of all school corporations located within the proposed allocation area.**

(e) A residential housing development program established under this section must terminate not later than **twenty (20) years after the date the program is established under subsection (b): twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on**

bonds or lease rentals on leases payable from tax increment revenues from the program.

(f) The department of local government finance in cooperation with either the appropriate county agency or the appropriate municipal agency, or both, shall determine whether a county or municipality meets the **threshold** requirements under subsection (a). **In making the determination, the department of local government finance may request information necessary to make the determination.** A county or municipality may request from the department of local government finance a report, if it exists, describing the effect of current assessed value allocated to tax increment financing allocation areas on the amount of the tax levy or proceeds and the credit for excessive property taxes under IC 6-1.1-20.6 for the taxing units within the boundaries of the residential housing development program.

(g) A program established under subsection (a) may not take effect until the governing body of each school corporation affected by the program passes a resolution approving the program.

SECTION 49. IC 36-7-32-8, AS AMENDED BY P.L.158-2019, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. As used in this chapter, "income tax base period amount" means the following:

(1) Except as provided in subdivision (2); the aggregate amount of the following taxes paid by employees employed in the territory comprising a certified technology park with respect to wages and salary earned for work in the certified technology park for the state fiscal year that precedes the date on which the certified technology park was designated under section 11 of this chapter:

- (A) (1)** The adjusted gross income tax.
- (B) (2)** The local income tax (IC 6-3-6).

(2) In the case of a certified technology park for which the amount limit under section 22(c) or 22(d) of this chapter has been exceeded; the aggregate amount of adjusted gross income taxes and local income taxes (IC 6-3-6) paid by employees employed in the territory comprising a certified technology park with respect to wages and salary earned for work in the certified technology park for:

- (A)** the state fiscal year in which the total deposits in the incremental tax financing fund for the certified technology park first exceeded the amount limit under section 22(c) or 22(d) of this chapter; or
- (B)** the state fiscal year beginning July 1, 2019, and ending June 30, 2020; in the case of a certified technology park for which the amount limit under section 22(c) or 22(d) of this chapter was exceeded before July 1, 2020.

SECTION 50. IC 36-7-32-8.5, AS AMENDED BY P.L.158-2019, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8.5. As used in this chapter, "income tax incremental amount" means the following:

- (1) Except as provided in subdivision (2), the remainder of:
 - (A) the total amount of state adjusted gross income taxes and

local income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus (B) the sum of the:

- (i) income tax base period amount as defined in section 8(~~+~~) 8 of this chapter; and
- (ii) tax credits awarded by the Indiana economic development corporation under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

(2) In the case of a certified technology park for which the amount limit under section 22(c) or 22(d) of this chapter has been exceeded, the remainder of:

- (A) the total amount of state adjusted gross income taxes and local income taxes paid by employees employed in the territory comprising the certified technology park with respect to wages and salary earned for work in the territory comprising the certified technology park for a particular state fiscal year; minus (B) the sum of the:
 - (i) income tax base period amount as defined in section 8(~~2~~) 8 of this chapter; and
 - (ii) tax credits awarded by the Indiana economic development corporation under IC 6-3.1-13 to businesses operating in a certified technology park as the result of wages earned for work in the certified technology park for the state fiscal year;

as determined by the department of state revenue.

SECTION 51. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the interim study committee on fiscal policy during the 2020 legislative interim the task of studying tax credits and other fiscal incentives for a film and media production program.

(b) If the legislative council assigns the task described in subsection (a) to the interim study committee on fiscal policy during the 2020 legislative interim, the legislative services agency shall prepare a study of film and media production tax incentives in other states and submit the study to the interim study committee on fiscal policy before October 1, 2020. The study must include at least the following:

- (1) Information concerning film and media production incentives offered in all other states.**
- (2) Information concerning the effectiveness of film and media production incentives offered in all other states.**

(c) This SECTION expires July 1, 2023.

SECTION 52. [EFFECTIVE JANUARY 1, 2020

(RETROACTIVE)] (a) IC 6-3-3-12, as amended by this act, applies only to taxable years beginning after December 31, 2019.

(b) This SECTION expires July 1, 2021.

SECTION 53. [EFFECTIVE UPON PASSAGE] Notwithstanding the January 1, 2020, effective date contained in P.L.121-2019, SECTION 4, the revisor of statutes shall publish IC 6-1.1-15-3, as amended by this act, effective January 1, 2019.

SECTION 54. An emergency is declared for this act.

(Reference is to EHB 1065 as reprinted March 3, 2020.)

THOMPSON	HOLDMAN
JORDAN	CHARBONNEAU
House Conferees	Senate Conferees

Roll Call 391: yeas 52, nays 40. Report adopted.

CONFERENCE COMMITTEE REPORT
EHB 1108-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1108 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 2-5-1.1-6.3, AS ADDED BY P.L.104-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6.3. (a) The following definitions apply throughout this section:

- (1) "Audit committee" refers to the audit and financial reporting subcommittee of the legislative council established by subsection (b).
- (2) "Audited entity" refers to the state, a municipality, a public hospital, or another person or entity that is subject to an examination by the state board of accounts under IC 5-11-1 or another law. However, the term applies to an entity (as defined in IC 5-11-1-16(e)) to the extent that the entity is required to be examined under IC 5-11-1-9 or another law.
- (3) "Examination" refers to an audit, examination, or other engagement by the state board of accounts, its field examiners, or private examiners under IC 5-11-1 or another law.

(b) The audit and financial reporting subcommittee of the legislative council is established to assure the independence of the state board of accounts. The subcommittee is comprised of five (5) voting members and one (1) advisory member, who shall be the director of the office of management and budget, or the director's designee. The chairman of the legislative council, with the advice of the vice chairman of the legislative council, shall appoint the voting members of the audit committee and its chairperson. The audit committee may have members who are not members of the legislative council. If the individual appointed is not a member of the general assembly, the term of the member is three (3) years. If the individual appointed is a member of the general assembly, the term of the member is one (1) year. However, to stagger the terms of the members, if the individual appointed is not a member of the general assembly, the initial term of two (2) of these members is two (2) years instead of three (3) years. All members of the audit committee must possess or obtain a basic understanding of governmental

financial reporting and auditing. To ensure the audit committee's independence and effectiveness, a member of the audit committee may not exercise managerial responsibilities that fall within the scope of an examination required by IC 5-11-1.

(c) It is the responsibility of the audit committee to provide independent review and oversight of the state board of accounts and the examination process used by the state board of accounts. To carry out this responsibility, the audit committee shall do at least the following:

- (1) Review and monitor the independence and objectivity of the state board of accounts and the effectiveness of the examination process, taking into consideration relevant professional and regulatory requirements.
- (2) Evaluate the findings and recommendations of any peer review of the state board of accounts that is required by recognized government auditing standards.
- (3) Receive and review reports of examinations submitted under IC 5-11-5-1 or another law to monitor the integrity of the financial reporting process and the effectiveness of the state board of accounts in evaluating the internal accounting controls of audited entities.
- (4) Monitor the actions of the examined entities to follow up on reported findings to assure corrective action is taken.
- (5) Review the policy on the engagement of the state board of accounts, its field examiners, and private examiners to supply nonaudit services, taking into account relevant ethical guidance regarding the provision of nonaudit services by the state board of accounts.
- (6) Provide guidance to the state board of accounts on any accounting, examination, or financial reporting matter requested by the state board of accounts.
- (7) At least annually, report to the legislative council on how the audit committee has discharged its duties and met its responsibilities.

(d) An examined entity shall provide the audit committee with information, including any reports of internal auditors and annual internal audit work plans, that the audit committee requests as necessary or appropriate to carry out the responsibilities of the audit committee.

(e) IC 2-5-1.2 applies to the committee. In addition, the audit committee may retain the services of at least one (1) financial expert who is either an audit committee member or an outside party engaged by the audit committee for this purpose. The financial expert must, through both education and experience and in a manner specifically relevant to the government sector, possess:

- (1) an understanding of generally accepted accounting principles and financial statements;
- (2) experience in preparing or auditing financial statements of comparable entities;
- (3) experience in applying such principles in connection with the accounting for estimates, accruals, and reserves;
- (4) experience with internal accounting controls; and
- (5) an understanding of audit committee functions.

The expenses of the audit committee shall be paid from appropriations for the legislative council and the legislative services agency.

(f) The audit committee shall receive appeals and conduct hearings as described in IC 5-11-9.3.

SECTION 2. IC 5-11-1-2, AS AMENDED BY P.L.176-2009, SECTION 2, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. The state board of accounts shall formulate, prescribe, and install a system of accounting and reporting in conformity with this chapter **for use by an audited entity**, which must comply with the following:

- (1) Be uniform for every public office and every public account of the same class and contain written standards that an entity that is subject to audit must observe.
- (2) Exhibit true accounts and detailed statements of funds collected, received, obligated, and expended for or on account of the public for any and every purpose whatever, and by all public officers, employees, or other individuals.
- (3) Show the receipt, use, and disposition of all public property and the income, if any, derived from the property.
- (4) Show all sources of public income and the amounts due and received from each source.
- (5) Show all receipts, vouchers, contracts, obligations, and other documents kept, or that may be required to be kept, to prove the validity of every transaction.

The state board of accounts shall formulate or approve all statements and reports necessary for the internal administration of the office to which the statements and reports pertain. The state board of accounts shall approve all reports that are published or that are required to be filed in the office of state examiner. The state board of accounts shall from time to time make and enforce changes in the system and forms of accounting and reporting as necessary to conform to law.

SECTION 3. IC 5-11-1-4, AS AMENDED BY P.L.244-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) The state examiner shall require from every ~~municipality and every state or local governmental unit, entity, or instrumentality~~ **audited entity** financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3.8-7.

(b) The department of local government finance may not approve the budget of a political subdivision or a supplemental appropriation for a political subdivision until the political subdivision files an annual report under subsection (a) for the preceding calendar year.

(c) As used in this subsection, "bonds" means any bonds, notes, or other evidences of indebtedness, whether payable from property taxes, other taxes, revenues, fees, or any other source. However, the term does not include notes, warrants, or other evidences of indebtedness that have a maturity of not more than five (5) years and that are made in anticipation of and to be paid from revenues of the political subdivision. Notwithstanding any other law, a county or municipality may not issue any bonds unless the county or municipality has filed an annual financial report with the state examiner for the preceding fiscal year. The requirements under this subsection for the issuance of bonds by a county or municipality are in addition to any other requirements imposed under any other law. This subsection applies to the issuance of bonds authorized under any statute, regardless of whether that statute specifically references this subsection or the requirements under this subsection.

SECTION 4. IC 5-11-1-9, AS AMENDED BY P.L.209-2019, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) The state examiner, personally or through the deputy examiners, field examiners, or private examiners, shall examine all accounts and all financial affairs of every ~~public office and officer~~; **state**

~~office, state institution, and entity.~~ **audited entity.** However, an examination of an entity under this subsection shall be limited to matters relevant to the use of the public money received by the entity.

(b) An examination of an entity that is organized as a not-for-profit corporation deriving:

- (1) less than fifty percent (50%); or
- (2) subject to subsection (i), at least fifty percent (50%) but less than seven hundred fifty thousand dollars (\$750,000);

of its disbursements during the period subject to an examination from appropriations, public funds, taxes, and other sources of public expense shall be limited to matters relevant to the use of the public money received by the entity.

(c) The examination of an entity described in subsection (b) may be waived by the state examiner if the state examiner determines that:

- (1) in consideration of the applicable risk based examination criteria described in and approved under section 25 of this chapter; and
- (2) based on submitted information;

there are no compelling reasons to conclude that disbursements of public money during the period subject to examination were inconsistent with the purposes for which the money was received. However, the state examiner may revoke a waiver granted under this subsection if the state examiner determines that revocation of the waiver is necessary in accordance with the risk based examination criteria set forth in section 25 of this chapter. The state examiner shall communicate the determination to grant or revoke a waiver under this subsection to the entity in writing.

(d) Notwithstanding any other law, the:

- (1) Indiana economic development corporation created by IC 5-28-3 and the corporation's funds, accounts, and financial affairs shall be examined by the state board of accounts unless the examination is waived under subsection (j); and
- (2) department of financial institutions established by IC 28-11-1-1 and the department's funds, accounts, and financial affairs shall be examined by the state board of accounts.

(e) On every examination under this section, inquiry shall be made as to the following:

- (1) The financial condition and resources of each ~~municipality, office, institution, or entity.~~ **audited entity.**
- (2) Whether the laws of the state and the uniform compliance guidelines of the state board of accounts established under section 24 of this chapter have been complied with.
- (3) The methods and accuracy of the accounts and reports of the person examined.

The examinations may be made without notice.

(f) If during an examination of a state office **or a body corporate and politic** under this chapter the examiner encounters an inefficiency in the operation of the state office **or the body corporate and politic**, the examiner may comment on the inefficiency in the examiner's report.

(g) The state examiner, deputy examiners, any field examiner, or any private examiner, when engaged in making any examination or when engaged in any official duty devolved upon them by the state examiner, is entitled to do the following:

- (1) Enter into any state, county, city, township, or other public office in this state, or any entity, agency, or instrumentality, and examine any books, papers, documents, or electronically stored information for the purpose of making an examination.

(2) Have access, in the presence of the custodian or the custodian's deputy, to the cash drawers and cash in the custody of the officer.

(3) During business hours, examine the public accounts in any depository that has public funds in its custody pursuant to the laws of this state.

(h) The state examiner, deputy examiner, or any field examiner, when engaged in making any examination authorized by law, may issue subpoenas for witnesses to appear before the examiner in person or to produce books, papers, or other records (including records stored in electronic data processing systems) for inspection and examination. **The state examiner, deputy examiner, or any field examiner may issue a subpoena to enforce the filing of the annual financial report.** The state examiner, deputy examiner, and any field examiner may administer oaths and examine witnesses under oath orally or by interrogatories concerning the matters under investigation and examination. Under the authority of the state examiner, the oral examinations may be transcribed with the reasonable expense paid by the examined person in the same manner as the compensation of the field examiner is paid. The subpoenas shall be served by any person authorized to serve civil process from any court in this state. If a witness **or officer** duly subpoenaed refuses to attend, refuses to produce information required in the subpoena, or attends and refuses to be sworn or affirmed, or to testify when called upon to do so, the examiner may apply to the circuit court having jurisdiction of the witness **or officer** for the enforcement of attendance and answers to questions as provided by the law governing the taking of depositions **or to enforce the filing of any report referred to in this subsection.**

(i) The definitions in IC 20-24-1 apply throughout this subsection. Appropriations, public funds, taxes, and other sources of public money received by a nonprofit corporation as a charter school or organizer of a charter school for the purposes of a charter school may not be counted for the purpose of applying subsection (b)(2). Unless the nonprofit corporation receives other public money that would qualify the nonprofit corporation for a full examination of all accounts and financial affairs of the entity under subsection (b)(2), an examination of a charter school or organizer of a charter school must be limited to matters relevant to the use of the public money received for the charter school. This subsection does not prohibit the state examiner, personally or through the deputy examiners, field examiners, or private examiners, from examining the accounts in which appropriations, public funds, taxes, or other sources of public money are applied that are received by a nonprofit corporation as a charter school or organizer of a charter school relating to the operation of the charter school.

(j) The state examiner may waive the examination of the Indiana economic development corporation and a nonprofit subsidiary corporation established under IC 5-28-5-13 if:

- (1) an independent certified public accounting firm conducts an examination under IC 5-28-3-2(c) of:

- (A) the Indiana economic development corporation and the Indiana economic development corporation's funds, accounts, and financial affairs; and
- (B) the nonprofit subsidiary corporation;

for the year;

(2) the Indiana economic development corporation submits the examination report to the state board of accounts; and

(3) the state board of accounts reviews the examination report and determines that the examination and examination report comply with the uniform compliance guidelines,

directives, and standards established by the state board of accounts.

(k) Notwithstanding the waiver of an examination of the Indiana economic development corporation and its nonprofit subsidiary corporation by the state examiner, the state board of accounts may examine the Indiana economic development corporation and its nonprofit subsidiary corporation at any time.

SECTION 5. IC 5-11-1-9.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 9.3. (a) This section applies only to a body corporate and politic whose enabling statute does not provide for an annual audit, examination, or other engagement by:**

- (1) the state board of accounts; or
- (2) an independent public accounting firm;

concerning financial or compliance related matters of the body corporate and politic.

(b) This section does not affect a body corporate and politic whose enabling statute provides for an annual audit, examination, or other engagement by the state board of accounts or an independent public accounting firm.

(c) As used in this section, "audit committee" refers to the audit and financial reporting subcommittee of the legislative council established by IC 2-5-1.1-6.3(b).

(d) As used in this section, "enabling statute" refers to a statute, including a statute enacted after June 30, 2020, that establishes a body corporate and politic.

(e) The state board of accounts may conduct an examination of a body corporate and politic described in this section. The state board of accounts shall permit a body corporate and politic to request in writing to the state examiner that an examination under this section be performed by an independent public accounting firm. The state examiner may approve a request under this section based on the applicable risk based examination criteria described in and approved under section 25 of this chapter.

(f) If a request under subsection (e) for an independent public accounting firm to conduct an examination is denied by the state examiner, the body corporate and politic may file an appeal of the denial with the audit committee. The audit committee shall hold a public hearing concerning the appeal and prepare a written decision determining whether the independent public accounting firm selected by the body corporate and politic is permitted to conduct the examination under this section. The audit committee's written decision is binding, and the state board of accounts shall allow the independent public accounting firm to conduct the examination if the audit committee determines the independent public accounting firm is permitted. The audit committee shall provide a copy of the written decision to the state board of accounts and to the body corporate and politic. The audit committee shall post a copy of the written decision on the audit committee's Internet web site.

(g) An examination of a body corporate and politic conducted under this section by the state board of accounts or an independent public accounting firm shall be filed with:

- (1) the state board of accounts in the manner provided by this article; and
- (2) the auditor of state.

SECTION 6. IC 5-11-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 10. (a) A public officer or responsible officer of an audited entity who:**

- (1) fails to make, verify, and file with the state examiner any report required by this chapter;
- (2) fails to follow the directions of the state examiner in keeping the accounts of the officer's office;
- (3) refuses the state examiner, deputy examiner, field examiner, or private examiner access to the books, accounts, papers, documents, cash

drawer, or cash of the officer's office; or
(4) interferes with an examiner in the discharge of the examiner's official duties;

commits a Class B infraction. ~~and forfeits office.~~ **The court may also order the officer described in this subsection to forfeit the officer's office.**

(b) **As an alternative to an order to forfeit office under subsection (a), a court in which an action described in subsection (a) is filed may impose a civil penalty that does not exceed five hundred dollars (\$500) for each day, beginning on the day that the court imposes the civil penalty and each day thereafter, that the public officer or responsible officer continues to violate an obligation described in subsection (a). The individual is personally liable for a civil penalty imposed on the individual under this section.**

(c) The state board of accounts may collect the expenses incurred in carrying out the audit, examination, or engagement from the audited entity of the officer described in this section.

SECTION 7. IC 5-11-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 15. (a) The state examiner, deputy examiners, and field examiners shall each give bond for the faithful performance of the examiner's duties as follows:**

- (1) The state examiner in the sum of five thousand dollars (\$5,000); to be approved by the governor;
- (2) Each deputy examiner in the sum of three thousand dollars (\$3,000); to be approved by the governor;
- (3) Each field examiner in the sum of one thousand dollars (\$1,000); to be approved by the state examiner. **in an amount determined by the audit committee and based on applicable risk considerations.** However, field examiners may be covered by a blanket bond or crime insurance policy endorsed to include faithful performance under IC 5-4-1-15.1 subject to approval of the **audit committee and state examiner.**

(b) The commissioner of insurance shall prescribe the form of the bonds or crime policies required by this section.

SECTION 8. IC 5-11-1-16, AS AMENDED BY P.L.257-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 16. (a) As used in this article, "municipality" means any county, township, city, town, school corporation, special taxing district, or other political subdivision of Indiana.**

(b) As used in this article, "state" means any board, commission, department, division, bureau, committee, agency, governmental subdivision, military body, authority, or other instrumentality of the state, but does not include a municipality.

(c) As used in this article, "public office" means the office of any and every individual who for or on behalf of the state or any municipality or any public hospital holds, receives, disburses, or keeps the accounts of the receipts and disbursements of any public funds.

(d) As used in this article, "public officer" means any individual who holds, receives, disburses, or is required by law to keep any account of public funds or other funds for which the individual is accountable by virtue of the individual's public office.

(e) As used in this article, "entity" means any provider of goods, services, or other benefits that is:

- (1) maintained in whole or in part at public expense; or
- (2) supported in whole or in part by appropriations or public funds or by taxation.

The term does not include the state or a municipality (as

defined in this section).

(f) As used in this article, a "public hospital" means either of the following:

(1) An institution licensed under IC 16-21 and which is owned by the state or an agency of the state or one which is a municipal corporation. A hospital is a municipal corporation if its governing board members are appointed by elected officials of a municipality.

(2) A state institution (as defined in IC 12-7-2-184).

(g) As used in this article, "audit committee" refers to the audit and financial reporting subcommittee of the legislative council established by IC 2-5-1.1-6.3.

(h) As used in this article, "audited entity" has the meaning set forth in IC 2-5-1.1-6.3.

(i) As used in this article, "development authority" has the meaning set forth in the following:

(1) IC 36-7.5-1-8.

(2) IC 36-7.6-1-8.

(j) As used in this article, "responsible officer of an audited entity" refers to the chief executive officer or another individual who has executive decision making authority for the audited entity with respect to a compliance obligation prescribed by or established under this article or another law.

SECTION 9. IC 5-11-1-18, AS AMENDED BY P.L.181-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 18. All examinations under this chapter may be made without notice to the **audited entities or** officers whose accounts are to be examined, and without notice to any clerk, deputy, employee, or other person employed in or connected with the office or the business of such an **audited entity or** officer. A person who recklessly communicates knowledge of any proposed examination of any public account:

(1) that the board has determined to make without notice under this section; and

(2) to the officer in charge of the account or to any other unauthorized person;

commits a Class B misdemeanor.

SECTION 10. IC 5-11-1-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 21. (a) All public officers **and responsible officers of audited entities** shall adopt and use the books, forms, records, and systems of accounting and reporting adopted by the state board of accounts, when directed so to do by the board, and all forms, books, and records shall be purchased by those officers in the manner provided by law. An officer **described in this subsection** who refuses to provide such books, forms, or records, fails to use them, or fails to keep the accounts of ~~his~~ **the officer's** office as directed by the board commits a Class C infraction. ~~and forfeits his office. The court may also order the officer to forfeit the officer's office.~~

(b) As an alternative to an order to forfeit office under subsection (a), a court in which an action described in subsection (a) is filed may impose a civil penalty that does not exceed five hundred dollars (\$500) for each day, beginning on the day that the court imposes the civil penalty and each day thereafter, that the public officer or responsible officer continues to violate an obligation described in subsection (a). The individual is personally liable for a civil penalty imposed on the individual under this section.

(c) The state board of accounts may collect the expenses incurred in carrying out the audit, examination, or engagement from the audited entity of the officer described in this section.

SECTION 11. IC 5-11-1-22 IS REPEALED [EFFECTIVE JULY 1, 2020]. Sec. 22: The provisions of this chapter shall not

be construed to relieve any officer of any duties required by law of him on April 5, 1909, with relation to the auditing of public accounts or the disbursement of public funds, but the provisions of this chapter shall be construed to be supplemental to all provisions of law existing on April 5, 1909, safeguarding the care and disbursement of public funds; and provided further, that the provisions of this chapter shall not be construed to limit or curtail the power of the governor of the state under laws existing on April 5, 1909, to make examination or investigation of any public office or to require reports therefrom.

SECTION 12. IC 5-11-1-25, AS AMENDED BY P.L.257-2019, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 25. (a) This section and section 24.4 of this chapter do not limit the application of any law that requires a municipality, a public hospital, another public office or public officer, an entity, or another person or organization to be audited or otherwise examined on an annual or other basis by:

(1) a certified public accountant; or

(2) a person other than the state examiner or the state board of accounts.

(b) Subject to section 9 of this chapter and subsections (c) and (d), the state board of accounts shall conduct examinations of audited entities at the times determined by the state board of accounts, but not less than once every four (4) years, using risk based examination criteria that are established by the state board of accounts and approved by the audit committee. The risk based examination criteria must include the following risk factors:

(1) An audited entity has a newly elected or appointed fiscal officer.

(2) An audited entity:

(A) has not timely filed; or

(B) has filed a materially incorrect or incomplete;

annual financial report required by section 4 of this chapter.

(3) A ratings agency that rates debt maintained by an audited entity has determined an examination of the audited entity is required more frequently than once every four (4) years.

~~(3)~~ (4) Any other factor determined by the state examiner and approved by the audit committee.

(c) Examinations must be conducted annually for the following:

(1) The state.

(2) An audited entity (other than a school corporation) that requires an annual audit:

(A) because of the receipt of federal financial assistance in an amount that subjects the audited entity to an annual federal audit;

(B) due to continuing disclosure requirements; or

(C) as a condition of a public bond issuance.

(3) A development authority.

An audited entity shall, under the guidelines established by the state board of accounts, provide notice to the state examiner not later than sixty (60) days after the close of the audited entity's fiscal year that the audited entity is required to have an annual audit under subdivision (2).

(d) As permitted under this section since September 1, 1986 (the effective date of P.L.3-1986, SECTION 16), examinations of school corporations shall be conducted biennially.

SECTION 13. IC 5-11-5-1, AS AMENDED BY P.L.209-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Whenever an examination is made under this article, a report of

the examination shall be made. The report must include a list of findings and shall be signed and verified by the examiner making the examination. A finding that is critical of an examined entity must be based upon one (1) of the following:

- (1) Failure of the entity to observe a uniform compliance guideline established under IC 5-11-1-24(a).
- (2) Failure of the entity to comply with a specific law.

A report that includes a finding that is critical of an examined entity must designate the uniform compliance guideline or the specific law upon which the finding is based. **Except as provided in subsection (g), the state board of accounts may also issue confidential management letters, based on professional auditing standards, to an audited entity (as defined in section 1.5(a) of this chapter) in a situation involving noncompliance that does not result in the establishment of a corrective action plan but that must be brought to the attention of the audited entity's governing body. If issues addressed in the confidential management letter become part of a finding in the subsequent audit period, it shall be noted in the public report.** The reports shall immediately be filed with the state examiner, and, after inspection of the report, the state examiner shall immediately file one (1) copy with the officer or person examined, one (1) copy with the auditing department of the municipality examined and reported upon (if the subject of the report is a municipality), and one (1) copy in an electronic format under IC 5-14-6 with the legislative services agency, as staff to the audit committee and the general assembly. Upon filing, the report becomes a part of the public records of the office of the state examiner, of the office or the person examined, of the auditing department of the municipality examined and reported upon, and of the legislative services agency, as staff to the audit committee and the general assembly. A report is open to public inspection at all reasonable times after it is filed. If an examination discloses malfeasance, misfeasance, or nonfeasance in office or of any officer or employee, a copy of the report, signed and verified, shall be placed by the state examiner with the attorney general and the inspector general. The attorney general shall diligently institute and prosecute civil proceedings against the delinquent officer **or employee**, or upon the officer's **or employee's** official bond, or both, and against any other proper person that will secure to the state or to the proper municipality the recovery of any funds misappropriated, diverted, or unaccounted for.

(b) Before an examination report is signed, verified, and filed as required by subsection (a), the officer or the chief executive officer of the state office, municipality, or entity examined must have an opportunity to review the report and to file with the state examiner a written response to that report. If a written response is filed, it becomes a part of the examination report that is signed, verified, and filed as required by subsection (a). As part of the review of the examination report, the state examiner shall hold a gathering of the officer or chief executive officer of the state office, municipality, or entity examined, any employees or agents of the state office, municipality, or entity examined who are requested to attend by the officer or chief executive officer of the state office, municipality, or entity examined, and the members of the legislative and fiscal bodies of the municipality or entity examined. Such a gathering is referred to as an "exit conference" for purposes of this subsection. The following apply to an exit conference:

- (1) All information discussed and materials presented or delivered by any person during an exit conference are confidential and may not be discussed or shared publicly until the earliest of the occurrences set forth in subsection (g). However, the information discussed and materials presented or delivered during an exit conference may be shared with an officer,

employee, consultant, adviser, or attorney of the officer or chief executive officer of the state office, municipality, or entity examined who was not present at the exit conference. An individual with whom information and materials are shared must maintain the confidentiality of the information and materials as provided in this subdivision until the earliest of the occurrences set forth in subsection (g).

(2) An individual attending an exit conference may not electronically record the exit conference.

(3) If a majority of a governing body (as defined in IC 5-14-1.5-2(b)) is present during an exit conference, the governing body shall be considered in an executive session under IC 5-14-1.5. However, the governing body has no obligation to give notice as prescribed by IC 5-14-1.5-5 when it participates in the exit conference.

(4) If the state examiner determines after the exit conference that additional actions must be undertaken by a deputy examiner, field examiner, or private examiner with respect to information discussed or materials presented at the exit conference, the state examiner may call for an additional exit conference to be held.

(5) Not more than thirty (30) days after the initial exit conference is held under this subsection, the legislative body of the municipality or entity examined and reported upon may adopt a resolution, approved by at least a two-thirds (2/3) vote of the legislative body, requesting that an additional exit conference be held. The legislative body shall notify the state board of accounts if the legislative body adopts a resolution under this subdivision. If a legislative body adopts a resolution under this subdivision, the state board of accounts shall conduct an additional exit conference not more than sixty (60) days after the state board of accounts receives notice of the adoption of the resolution. The municipality or entity examined must pay the travel and staff costs incurred by the state board of accounts in conducting an additional exit conference under this subdivision.

(6) Except as provided in subdivision (7), a final report under subsection (a) may not be issued earlier than forty-five (45) days after the initial exit conference is held under this subsection.

(7) If:

(A) the state examiner does not call for an additional exit conference to be held as described in subdivision (4); and

(B) the:

(i) legislative body of the municipality or entity examined and reported upon provides written notice to the state examiner that the legislative body waives an additional exit conference described in subdivision (5); or

(ii) state examiner determines that a final report under subsection (a) must be issued as soon as possible;

the final report may be issued earlier than forty-five (45) days after the initial exit

conference is held under this subsection.

(c) Except as provided by subsections (b), (d), and (e), it is unlawful for any person, before an examination report is made public as provided by this section, to make any disclosure of the result of any examination of any public account, except:

- (1) to the state examiner;
- (2) if directed to give publicity to the examination report by the state examiner or by any court;
- (3) to another deputy examiner, field examiner, or private examiner engaged in conducting the examination; or
- (4) if directed by the state examiner, to the chair of the audit committee or the members of the audit committee acting in executive session, or both.

If an examination report shows or discloses the commission of a crime by any person, it is the duty of the state examiner to transmit and present the examination report to the prosecuting attorney of the county in which the crime was committed. The state examiner shall furnish to the prosecuting attorney all evidence at the state examiner's command necessary in the investigation and prosecution of the crime.

(d) If, during an examination under this article, a deputy examiner, field examiner, or private examiner acting as an agent of the state examiner determines that the following conditions are satisfied, the examiner shall report the determination to the state examiner:

- (1) A substantial amount of public funds has been misappropriated or diverted.
- (2) The deputy examiner, field examiner, or private examiner acting as an agent of the state examiner has a reasonable belief that the malfeasance or misfeasance that resulted in the misappropriation or diversion of the public funds was committed by the officer or an employee of the office **or entity**.

(e) After receiving a preliminary report under subsection (d), the state examiner may provide a copy of the report to the attorney general. The attorney general may institute and prosecute civil proceedings against the delinquent officer or employee, or upon the officer's or employee's official bond, or both, and against any other proper person that will secure to the state or to the proper municipality the recovery of any funds misappropriated, diverted, or unaccounted for.

(f) In an action under subsection (e), the attorney general may attach the defendant's property under IC 34-25-2.

(g) Except as permitted in this section, the information and materials that are part of an exit conference under subsection (b), ~~and~~ the results of an examination, including a preliminary report under subsection (d), are confidential until the occurrence of the earliest of the following:

- (1) The final report is made public under subsection (a).
- (2) The results of the examination are publicized under subsection (c)(2).
- (3) The attorney general institutes an action under subsection (e) on the basis of the preliminary report.

(h) Except as permitted in this section, an individual, a public agency (as defined in IC 5-14-3-2), a public employee, a public official, or an employee or officer of a contractor or subcontractor of a public agency that knowingly or intentionally discloses information in violation of subsection (b) or (g), regardless of whether the information is received orally or by any other means, is subject to the following:

- (1) A public agency (as defined in IC 5-14-3-2), a public employee, a public official, or an employee or officer of a contractor or subcontractor of a public agency commits a

Class A infraction under IC 5-14-3-10.

(2) If the disclosure is by a person who is not described in subdivision (1), the person commits a Class A infraction.

(i) Unless in accordance with a judicial order or as otherwise provided in this section, the state board of accounts or its employees, former employees, counsel, or agents, or any other person may not divulge the examination workpapers and investigation records of a deputy examiner, a field examiner, or a private examiner acting as an agent of the state examiner, except to:

- (1) employees and members of the state board of accounts;
- (2) the audit committee;
- (3) law enforcement officers, the attorney general, a prosecuting attorney, or any other legal representative of the state in any action with respect to the misappropriation or diversion of public funds;
- (4) an authorized representative of the United States;
- (5) a successor examiner or auditor, in accordance with applicable professional auditing standards; or
- (6) another individual for any other factor that constitutes good cause as set forth in criteria established by the state examiner and approved by the audit committee.

(j) An individual described in subsection (i)(3) or (i)(4) who receives examination workpapers and investigation records described in subsection (i) may divulge the workpapers and records in any action with respect to the misappropriation or diversion of public funds.

SECTION 14. IC 5-11-5-1.5, AS ADDED BY P.L.176-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.5. (a) As used in this section, "audited entity" includes only the following:

- (1) A state agency (as defined in IC 4-13-1-1).
- (2) A public hospital.
- (3) A municipality.
- (4) A body corporate and politic.
- (5) A state educational institution.
- (6) An entity to the extent that the entity is required to be examined under IC 5-11-1-9 or another law.

(b) If an examination report contains a finding that an audited entity failed to observe a uniform compliance guideline established under IC 5-11-1-24(a) or to comply with a specific law, the audited entity shall take action to address the audit finding.

(c) If a subsequent examination report of the audited entity contains a finding that is the same as or substantially similar to the finding contained in the previous examination report described in subsection (b), the public officer of the audited entity shall file a corrective action plan as a written response to the report under section 1(b) of this chapter.

(d) The state board of accounts shall create guidelines for use by an audited entity to establish a corrective action plan described in subsection (c). The guidelines must include a requirement that the issue that is the subject of a finding described in subsection (c) must be corrected not later than six (6) months after the date on which the corrective action plan is filed.

(e) After the successful completion of a corrective action plan by an audited entity that was required to file a corrective action plan under subsection (c), the audited entity shall notify the state board of accounts. The state board of accounts shall review each corrective action plan. If a corrective action plan is not implemented or the issue that is the subject of the finding

is not corrected within six (6) months, the state board of accounts shall prepare a memorandum summarizing:

- (1) the examination report finding;
- (2) the corrective action plan;
- (3) the manner by which the examination report finding was or was not addressed; and
- (4) a recommended course of action.

(f) The state board of accounts shall present to the audit committee established by IC 2-5-1.1-6.3 a memorandum described in subsection (e). If the audit committee determines that further action should be taken, the audit committee may do any of the following:

- (1) Request a written statement from the public officer of the audited entity.
- (2) Request the personal attendance of the public officer of the audited entity at the next audit committee meeting.
- (3) Request that the public officer of the audited entity take corrective action.
- (4) Notify the:

(A) office of management and budget (in the case of an audited entity that is a state agency, a body corporate and politic, or a state educational institution); or

(B) officer or chief executive officer, legislative body, and fiscal body of the audited entity and the department of local government finance (in the case of any other audited entity);

that the audited entity refused to correct the audited entity's failure to observe a uniform compliance guideline established under IC 5-11-1-24(a), or refused to comply with a specific law, with notice of the recommendation described in subsection (e)(4) published on the general assembly's Internet web site.

(5) Refer the facts drawn from the examination and the actions taken under this section for investigation and prosecution of a violation of IC 5-11-1-10 or IC 5-11-1-21 to the:

(A) inspector general, in the case of an audited entity that is a state agency, a body corporate and politic, or a state educational institution; or

(B) prosecuting attorney of the county in which a violation of IC 5-11-1-10 or IC 5-11-1-21 may have been committed, in the case of any other audited entity;

with notice of the referral published on the general assembly's Internet web site. Notice of a referral described in clause (B) must be sent to the officer or chief executive officer, legislative body, and fiscal body of the audited entity.

(6) Recommend that legislation be introduced in the general assembly to amend any statute under which the audited entity is found to be noncompliant.

(7) Recommend that the state board of accounts examine the audited entity within the calendar year following the year in which the audited entity was required to file a corrective action plan under subsection (c).

(g) When implementing this section, the state board of accounts may issue confidential management letters, based on professional auditing standards, to an audited entity in a situation involving noncompliance that does not result in the

establishment of a corrective action plan but that must be brought to the attention of the audited entity's governing body.

SECTION 15. IC 5-11-13-1, AS AMENDED BY P.L.137-2012, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) ~~Every state, county, city, town, township, or school official; elective or appointive, who is the head of or in charge of any office, department, board, or commission of the state or of any county, city, town, or township, and every state, county, city, town, or township employee or agent who is the head of, or in charge of, or the executive officer of any department, bureau, board, or commission of the state, county, city, town, or township, and every executive officer by whatever title designated, who is in charge of any state educational institution or of any other state, county, or city institution; As used in this section, "audited entity" includes only the following:~~

- (1) The state.**
- (2) A municipality.**
- (3) A state educational institution.**

(b) Each audited entity shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of ~~each and all the officers, employees, and agents in their respective offices, departments, boards, commissions, and institutions, and of the audited entity. The report shall indicate the respective duties and compensation of each and officer, employee, and agent of the audited entity. The audited entity shall forthwith file said the report in the office of the state examiner of the state board of accounts.~~ The report must also indicate whether the political subdivision offers a health plan, a pension, and other benefits to full-time and part-time employees. However, no more than one (1) report covering the same officers, employees, and agents need be made from the state or any county, city, town, township, or school unit in any one year. The certification must be filed electronically in the manner prescribed under IC 5-14-3.8-7.

~~(b) (c)~~ The department of local government finance may not approve the budget of a county, city, town, or township or a supplemental appropriation for a county, city, town, or township until the county, city, town, or township files an annual report under subsection ~~(a)~~ **(b)** for the preceding calendar year.

(Reference is to EHB 1108 as reprinted February 28, 2020.)

LEHMAN	BASSLER
PORTER	NIEZGODSKI
House Conferees	Senate Conferees

Roll Call 392: yeas 92, nays 0. Report adopted.

Representative Bosma, who had been present, is now excused.

CONFERENCE COMMITTEE REPORT
EHB 1372-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1372 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-10-8-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 24. (a) As used in this section, "state employee health plan" means the following:

- (1) A self-insurance program established**

under section 7(b) of this chapter.

(2) A contract for prepaid health services entered into under section 7(c) of this chapter.

(b) A state employee health plan must provide coverage for treatment of:

(1) pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections (PANDAS); and

(2) pediatric acute-onset neuropsychiatric syndrome (PANS);

including treatment with intravenous immunoglobulin therapy.

(c) The coverage required by this section may not be subject to annual or lifetime limitation, deductible, copayment, or coinsurance provisions that are more restrictive than the annual or lifetime limitation, deductible, copayment, or coinsurance provisions that apply generally under the state employee health plan.

SECTION 2. IC 27-1-12-2, AS AMENDED BY P.L.124-2018, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) The following definitions apply to this section:

(1) "Acceptable collateral" means, as to securities lending transactions:

- (A) cash;
- (B) cash equivalents;
- (C) letters of credit; and
- (D) direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, including the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(2) "Acceptable collateral" means, as to lending foreign securities, sovereign debt that is rated:

- (A) A- or higher by Standard & Poor's Corporation;
- (B) A3 or higher by Moody's Investors Service, Inc.;
- (C) A- or higher by Duff and Phelps, Inc.; or
- (D) 1 by the Securities Valuation Office.

(3) "Acceptable collateral" means, as to repurchase transactions:

- (A) cash;
- (B) cash equivalents; and
- (C) direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, including the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(4) "Acceptable collateral" means, as to reverse repurchase transactions:

- (A) cash; and
- (B) cash equivalents.

(5) "Admitted assets" means assets permitted to be reported as admitted assets on the statutory financial statement of the life insurance company most recently required to be filed with the commissioner.

(6) "Business entity" means:

- (A) a sole proprietorship;
- (B) a corporation;
- (C) a limited liability company;
- (D) an association;
- (E) a partnership;
- (F) a joint stock company;
- (G) a joint venture;
- (H) a mutual fund;
- (I) a trust;
- (J) a joint tenancy; or
- (K) other, similar form of business organization;

whether organized for-profit or not-for-profit.

(7) "Cash" means any of the following:

- (A) United States denominated paper currency and coins.
- (B) Negotiable money orders and checks.
- (C) Funds held in any time or demand deposit in any depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.

(8) "Cash equivalent" means any of the following:

- (A) A certificate of deposit issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.
- (B) A banker's acceptance issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.
- (C) A government money market mutual fund.
- (D) A class one money market mutual fund.

(9) "Class one money market mutual fund" means a money market mutual fund that at all times qualifies for investment pursuant to the Purposes and Procedures Manual of the NAIC Investment Analysis Office either using the bond class one reserve factor or because it is exempt from asset valuation reserve requirements.

(10) "Dollar roll transaction" means two (2) simultaneous transactions that have settlement dates not more than ninety-six (96) days apart and that meet the following description:

(A) In one (1) transaction, a life insurance company sells to a business entity one (1) or both of the following:

(i) Asset-backed securities that are issued, assumed, or guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation.

(ii) Other asset-backed securities referred to in Section 106 of Title I of the Secondary Mortgage Market Enhancement Act of 1984 (15 U.S.C. 77r-1).

(B) In the other transaction, the life insurance company is obligated to purchase from the

- same business entity securities that are substantially similar to the securities sold under clause (A).
- (11) "Domestic jurisdiction" means:
- (A) the United States;
 - (B) any state, territory, or possession of the United States;
 - (C) the District of Columbia;
 - (D) Canada; or
 - (E) any province of Canada.
- (12) "Earnings available for fixed charges" means income, after deducting:
- (A) operating and maintenance expenses other than expenses that are fixed charges;
 - (B) taxes other than federal and state income taxes;
 - (C) depreciation; and
 - (D) depletion;
- but excluding extraordinary nonrecurring items of income or expense appearing in the regular financial statements of a business entity.
- (13) "Fixed charges" includes:
- (A) interest on funded and unfunded debt;
 - (B) amortization of debt discount; and
 - (C) rentals for leased property.
- (14) "Foreign currency" means a currency of a foreign jurisdiction.
- (15) "Foreign jurisdiction" means a jurisdiction other than a domestic jurisdiction.
- (16) "Government money market mutual fund" means a money market mutual fund that at all times:
- (A) invests only in:
 - (i) obligations that are issued, guaranteed, or insured by the United States; or
 - (ii) collateralized repurchase agreements composed of obligations that are issued, guaranteed, or insured by the United States; and
 - (B) qualifies for investment without a reserve pursuant to the Purposes and Procedures Manual of the NAIC Investment Analysis Office.
- (17) "Guaranteed or insured," when used in reference to an obligation acquired under this section, means that the guarantor or insurer has agreed to:
- (A) perform or insure the obligation of the obligor or purchase the obligation; or
 - (B) be unconditionally obligated, until the obligation is repaid, to maintain in the obligor a minimum net worth, fixed charge coverage, stockholders' equity, or sufficient liquidity to enable the obligor to pay the obligation in full.
- (18) "Investment company" means:
- (A) an investment company as defined in Section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); or
 - (B) a person described in Section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-1 et

- seq.).
- (19) "Investment company series" means an investment portfolio of an investment company that is organized as a series company to which assets of the investment company have been specifically allocated.
- (20) "Letter of credit" means a clean, irrevocable, and unconditional letter of credit that is:
- (A) issued or confirmed by; and
 - (B) payable and presentable at;
- a financial institution on the list of financial institutions meeting the standards for issuing letters of credit under the Purposes and Procedures Manual of the NAIC Investment Analysis Office. To constitute acceptable collateral for the purposes of paragraph 29 of subsection (b), a letter of credit must have an expiration date beyond the term of the subject transaction.
- (21) "Market value" means the following:
- (A) As to cash, the amount of the cash.
 - (B) As to cash equivalents, the amount of the cash equivalents.
 - (C) As to letters of credit, the amount of the letters of credit.
 - (D) As to a security as of any date:
 - (i) the price for the security on that date obtained from a generally recognized source, or the most recent quotation from such a source; or
 - (ii) if no generally recognized source exists, the price for the security as determined in good faith by the parties to a transaction; plus accrued but unpaid income on the security to the extent not included in the price as of that date.
- (22) "Money market mutual fund" means a mutual fund that meets the conditions of 17 CFR 270.2a-7, under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).
- (23) "Multilateral development bank" means an international development organization of which the United States is a member.
- (24) "Mutual fund" means:
- (A) an investment company; or
 - (B) in the case of an investment company that is organized as a series company, an investment company series;
- that is registered with the United States Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).
- (25) "Obligation" means any of the following:
- (A) A bond.
 - (B) A note.
 - (C) A debenture.
 - (D) Any other form of evidence of debt.
- (26) "Person" means:
- (A) an individual;
 - (B) a business entity;
 - (C) a multilateral development bank; or

(D) a government or quasi-governmental body, such as a political subdivision or a government sponsored enterprise.

(27) "Repurchase transaction" means a transaction in which a life insurance company purchases securities from a business entity that is obligated to repurchase the purchased securities or equivalent securities from the life insurance company at a specified price, either within a specified period of time or upon demand.

(28) "Reverse repurchase transaction" means a transaction in which a life insurance company sells securities to a business entity and is obligated to repurchase the sold securities or equivalent securities from the business entity at a specified price, either within a specified period of time or upon demand.

(29) "Securities lending transaction" means a transaction in which securities are loaned by a life insurance company to a business entity that is obligated to return the loaned securities or equivalent securities to the life insurance company, either within a specified period of time or upon demand.

(30) "Securities Valuation Office" refers to the Securities Valuation Office of the NAIC.

(31) "Series company" means an investment company that is organized as a series company (as defined in Rule 18f-2(a) adopted under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.)).

(32) "Supported", when used in reference to an obligation, by whomever issued or made, means that:

(A) repayment of the obligation by:

(i) a domestic jurisdiction or by an administration, agency, authority, or instrumentality of a domestic jurisdiction; or

(ii) a business entity;

as the case may be, is secured by real or personal property of value at least equal to the principal amount of the obligation by means of mortgage, assignment of vendor's interest in one (1) or more conditional sales contracts, other title retention device, or by means of other security interest in such property for the benefit of the holder of the obligation; and

(B) the:

(i) domestic jurisdiction or administration, agency, authority, or instrumentality of the domestic jurisdiction; or

(ii) business entity;

as the case may be, has entered into a firm agreement to rent or use the property pursuant to which it is obligated to pay money as rental or for the use of such property in amounts and at times which shall be sufficient, after provision for taxes upon and other expenses of use of the property, to repay in full the obligation with interest and when such agreement and the

money obligated to be paid thereunder are assigned, pledged, or secured for the benefit of the holder of the obligation. However, where the security for the repayment of the obligation consists of a first mortgage lien or deed of trust on a fee interest in real property, the obligation may provide for the amortization, during the initial, fixed period of the lease or contract, of less than one hundred percent (100%) of the obligation if there is pledged or assigned, as additional security for the obligation, sufficient rentals payable under the lease, or of contract payments, to secure the amortized obligation payments required during the initial, fixed period of the lease or contract, including but not limited to payments of principal, interest, and taxes other than the income taxes of the borrower, and if there is to be left unamortized at the end of such period an amount not greater than the original appraised value of the land only, exclusive of all improvements, as prescribed by law.

(b) Investments of domestic life insurance companies at the time they are made shall conform to the following categories, conditions, limitations, and standards:

1. Obligations of a domestic jurisdiction or of any administration, agency, authority, or instrumentality of a domestic jurisdiction.

2. Obligations guaranteed, supported, or insured as to principal and interest by a domestic jurisdiction or by an administration, agency, authority, or instrumentality of a domestic jurisdiction.

3. Obligations issued under or pursuant to the Farm Credit Act of 1971 (12 U.S.C. 2001 through 2279aa-14) as in effect on December 31, 1990, or the Federal Home Loan Bank Act (12 U.S.C. 1421 through 1449) as in effect on December 31, 1990, interest bearing obligations of the FSLIC Resolution Fund or shares of any institution whose deposits are insured by the Federal Deposit Insurance Corporation to the extent that such shares are insured, obligations issued or guaranteed by a multilateral development bank, and obligations issued or guaranteed by the African Development Bank.

4. Obligations issued, guaranteed, or insured as to principal and interest by a city, county, drainage district, road district, school district, tax district, town, township, village, or other civil administration, agency, authority, instrumentality, or subdivision of a domestic jurisdiction, providing such obligations are authorized by law and are:

(a) direct and general obligations of the issuing, guaranteeing or insuring governmental unit, administration, agency, authority, district, subdivision, or instrumentality;

(b) payable from designated revenues pledged to the payment of the principal and interest thereof; or

(c) improvement bonds or other obligations constituting a first lien, except for tax liens, against all of the real estate within the improvement district or on that part of such real estate not discharged from such lien through payment of the assessment. The area to which

such improvement bonds or other obligations relate shall be situated within the limits of a town or city and at least fifty percent (50%) of the properties within such area shall be improved with business buildings or residences.

5. Loans evidenced by obligations secured by first mortgage liens on otherwise unencumbered real estate or otherwise unencumbered leaseholds having at least fifty (50) years of unexpired term, such real estate, or leaseholds to be located in a domestic jurisdiction. Such loans shall not exceed eighty percent (80%) of the fair value of the security determined in a manner satisfactory to the department, except that the percentage stated may be exceeded if and to the extent such excess is guaranteed or insured by:

- (a) a domestic jurisdiction or by an administration, agency, authority, or instrumentality of any domestic jurisdiction; or
- (b) a private mortgage insurance corporation approved by the department.

If improvements constitute a part of the value of the real estate or leaseholds, such improvements shall be insured against fire for the benefit of the mortgagee in an amount not less than the difference between the value of the land and the unpaid balance of the loan.

For the purpose of this section, real estate or a leasehold shall not be deemed to be encumbered by reason of the existence in relation thereto of:

- (1) liens inferior to the lien securing the loan made by the life insurance company;
- (2) taxes or assessment liens not delinquent;
- (3) instruments creating or reserving mineral, oil, water or timber rights, rights-of-way, common or joint driveways, sewers, walls, or utility connections;
- (4) building restrictions or other restrictive covenants; or
- (5) an unassigned lease reserving rents or profits to the owner.

A loan that is authorized by this paragraph remains qualified under this paragraph notwithstanding any refinancing, modification, or extension of the loan. Investments authorized by this paragraph shall not in the aggregate exceed forty-five percent (45%) of the life insurance company's admitted assets.

6. Loans evidenced by obligations guaranteed or insured, but only to the extent guaranteed or insured, by a domestic jurisdiction or by any agency, administration, authority, or instrumentality of any domestic jurisdiction, and secured by second or subsequent mortgages or deeds of trust on real estate or leaseholds, provided the terms of the leasehold mortgages or deeds of trust shall not exceed four-fifths (4/5) of the unexpired lease term, including enforceable renewable options remaining at the time of the loan.

7. Real estate contracts involving otherwise unencumbered real estate situated in a domestic jurisdiction, to be secured by the title to such real estate, which shall be transferred to the life insurance company or to a trustee or nominee of its choosing. For statement and deposit purposes, the value of a contract acquired pursuant to this paragraph shall be whichever of the following amounts is the least:

- (a) eighty percent (80%) of the contract price of the real estate;
- (b) eighty percent (80%) of the fair value of the real estate at the time the contract is purchased, such value to be determined in a manner satisfactory to the department; or
- (c) the amount due under the contract.

For the purpose of this paragraph, real estate shall not be deemed encumbered by reason of the existence in relation thereto of: (1) taxes or assessment liens not delinquent; (2) instruments creating or reserving mineral, oil, water or timber

rights, rights-of-way, common or joint driveways, sewers, walls or utility connections; (3) building restrictions or other restrictive covenants; or (4) an unassigned lease reserving rents or profits to the owner. Fire insurance upon improvements constituting a part of the real estate described in the contract shall be maintained in an amount at least equal to the unpaid balance due under the contract or the fair value of improvements, whichever is the lesser.

8. Improved or unimproved real property, whether encumbered or unencumbered, or any interest therein, held directly or evidenced by joint venture interests, general or limited partnership interests, trust certificates, or any other instruments, and acquired by the life insurance company as an investment, which real property, if unimproved, is developed within five (5) years. Real property acquired for investment under this paragraph, whether leased or intended to be developed for commercial or residential purposes or otherwise lawfully held, is subject to the following conditions and limitations:

- (a) The real estate shall be located in a domestic jurisdiction.
- (b) The admitted assets of the life insurance company must exceed twenty-five million dollars (\$25,000,000).
- (c) The life insurance company shall have the right to expend from time to time whatever amount or amounts may be necessary to conform the real estate to the needs and purposes of the lessee and the amount so expended shall be added to and become a part of the investment in such real estate.
- (d) The value for statement and deposit purposes of an investment under this paragraph shall be reduced annually by amortization of the costs of improvement and development, less land costs, over the expected life of the property, which value and amortization shall for statement and deposit purposes be determined in a manner satisfactory to the commissioner. In determining such value with respect to the calendar years in which an investment begins or ends with respect to a point in time other than the beginning or end of a calendar year, the amortization provided above shall be made on a proportional basis.
- (e) Fire insurance shall be maintained in an amount at least equal to the insurable value of the improvements or the difference between the value of the land and the value at which such real estate is carried for statement and deposit purposes, whichever amount is smaller.
- (f) Real estate acquired in any of the manners described and sanctioned under section 3 of this chapter, or otherwise lawfully held, except paragraph 5 of that section which specifically relates to the acquisition of real estate under this paragraph, shall not be affected in any respect by this paragraph unless such real estate at or subsequent to its acquisition fulfills the conditions and limitations of this paragraph, and is declared by the life insurance company in a writing filed with the department to be an investment under this paragraph. The value of real estate acquired under section 3 of this chapter, or otherwise lawfully held, and invested under this paragraph shall be initially that at which it was carried for statement and deposit purposes under that section.
- (g) Neither the cost of each parcel of improved real property nor the aggregate cost of all

unimproved real property acquired under the authority of this paragraph may exceed two percent (2%) of the life insurance company's admitted assets. For purposes of this paragraph, "unimproved real property" means land containing no structures intended for commercial, industrial, or residential occupancy, and "improved real property" consists of all land containing any such structure. When applying the limitations of subparagraph (d) of this paragraph, unimproved real property becomes improved real property as soon as construction of any commercial, industrial, or residential structure is so completed as to be capable of producing income. In the event the real property is mortgaged with recourse to the life insurance company or the life insurance company commences a plan of construction upon real property at its own expense or guarantees payment of borrowed funds to be used for such construction, the total project cost of the real property will be used in applying the two percent (2%) test. Further, no more than ten percent (10%) of the life insurance company's admitted assets may be invested in all property, measured by the property value for statement and deposit purposes as defined in this paragraph, held under this paragraph at the same time.

9. Deposits of cash in a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation, or certificates of deposit issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.

10. Bank and bankers' acceptances and other bills of exchange of kinds and maturities eligible for purchase or rediscount by federal reserve banks.

11. Obligations that are issued, guaranteed, assumed, or supported by a business entity organized under the laws of a domestic jurisdiction and that are rated:

- (a) BBB- or higher by Standard & Poor's Corporation (or A-2 or higher in the case of commercial paper);
- (b) Baa 3 or higher by Moody's Investors Service, Inc. (or P-2 or higher in the case of commercial paper);
- (c) BBB- or higher by Duff and Phelps, Inc. (or D-2 or higher in the case of commercial paper); or
- (d) 1 or 2 by the Securities Valuation Office.

Investments may also be made under this paragraph in obligations that have not received a rating if the earnings available for fixed charges of the business entity for the period of its five (5) fiscal years next preceding the date of purchase shall have averaged per year not less than one and one-half (1 1/2) times its average annual fixed charges applicable to such period and if during either of the last two (2) years of such period such earnings available for fixed charges shall have been not less than one and one-half (1 1/2) times its fixed charges for such year. However, if the business entity is a finance company or other lending institution at least eighty percent (80%) of the assets of which are cash and receivables representing loans or discounts made or purchased by it, the multiple shall be one and one-quarter (1 1/4) instead of one and one-half (1 1/2).

11.(A) Obligations issued, guaranteed, or assumed by a business entity organized under the laws of a domestic jurisdiction, which obligations have not received a rating or, if rated, have not received a rating that would qualify the obligations for investment under paragraph 11 of this section. Investments authorized by this paragraph may not exceed ten

percent (10%) ~~twenty percent (20%)~~ of the life insurance company's admitted assets.

12. Preferred stock of, or common or preferred stock guaranteed as to dividends by, any corporation organized under the laws of a domestic jurisdiction, which over the period of the seven (7) fiscal years immediately preceding the date of purchase earned an average amount per annum at least equal to five percent (5%) of the par value of its common and preferred stock (or, in the case of stocks having no par value, of its issued or stated value) outstanding at date of purchase, or which over such period earned an average amount per annum at least equal to two (2) times the total of its annual interest charges, preferred dividends and dividends guaranteed by it, determined with reference to the date of purchase. No investment shall be made under this paragraph in a stock upon which any dividend is in arrears or has been in arrears for ninety (90) days within the immediately preceding five (5) year period.

13. Common stock of any solvent corporation organized under the laws of a domestic jurisdiction which over the seven (7) fiscal years immediately preceding purchase earned an average amount per annum at least equal to six percent (6%) of the par value of its capital stock (or, in the case of stock having no par value, of the issued or stated value of such stock) outstanding at date of purchase, but the conditions and limitations of this paragraph shall not apply to the special area of investment to which paragraph 23 of this section pertains.

13.(A) Stock or shares of any mutual fund that:

- (a) has been in existence for a period of at least five (5) years immediately preceding the date of purchase, has assets of not less than twenty-five million dollars (\$25,000,000) at the date of purchase, and invests substantially all of its assets in investments permitted under this section; or
- (b) is a class one money market mutual fund or a class one bond mutual fund.

Investments authorized by this paragraph 13(A) in mutual funds having the same or affiliated investment advisers shall not at any one (1) time exceed in the aggregate ten percent (10%) of the life insurance company's admitted assets. The limitations contained in paragraph 22 of this subsection apply to investments in the types of mutual funds described in subparagraph (a). For the purposes of this paragraph, "class one bond mutual fund" means a mutual fund that at all times qualifies for investment using the bond class one reserve factor under the Purposes and Procedures Manual of the NAIC Investment Analysis Office.

The aggregate amount of investments under this paragraph may be limited by the commissioner if the commissioner finds that investments under this paragraph may render the operation of the life insurance company hazardous to the company's policyholders or creditors or to the general public.

14. Loans upon the pledge of any of the investments described in this section other than real estate and those qualifying solely under paragraph 20 of this subsection, but the amount of such a loan shall not exceed seventy-five percent (75%) of the value of the investment pledged.

15. Real estate acquired or otherwise lawfully held under the provisions of IC 27-1, except under paragraph 7 or 8 of this subsection, which real estate as an investment shall also include the value of improvements or betterments made thereon subsequent to its acquisition. The value of such real estate for deposit and statement purposes is to be determined in a manner satisfactory to the department.

15.(A) Tangible personal property, equipment trust obligations, or other instruments evidencing an ownership interest or other interest in tangible personal property when the life insurance company purchasing such property has admitted assets in excess of twenty-five million dollars (\$25,000,000), and where there is a right to receive determined portions of

rental, purchase, or other fixed obligatory payments for the use of such personal property from a corporation whose obligations would be eligible for investment under the provisions of paragraph 11 of this subsection, provided that the aggregate of such payments together with the estimated salvage value of such property at the end of its minimum useful life, to be determined in a manner acceptable to the insurance commissioner, and the estimated tax benefits to the insurer resulting from ownership of such property, is adequate to return the cost of the investment in such property, and provided further, that each net investment in tangible personal property for which any single private corporation is obligated to pay rental, purchase, or other obligatory payments thereon does not exceed one-half of one percent (1/2%) of the life insurance company's admitted assets, and the aggregate net investments made under the provisions of this paragraph do not exceed five percent (5%) of the life insurance company's admitted assets.

16. Loans to policyholders of the life insurance company in amounts not exceeding in any case the reserve value of the policy at the time the loan is made.

17. A life insurance company doing business in a foreign jurisdiction may, if permitted or required by the laws of such jurisdiction, invest funds equal to its obligations in such jurisdiction in investments legal for life insurance companies domiciled in such jurisdiction or doing business therein as alien companies.

17.(A) Investments in (i) obligations issued, guaranteed, assumed, or supported by a foreign jurisdiction or by a business entity organized under the laws of a foreign jurisdiction and (ii) preferred stock and common stock issued by any such business entity, if the obligations of such foreign jurisdiction or business entity, as appropriate, are rated:

- (a) BBB- or higher by Standard & Poor's Corporation (or A-2 or higher in the case of commercial paper);
- (b) Baa 3 or higher by Moody's Investors Service, Inc. (or P-2 or higher in the case of commercial paper);
- (c) BBB- or higher by Duff and Phelps, Inc. (or D-2 or higher in the case of commercial paper); or
- (d) 1 or 2 by the Securities Valuation Office.

If the obligations issued by a business entity organized under the laws of a foreign jurisdiction have not received a rating, investments may nevertheless be made under this paragraph in such obligations and in the preferred and common stock of the business entity if the earnings available for fixed charges of the business entity for a period of five (5) fiscal years preceding the date of purchase have averaged at least three (3) times its average fixed charges applicable to such period, and if during either of the last two (2) years of such period, the earnings available for fixed charges were at least three (3) times its fixed charges for such year. Investments authorized by this paragraph in a single foreign jurisdiction shall not exceed ten percent (10%) of the life insurance company's admitted assets. Subject to section 2.2(g) of this chapter, investments authorized by this paragraph denominated in foreign currencies shall not in the aggregate exceed ten percent (10%) of a life insurance company's admitted assets, and investments in any one (1) foreign currency shall not exceed five percent (5%) of the life insurance company's admitted assets. Investments authorized by this paragraph and paragraph 17(B) shall not in the aggregate exceed twenty percent (20%) of the life insurance company's admitted assets. This paragraph in no way limits or restricts investments which are otherwise specifically eligible for deposit under this section.

17.(B) Investments in:

- (a) obligations issued, guaranteed, or assumed by a foreign jurisdiction or by a business entity organized under the laws of a foreign

jurisdiction; and

- (b) preferred stock and common stock issued by a business entity organized under the laws of a foreign jurisdiction;

which investments are not eligible for investment under paragraph 17.(A).

Investments authorized by this paragraph 17(B) shall not in the aggregate exceed five percent (5%) of the life insurance company's admitted assets. Subject to section 2.2(g) of this chapter, if investments authorized by this paragraph 17(B) are denominated in a foreign currency, the investments shall not, as to such currency, exceed two percent (2%) of the life insurance company's admitted assets. Investments authorized by this paragraph 17(B) in any one (1) foreign jurisdiction shall not exceed two percent (2%) of the life insurance company's admitted assets.

Investments authorized by paragraph 17(A) of this subsection and this paragraph 17(B) shall not in the aggregate exceed twenty percent (20%) of the life insurance company's admitted assets.

18. To protect itself against loss, a company may in good faith receive in payment of or as security for debts due or to become due, investments or property which do not conform to the categories, conditions, limitations, and standards set out above.

19. A life insurance company may purchase for its own benefit any of its outstanding annuity or insurance contracts or other obligations and the claims of holders thereof.

20. A life insurance company may make investments although not conforming to the categories, conditions, limitations, and standards contained in paragraphs 1 through 11, 12 through 19, and 29 through 31 of this subsection, but limited in aggregate amount to the ~~lesser~~ **greater** of:

- (a) ten percent (10%) of the company's admitted assets; or
- (b) ~~the aggregate of the company's capital, seventy-five percent (75%) of the company's capital and surplus and contingency reserves reported on the statutory financial statement of the insurer most recently required to be filed with the commissioner.~~

This paragraph 20 does not apply to investments authorized by paragraph 11.(A) of this subsection.

20.(A) Investments under paragraphs 1 through 20 and paragraphs 29 through 31 of this subsection are subject to the general conditions, limitations, and standards contained in paragraphs 21 through 28 of this subsection.

21. Investments in obligations (other than real estate mortgage indebtedness) and capital stock of, and in real estate and tangible personal property leased to, a single corporation, shall not exceed ~~two percent (2%)~~ **three percent (3%)** of the life insurance company's admitted assets, taking into account the provisions of section 2.2(h) of this chapter. The conditions and limitations of this paragraph shall not apply to investments under paragraph 13(A) of this subsection or the special area of investment to which paragraph 23 of this subsection pertains.

22. Investments in:

- (a) preferred stock; and
- (b) common stock;

shall not, in the aggregate, exceed twenty percent (20%) of the life insurance company's admitted assets, exclusive of assets held in segregated accounts of the nature defined in class 1(c) of IC 27-1-5-1. These limitations shall not apply to investments for the special purposes described in paragraph 23 of this subsection nor to investments in connection with segregated accounts provided for in class 1(c) of IC 27-1-5-1.

23. Investments in subsidiary companies must be made in accordance with IC 27-1-23-2.6.

24. No investment, other than commercial bank deposits and loans on life insurance policies, shall be made unless authorized

by the life insurance company's board of directors or a committee designated by the board of directors and charged with the duty of supervising loans or investments.

25. No life insurance company shall subscribe to or participate in any syndicate or similar underwriting of the purchase or sale of securities or property or enter into any transaction for such purchase or sale on account of said company, jointly with any other corporation, firm, or person, or enter into any agreement to withhold from sale any of its securities or property, but the disposition of its assets shall at all times be within its control. Nothing contained in this paragraph shall be construed to invalidate or prohibit an agreement by two (2) or more companies to join and share in the purchase of investments for bona fide investment purposes.

26. No life insurance company may invest in the stocks or obligations, except investments under paragraphs 9 and 10 of this subsection, of any corporation in which an officer of such life insurance company is either an officer or director. However, this limitation shall not apply with respect to such investments in:

- (a) a corporation which is a subsidiary or affiliate of such life insurance company; or
- (b) a trade association, provided such investment meets the requirements of paragraph 5 of this subsection.

27. Except for the purpose of mutualization provided for in section 23 of this chapter, or for the purpose of retirement of outstanding shares of capital stock pursuant to amendment of its articles of incorporation, or in connection with a plan approved by the commissioner for purchase of such shares by the life insurance company's officers, employees, or agents, no life insurance company shall invest in its own stock.

28. In applying the conditions, limitations, and standards prescribed in paragraphs 11, 12, and 13 of this subsection to the stocks or obligations of a corporation which in the seven (7) year period preceding purchase of such stocks or obligations acquired its property or a substantial part thereof through consolidation, merger, or purchase, the earnings of the several predecessors or constituent corporations shall be consolidated.

29. A. Before a life insurance company may engage in securities lending transactions, repurchase transactions, reverse repurchase transactions, or dollar roll transactions, the life insurance company's board of directors must adopt a written plan that includes guidelines and objectives to be followed, including the following:

- (1) A description of how cash received will be invested or used for general corporate purposes of the company.
- (2) Operational procedures for managing interest rate risk, counterparty default risk, and the use of acceptable collateral in a manner that reflects the liquidity needs of the transaction.
- (3) A statement of the extent to which the company may engage in securities lending transactions, repurchase transactions, reverse repurchase transactions, and dollar roll transactions.

B. A life insurance company must enter into a written agreement for all transactions authorized by this paragraph, other than dollar roll transactions. The written agreement:

- (1) must require the termination of each transaction not more than one (1) year after its inception or upon the earlier demand of the company; and
- (2) must be with the counterparty business entity, except that, for securities lending transactions, the agreement may be with an agent acting on behalf of the life insurance company if:

- (A) the agent is:

- (i) a business entity, the obligations of which are rated BBB- or higher by Standard & Poor's Corporation (or A-2 or higher in the case of commercial paper), Baa3 or higher by Moody's Investors Service, Inc. (or P-2 or higher in the case of commercial paper), BBB- or higher by Duff and Phelps, Inc. (or D-2 or higher in the case of commercial paper), or 1 or 2 by the Securities Valuation Office;

- (ii) a business entity that is a primary dealer in United States government securities, recognized by the Federal Reserve Bank of New York; or

- (iii) any other business entity approved by the commissioner; and

- (B) the agreement requires the agent to enter into with each counterparty separate agreements that are consistent with the requirements of this paragraph.

C. Cash received in a transaction under this paragraph shall be:

- (1) invested:

- (A) in accordance with this section 2; and

- (B) in a manner that recognizes the liquidity needs of the transaction; or

- (2) used by the life insurance company for its general corporate purposes.

D. For as long as a transaction under this paragraph remains outstanding, the life insurance company or its agent or custodian shall maintain, as to acceptable collateral received in the transaction, either physically or through book entry systems of the Federal Reserve, the Depository Trust Company, the Participants Trust Company, or another securities depository approved by the commissioner:

- (1) possession of the acceptable collateral;
- (2) a perfected security interest in the acceptable collateral; or
- (3) in the case of a jurisdiction outside the United States:

- (A) title to; or

- (B) rights of a secured creditor to; the acceptable collateral.

E. The limitations set forth in paragraphs 17 and 21 of this subsection do not apply to transactions under this paragraph 29. For purposes of calculations made to determine compliance with this paragraph, no effect may be given to the future obligation of the life insurance company to:

- (1) resell securities, in the case of a repurchase transaction; or
- (2) repurchase securities, in the case of a reverse repurchase transaction.

F. A life insurance company shall not enter into a transaction under this paragraph if, as a result of the transaction, and after giving effect to the transaction:

- (1) the aggregate amount of securities then loaned, sold to, or purchased from any one (1) business entity under this paragraph would exceed five percent (5%) of the company's admitted assets (but in calculating the amount sold to or purchased from a business entity under repurchase or reverse repurchase

transactions, effect may be given to netting provisions under a master written agreement); or (2) the aggregate amount of all securities then loaned, sold to, or purchased from all business entities under this paragraph would exceed forty percent (40%) of the admitted assets of the company (provided, however, that this limitation does not apply to a reverse repurchase transaction if the borrowing is used to meet operational liquidity requirements resulting from an officially declared catastrophe and is subject to a plan approved by the commissioner).

G. The following collateral requirements apply to all transactions under this paragraph:

(1) In a securities lending transaction, the life insurance company must receive acceptable collateral having a market value as of the transaction date at least equal to one hundred two percent (102%) of the market value of the securities loaned by the company in the transaction as of that date. If at any time the market value of the acceptable collateral received from a particular business entity is less than the market value of all securities loaned by the company to that business entity, the business entity shall be obligated to deliver additional acceptable collateral to the company, the market value of which, together with the market value of all acceptable collateral then held in connection with all securities lending transactions with that business entity, equals at least one hundred two percent (102%) of the market value of the loaned securities.

(2) In a reverse repurchase transaction, other than a dollar roll transaction, the life insurance company must receive acceptable collateral having a market value as of the transaction date equal to at least ninety-five percent (95%) of the market value of the securities transferred by the company in the transaction as of that date. If at any time the market value of the acceptable collateral received from a particular business entity is less than ninety-five percent (95%) of the market value of all securities transferred by the company to that business entity, the business entity shall be obligated to deliver additional acceptable collateral to the company, the market value of which, together with the market value of all acceptable collateral then held in connection with all reverse repurchase transactions with that business entity, equals at least ninety-five percent (95%) of the market value of the transferred securities.

(3) In a dollar roll transaction, the life insurance company must receive cash in an amount at least equal to the market value of the securities transferred by the company in the transaction as of the transaction date.

(4) In a repurchase transaction, the life insurance company must receive acceptable collateral having a market value equal to at least one hundred two percent (102%) of the purchase price paid by the company for the securities. If at any time the market value of the acceptable collateral received from a particular business entity is less than one hundred percent (100%) of the purchase price paid by the life insurance company in all repurchase transactions with that business entity, the business entity shall be obligated to provide additional acceptable

collateral to the company, the market value of which, together with the market value of all acceptable collateral then held in connection with all repurchase transactions with that business entity, equals at least one hundred two percent (102%) of the purchase price. Securities acquired by a life insurance company in a repurchase transaction shall not be:

(A) sold in a reverse repurchase transaction;

(B) loaned in a securities lending transaction; or

(C) otherwise pledged.

30. A life insurance company may invest in obligations or interests in trusts or partnerships regardless of the issuer, which are secured by:

(a) investments authorized by paragraphs 1, 2, 3, 4, or 11 of this subsection; or

(b) collateral with the characteristics and limitations prescribed for loans under paragraph 5 of this subsection.

For the purposes of this paragraph 30, collateral may be substituted for other collateral if it is in the same amount with the same or greater interest rate and qualifies as collateral under subparagraph (a) or (b) of this paragraph.

31. A life insurance company may invest in obligations or interests in trusts or partnerships, regardless of the issuer, secured by any form of collateral other than that described in subparagraphs (a) and (b) of paragraph 30 of this subsection, which obligations or interests in trusts or partnerships are rated:

(a) ~~A- BBB-~~ or higher by Standard & Poor's Corporation or Duff and Phelps, Inc.;

(b) ~~A 3 Baa3~~ or higher by Moody's Investor Service, Inc.; or

(c) 1 or 2 by the Securities Valuation Office.

Investments authorized by this paragraph may not exceed ~~ten percent (+0%)~~ **twenty percent (20%)** of the life insurance company's admitted assets.

32. A. A life insurance company may invest in short-term pooling arrangements as provided in this paragraph.

B. The following definitions apply throughout this paragraph:

(1) "Affiliate" means, as to any person, another person that, directly or indirectly through one (1) or more intermediaries, controls, is controlled by, or is under common control with the person.

(2) "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract (other than a commercial contract for goods or non-management services), or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if a person, directly or indirectly, owns, controls, holds with the power to vote or holds proxies representing ten percent (10%) or more of the voting securities of another person. This presumption may be rebutted by a showing that control does not exist in fact. The commissioner may determine, after furnishing all interested persons notice and an opportunity to be heard and making specific findings of fact to support the determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

(3) "Qualified bank" means a national bank,

state bank, or trust company that at all times is not less than adequately capitalized as determined by standards adopted by United States banking regulators and that is either regulated by state banking laws or is a member of the Federal Reserve System.

C. A life insurer may participate in investment pools qualified under this paragraph that invest only in:

(1) obligations that are rated BBB- or higher by Standard & Poor's Corporation (or A-2 or higher in the case of commercial paper), Baa 3 or higher by Moody's Investors Service, Inc. (or P-2 or higher in the case of commercial paper), BBB- or higher by Duff and Phelps, Inc. (or D-2 or higher in the case of commercial paper), or 1 or 2 by the Securities Valuation Office, and have:

(A) a remaining maturity of three hundred ninety-seven (397) days or less or a put that entitles the holder to receive the principal amount of the obligation which put may be exercised through maturity at specified intervals not exceeding three hundred ninety-seven (397) days; or

(B) a remaining maturity of three (3) years or less and a floating interest rate that resets not less frequently than quarterly on the basis of a current short-term index (for example, federal funds, prime rate, treasury bills, London InterBank Offered Rate (LIBOR) or commercial paper) and is not subject to a maximum limit, if the obligations do not have an interest rate that varies inversely to market interest rate changes;

(2) government money market mutual funds or class one money market mutual funds; or

(3) securities lending, repurchase, and reverse repurchase and dollar roll transactions that meet the requirements of paragraph 29 of this subsection and any applicable regulations of the department;

provided that the investment pool shall not acquire investments in any one (1) business entity that exceed ten percent (10%) of the total assets of the investment pool.

D. For an investment pool to be qualified under this paragraph, the investment pool shall not:

(1) acquire securities issued, assumed, guaranteed, or insured by the life insurance company or an affiliate of the company; or

(2) borrow or incur any indebtedness for borrowed money, except for securities lending, reverse repurchase, and dollar roll transactions that meet the requirements of paragraph 29 of this subsection.

E. A life insurance company shall not participate in an investment pool qualified under this paragraph if, as a result of and after giving effect to the participation, the aggregate amount of participation then held by the company in all investment pools under this paragraph and section 2.4 of this chapter would exceed thirty-five percent (35%) of its admitted assets.

F. For an investment pool to be qualified under this paragraph:

(1) the manager of the investment pool must:

(A) be organized under the laws of the United States, a state or

territory of the United States, or the District of Columbia, and designated as the pool manager in a pooling agreement; and

(B) be the life insurance company, an affiliated company, a business entity affiliated with the company, or a qualified bank or a business entity registered under the Investment Advisors Act of 1940 (15 U.S.C. 80a-1 et seq.);

(2) the pool manager or an entity designated by the pool manager of the type set forth in subdivision (1) of this subparagraph F shall compile and maintain detailed accounting records setting forth:

(A) the cash receipts and disbursements reflecting each participant's proportionate participation in the investment pool;

(B) a complete description of all underlying assets of the investment pool (including amount, interest rate, maturity date (if any) and other appropriate designations); and

(C) other records which, on a daily basis, allow third parties to verify each participant's interest in the investment pool; and

(3) the assets of the investment pool shall be held in one (1) or more accounts, in the name of or on behalf of the investment pool, under a custody agreement or trust agreement with a qualified bank, which must:

(A) state and recognize the claims and rights of each participant;

(B) acknowledge that the underlying assets of the investment pool are held solely for the benefit of each participant in proportion to the aggregate amount of its participation in the investment pool; and

(C) contain an agreement that the underlying assets of the investment pool shall not be commingled with the general assets of the qualified bank or any other person.

G. The pooling agreement for an investment pool qualified under this paragraph must be in writing and must include the following provisions:

(1) Insurers, subsidiaries, or affiliates of insurers holding interests in the pool, or any pension or profit sharing plan of such insurers or their subsidiaries or affiliates, shall, at all times, hold one hundred percent (100%) of the interests in the investment pool.

(2) The underlying assets of the investment pool shall not be commingled with the general assets of the pool manager or any other person.

(3) In proportion to the aggregate amount of each pool participant's interest in the investment pool:

(A) each participant owns an undivided interest in the underlying assets of the investment pool; and

(B) the underlying assets of the

investment pool are held solely for the benefit of each participant.

(4) A participant or (in the event of the participant's insolvency, bankruptcy, or receivership) its trustee, receiver, or other successor-in-interest may withdraw all or any portion of its participation from the investment pool under the terms of the pooling agreement.

(5) Withdrawals may be made on demand without penalty or other assessment on any business day, but settlement of funds shall occur within a reasonable and customary period thereafter. Payments upon withdrawals under this paragraph shall be calculated in each case net of all then applicable fees and expenses of the investment pool. The pooling agreement shall provide for such payments to be made to the participants in one (1) of the following forms, at the discretion of the pool manager:

(A) in cash, the then fair market value of the participant's pro rata share of each underlying asset of the investment pool;

(B) in kind, a pro rata share of each underlying asset; or

(C) in a combination of cash and in kind distributions, a pro rata share in each underlying asset.

(6) The records of the investment pool shall be made available for inspection by the commissioner.

SECTION 3. IC 27-1-12.1-9, AS ADDED BY P.L.115-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. A limited purpose subsidiary that is granted a certificate of authority by the commissioner under this chapter:

(1) is authorized to engage in the business of reinsurance for purposes of ~~IC 27-6-10~~ **IC 27-6-10.1** only for the lines of insurance for which the:

(A) organizing domestic life insurance company; and

(B) affiliates of the organizing domestic life insurance company;

are authorized;

(2) may reinsure only risks of:

(A) the organizing domestic life insurance company; and

(B) affiliates of the organizing domestic life insurance company; and

(3) may access alternative forms of financing.

SECTION 4. IC 27-1-13-3, AS AMENDED BY P.L.124-2018, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The following definitions apply throughout this section:

(1) "Acceptable collateral" means the following:

(A) As to securities lending transactions and for the purpose of calculating counterparty exposure:

(i) cash;

(ii) cash equivalents;

(iii) letters of credit; and

(iv) direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, including the Federal National Mortgage Association and the

Federal Home Loan Mortgage Corporation.

(B) As to lending foreign securities, sovereign debt rated 1 by the Securities Valuation Office.

(C) As to repurchase transactions:

(i) cash;

(ii) cash equivalents; and

(iii) direct obligations of, or securities that are fully guaranteed as to principal and interest by, the government of the United States or any agency of the United States, including the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(D) As to reverse repurchase transactions:

(i) cash; and

(ii) cash equivalents.

(2) "Admitted assets" means assets permitted to be reported as admitted assets on the statutory financial statement of the insurer most recently required to be filed with the commissioner.

(3) "Business entity" means any of the following:

(A) A sole proprietorship.

(B) A corporation.

(C) A limited liability company.

(D) An association.

(E) A general partnership.

(F) A limited partnership.

(G) A limited liability partnership.

(H) A joint stock company.

(I) A joint venture.

(J) A trust.

(K) A joint tenancy.

(L) Any other similar form of business organization, whether for profit or nonprofit.

(4) "Cash" means any of the following:

(A) United States denominated paper currency and coins.

(B) Negotiable money orders and checks.

(C) Funds held in any time or demand deposit in any depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.

(5) "Cash equivalent" means any of the following:

(A) A certificate of deposit issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.

(B) A banker's acceptance issued by a depository institution, the deposits of which are insured by the Federal Deposit Insurance Corporation.

(C) A government money market mutual fund.

(D) A class one (1) money market mutual fund.

(6) "Class one (1) money market mutual fund" means a money market mutual fund that at all times qualifies for investment using the bond

class one (1) reserve factor pursuant to the Purposes and Procedures Manual of the NAIC Investment Analysis Office.

(7) "Derivative transaction" has the meaning set forth in IC 27-1-12-2.2(a)(14).

(8) "Government money market mutual fund" means a money market mutual fund that at all times:

(A) invests only in obligations issued, guaranteed, or insured by the United States or collateralized repurchase agreements composed of these obligations; and

(B) qualifies for investment without a reserve pursuant to the Purposes and Procedures Manual of the NAIC Investment Analysis Office.

(9) "Money market mutual fund" means a mutual fund that meets the conditions of 17 CFR 270.2a-7, under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

(10) "Mutual fund" means:

(A) an investment company; or

(B) in the case of an investment company that is organized as a series company, an investment company series;

that is registered with the United States Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.).

(11) "Obligation" means any of the following:

(A) A bond.

(B) A note.

(C) A debenture.

(D) Any other form of evidence of debt.

(12) "Qualified business entity" means a business entity that is:

(A) an issuer of obligations or preferred stock that is rated one (1) or two (2) or is rated the equivalent of one (1) or two (2) by the Securities Valuation Office or by a nationally recognized statistical rating organization recognized by the Securities Valuation Office; or

(B) a primary dealer in United States government securities, recognized by the Federal Reserve Bank of New York.

(13) "Securities Valuation Office" refers to the Securities Valuation Office of the NAIC.

(b) Any company, other than one organized as a life insurance company, organized under the provisions of IC 27-1 or any other law of this state and authorized to make any or all kinds of insurance described in class 2 or class 3 of IC 27-1-5-1 shall invest its capital or guaranty fund as follows and not otherwise:

(1) In cash.

(2) In:

(A) direct obligations of the United States; or

(B) obligations secured or guaranteed as to principal and interest by the United States.

(3) In:

(A) direct obligations; or

(B) obligations secured by the full faith and credit;

of any state of the United States or the District

of Columbia.

(4) In obligations of any county, township, city, town, village, school district, or other municipal district within the United States which are a direct obligation of the county, township, city, town, village, or district issuing the same.

(5) In obligations secured by mortgages or deeds of trust or unencumbered real estate or perpetual leases thereon in the United States not exceeding eighty percent (80%) of the fair value of the security determined in a manner satisfactory to the department, except that the percentage stated may be exceeded if and to the extent such excess is guaranteed or insured by the United States, any state, territory, or possession of the United States, the District of Columbia, Canada, any province of Canada, or by an administration, agency, authority, or instrumentality of any such governmental units. Where improvements on the land constitute a part of the value on which the loan is made, the improvements shall be insured against fire and tornado for the benefit of the mortgagee. For the purposes of this section, real estate may not be deemed to be encumbered by reason of the existence of taxes or assessments that are not delinquent, instruments creating or reserving mineral, oil, or timber rights, rights-of-way, joint driveways, sewer rights, rights-in-walls, nor by reason of building restrictions, or other restrictive covenants, nor when such real estate is subject to lease in whole or in part whereby rents or profits are reserved to the owner. The restrictions contained in this subdivision do not apply to loans or investments made under section 5 of this chapter.

(c) Any company organized under the provisions of this article or any other law of this state and authorized to make any or all of the kinds of insurance described in class 2 or class 3 of IC 27-1-5-1 shall invest its funds over and above its required capital stock or required guaranty fund as follows, and not otherwise:

(1) In cash or cash equivalents. However, not more than ten percent (10%) of admitted assets may be invested in any single government money market mutual fund or class one (1) money market mutual fund.

(2) In direct obligations of the United States or obligations secured or guaranteed as to principal and interest by the United States.

(3) In obligations issued, guaranteed, or insured as to principal and interest by a city, county, drainage district, road district, school district, tax district, town, township, village or other civil administration, agency, authority, instrumentality or subdivision of a state, territory, or possession of the United States, the District of Columbia, Canada, or any province of Canada, providing such obligations are authorized by law and are either:

(A) direct and general obligations of the issuing, guaranteeing, or insuring governmental unit, administration, agency, authority, district, subdivision, or instrumentality;

(B) payable from designated revenues pledged to the payment of the principal and interest of the obligations; or

(C) improvement bonds or other obligations constituting a first lien, except for tax liens, against all of the real estate within the improvement district or on that part of such real estate not discharged from such lien through payment of the assessment.

The area to which the improvement bonds or other obligations under clause (C) relate must be situated within the limits of a town or city and at least fifty percent (50%) of the properties within that area must be improved with business buildings or residences.

(4) In:

(A) direct obligations; or

(B) obligations secured by the full faith and credit;

of any state of the United States, the District of Columbia, or Canada or any province thereof.

(5) In obligations guaranteed, supported, or insured as to principal and interest by the United States, any state, territory, or possession of the United States, the District of Columbia, Canada, any province of Canada, or by an administration, agency, authority, or instrumentality of any of the political units listed in this subdivision. An obligation is "supported" for the purposes of this subdivision when repayment of the obligation is secured by real or personal property of value at least equal to the principal amount of the indebtedness by means of mortgage, assignment of vendor's interest in one (1) or more conditional sales contracts, other title retention device, or by means of other security interest in the property for the benefit of the holder of the obligation, and one (1) of the political units listed in this subdivision, or an administration, agency, authority, or instrumentality listed in this subdivision, has entered into a firm agreement to rent or use the property pursuant to which entity is obligated to pay money as rental or for the use of the property in amounts and at times that are sufficient, after provision for taxes upon and for other expenses of the use of the property, to repay in full the indebtedness, both principal and interest, and when the firm agreement and the money obligated to be paid under the agreement are assigned, pledged, or secured for the benefit of the holder of the obligation. However, where the security consists of a first mortgage lien or deed of trust on a fee interest in real property, the obligation may provide for the amortization, during the initial fixed period of the lease or contract of less than one hundred percent (100%) of the indebtedness if there is pledged or assigned, as additional security for the obligation, sufficient rentals payable under the lease, or of contract payments, to secure the amortized obligation payments required during the initial, fixed period of the lease or contract, including but not limited to payments of principal, interest, and taxes other than the income taxes of the borrower, and if there is to be left unamortized at the end of the period an amount not greater than the original appraised value of the land only, exclusive of all improvements, as prescribed by law.

(6) In obligations secured by mortgages or deeds of trust or unencumbered real estate or perpetual

leases thereon, in any state in the United States, the District of Columbia, Canada, or any province of Canada, not exceeding eighty percent (80%) of the fair value of the security determined in a manner satisfactory to the department, except that the percentage stated may be exceeded if and to the extent that the excess is guaranteed or insured by the United States, any state, territory, or possession of the United States, the District of Columbia, Canada, any province of Canada, or by an administration, agency, authority, or instrumentality of any of such governmental units. The value of the real estate must be determined by a method and in a manner satisfactory to the department. The restrictions contained in this subdivision do not apply to loans or investments made under section 5 of this chapter.

(7) In obligations issued under or pursuant to the Farm Credit Act of 1971 (12 U.S.C. 2001 through 2279aa-14) as in effect on December 31, 1990, or the Federal Home Loan Bank Act (12 U.S.C. 1421 through 1449) as in effect on December 31, 1990, interest bearing obligations of the FSLIC Resolution Fund and shares of any institution that is insured by the Federal Deposit Insurance Corporation to the extent that the shares are insured, obligations issued or guaranteed by the International Bank for Reconstruction and Development, obligations issued or guaranteed by the Inter-American Development Bank, and obligations issued or guaranteed by the African Development Bank.

(8) In any mutual fund that:

(A) has been registered with the Securities and Exchange Commission for a period of at least five (5) years immediately preceding the date of purchase;

(B) has net assets of at least twenty-five million dollars (\$25,000,000) on the date of purchase; and

(C) invests substantially all of its assets in investments permitted under this subsection.

The amount invested in any single mutual fund shall not exceed ten percent (10%) of admitted assets. The aggregate amount of investments under this subdivision may be limited by the commissioner if the commissioner finds that investments under this subdivision may render the operation of the company hazardous to the company's policyholders, to the company's creditors, or to the general public. This subdivision in no way limits or restricts investments that are otherwise specifically permitted under this section.

(9) In obligations payable in United States dollars and issued, guaranteed, assumed, insured, or accepted by a foreign government or by a solvent business entity existing under the laws of a foreign government, if the obligations of the foreign government or business entity meet at least one (1) of the following criteria:

(A) The obligations carry a rating of at least A3 conferred by Moody's Investor Services, Inc.

(B) The obligations carry a rating

of at least A- conferred by Standard & Poor's Corporation.

(C) The earnings available for fixed charges of the business entity for a period of five (5) fiscal years preceding the date of purchase have averaged at least three (3) times the average fixed charges of the business entity applicable to the period, and if during either of the last two (2) years of the period, the earnings available for fixed charges were at least three (3) times the fixed charges of the business entity for the year. As used in this subdivision, the terms "earnings available for fixed charges" and "fixed charges" have the meanings set forth in IC 27-1-12-2(a).

Foreign investments authorized by this subdivision shall not exceed twenty percent (20%) of the company's admitted assets. This subdivision in no way limits or restricts investments that are otherwise specifically permitted under this section. Canada is not a foreign government for purposes of this subdivision.

(10) In the obligations of any solvent business entity existing under the laws of the United States, any state of the United States, the District of Columbia, Canada, or any province of Canada, provided that interest on the obligations is not in default.

(11) In the preferred or guaranteed shares of any solvent business entity, so long as the business entity is not and has not been for the preceding five (5) years in default in the payment of interest due and payable on its outstanding debt or in arrears in the payment of dividends on any issue of its outstanding preferred or guaranteed stock.

(12) In the shares, other than those specified in subdivision (7), of any solvent business entity existing under the laws of any state of the United States, the District of Columbia, Canada, or any province of Canada, and in the shares of any institution wherever located which has the insurance protection provided by the Federal Deposit Insurance Corporation. Except for the purpose of mutualization or for the purpose of retirement of outstanding shares of capital stock pursuant to amendment of its articles of incorporation, or in connection with a plan approved by the commissioner for purchase of such shares by the insurance company's officers, employees, or agents, or for the elimination of fractional shares, no company subject to the provisions of this section may invest in its own stock.

(13) In loans upon the pledge of any mortgage, stocks, bonds, or other evidences of indebtedness, acceptable as investments under the terms of this chapter, if the current value of the mortgage, stock, bond, or other evidences of indebtedness is at least twenty-five percent (25%) more than the amount loaned on it.

(14) In real estate, subject to subsections (d) and (e).

(15) In securities lending, repurchase, and reverse repurchase transactions with business

entities, subject to the following requirements:

(A) The company's board of directors shall adopt a written plan that specifies guidelines and objectives to be followed, such as:

(i) a description of how cash received will be invested or used for general corporate purposes of the company;

(ii) operational procedures to manage interest rate risk, counterparty default risk, and the use of acceptable collateral in a manner that reflects the liquidity needs of the transaction; and

(iii) the extent to which the company may engage in these transactions.

(B) The company shall enter into a written agreement for all transactions authorized in this subdivision. The written agreement shall require the termination of each transaction not more than one (1) year from its inception or upon the earlier demand of the company. The agreement shall be with the counterparty business entity but, for securities lending transactions, the agreement may be with an agent acting on behalf of the company if the agent is a qualified business entity and if the agreement:

(i) requires the agent to enter into separate agreements with each counterparty that are consistent with the requirements of this section; and

(ii) prohibits securities lending transactions under the agreement with the agent or its affiliates.

(C) Cash received in a transaction under this section shall be invested in accordance with this section and in a manner that recognizes the liquidity needs of the transaction or used by the company for its general corporate purposes. For as long as the transaction remains outstanding, the company or its agent or custodian shall maintain, as to acceptable collateral received in a transaction under this section, either physically or through book entry systems of the Federal Reserve, Depository Trust Company, Participants Trust Company, or other securities depositories approved by the commissioner:

(i) possession of the acceptable collateral;

(ii) a perfected security interest in the acceptable collateral; or

(iii) in the case of a jurisdiction outside the United States, title to, or rights of a secured creditor to, the acceptable collateral.

(D) For purposes of calculations made to determine compliance with this subdivision, no effect may be given to the company's future obligation to resell securities in the case of a repurchase transaction, or to repurchase securities in the case of a reverse repurchase transaction. A company shall not enter into a transaction under this subdivision if, as a result of and after giving effect to the transaction:

(i) the aggregate amount of securities then loaned, sold to, or purchased from any one (1) business entity pursuant to this subdivision would exceed five percent (5%) of its admitted assets (but, in calculating the amount sold to or purchased from a business entity pursuant to repurchase or reverse repurchase transactions, effect may be given to netting provisions under a master written agreement); or

(ii) the aggregate amount of all securities then loaned, sold to, or purchased from all business entities under this subdivision would exceed forty percent (40%) of its admitted assets.

(E) In a securities lending transaction, the company shall receive acceptable collateral having a market value as of the transaction date at least equal to one hundred two percent (102%) of the market value of the securities loaned by the company in the transaction as of that date. If at any time the market value of the acceptable collateral is less than the market value of the loaned securities, the business entity shall be obligated to deliver additional acceptable collateral, the market value of which, together with the market value of all acceptable collateral then held in connection with the transaction, at least equals one hundred two percent (102%) of the market value of the loaned securities.

(F) In a reverse repurchase transaction, the company shall receive acceptable collateral having a market value as of the transaction date at least equal to ninety-five percent (95%) of the market value of the securities transferred by the company in the transaction as of that date. If at any time the market value of the acceptable collateral is less than ninety-five percent (95%) of the market value of the securities so transferred, the business entity shall be obligated to deliver additional acceptable collateral, the market value of which, together with the market value of all

acceptable collateral then held in connection with the transaction, equals at least ninety-five percent (95%) of the market value of the transferred securities.

(G) In a repurchase transaction, the company shall receive as acceptable collateral transferred securities having a market value equal to at least one hundred two percent (102%) of the purchase price paid by the company for the securities. If at any time the market value of the acceptable collateral is less than one hundred percent (100%) of the purchase price paid by the company, the business entity shall be obligated to provide additional acceptable collateral, the market value of which, together with the market value of all acceptable collateral then held in connection with the transaction, equals at least one hundred two percent (102%) of the purchase price. Securities acquired by a company in a repurchase transaction shall not be sold in a reverse repurchase transaction, loaned in a securities lending transaction, or otherwise pledged.

(16) In mortgage backed securities, including collateralized mortgage obligations, mortgage pass through securities, mortgage backed bonds, and real estate mortgage investment conduits, adequately secured by a pool of mortgages, which mortgages are fully guaranteed or insured by the government of the United States or any agency of the United States, including the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

(17) In mortgage backed securities, including collateralized mortgage obligations, mortgage pass through securities, mortgage backed bonds, and real estate mortgage investment conduits, adequately secured by a pool of mortgages, if the securities carry a rating of at least:

- (A) ~~A3~~ **Baa3** conferred by Moody's Investor Services, Inc.; or
- (B) ~~A-~~ **BBB-** conferred by Standard & Poor's Corporation.

The amount invested in any one (1) obligation or pool of obligations described in this subdivision shall not exceed five percent (5%) of admitted assets. The aggregate amount of all investments under this subdivision shall not exceed ten percent (10%) of admitted assets.

(18) Any other investment acquired in good faith as payment on account of existing indebtedness or in connection with the refinancing, restructuring, or workout of existing indebtedness, if taken to protect the interests of the company in that investment.

(19) In obligations or interests in trusts or partnerships in which a life insurance company may invest as described in paragraph 31 of IC 27-1-12-2(b). Investments authorized by this paragraph may not exceed ~~ten percent (10%)~~

twenty percent (20%) of the company's admitted assets.

(20) In any other investment. The total of all investments under this subdivision, except for investments in subsidiary companies under IC 27-1-23-2.6, may not exceed ~~an aggregate amount the greater of ten percent (10%) of the insurer's admitted assets or fifty percent (50%) of the insurer's capital and surplus.~~ Investments are not permitted under this subdivision:

- (A) if expressly prohibited by statute; or
- (B) in an insolvent organization or an organization in default with respect to the payment of principal or interest on its obligations.

(d) Any company subject to the provisions of this section shall have power to acquire, hold, or convey real estate, or an interest therein, as described below, and no other:

- (1) Leaseholds, provided the mortgage term shall not exceed four-fifths (4/5) of the unexpired lease term, including enforceable renewable options, remaining at the time of the loan, such real estate or leaseholds to be located in the United States, any territory or possession of the United States, or Canada, the value of such leasehold for statement purposes shall be determined in a manner and form satisfactory to the department. At the time the leasehold is acquired and approved by the department, a schedule of annual depreciation shall be set up by the department in which the value of said leasehold is to be depreciated, and said depreciation is to be averaged out over not exceeding a period of fifty (50) years.
- (2) The building in which it has its principal office and the land on which it stands.
- (3) Such as shall be necessary for the convenient transaction of its business.
- (4) Such as shall have been acquired for the accommodation of its business.
- (5) Such as shall have been mortgaged to it in good faith by way of security for loans previously contracted or for money due.
- (6) Such as shall have been conveyed to it in connection with its investments in real estate contracts or its investments in real estate under lease or for the purpose of leasing or such as shall have been acquired for the purpose of investment under any law, order, or regulation authorizing such investment, for statement purposes, the value of such real estate shall be determined in a manner satisfactory to the department.
- (7) Such as shall have been conveyed to it in satisfaction of debts previously contracted in the course of its dealings, or in exchange for real estate so conveyed to it.
- (8) Such as it shall have purchased at sales on judgments, decrees, or mortgages obtained or made for such debts.

(e) All real estate described in subsection (d)(4) through (d)(8) which is not necessary for the convenient transaction of its business shall be sold by said company and disposed of within ten (10) years after it acquired title to the same, or within five (5) years after the same has ceased to be necessary for the accommodation of its business, unless the company procures the certificate of the commissioner that its interests will suffer materially by a forced sale of the real estate, in which event the

time for the sale may be extended to such time as the commissioner directs in the certificate.

(f) The board of directors of a company, other than a company organized as a life insurance company, shall do all the following:

- (1) Before engaging in derivatives transactions, approve a written plan that specifies guidelines, systems, and objectives to be followed, such as:
 - (A) investment of or, if applicable, underwriting objectives and risk constraints, such as credit risk limits;
 - (B) permissible transactions and the relationship of those transactions to the insurer's operations;
 - (C) internal control procedures;
 - (D) a system for determining whether a derivative instrument used for hedging has been effective;
 - (E) a credit risk management system for over-the-counter derivatives transactions that measures credit risk exposure using the counterparty exposure amount; and
 - (F) a mechanism for reviewing and auditing compliance with the guidelines, systems, and objectives specified in the written plan.
- (2) Before engaging in derivatives transactions, make a determination that the insurer's investment managers have adequate professional personnel, technical expertise, and systems to implement the insurer's intended investment practices involving derivative instruments.
- (3) Review whether derivatives transactions have been made in accordance with the approved guidelines and are consistent with stated objectives.
- (4) Take action to correct any deficiencies in internal controls relating to derivatives transactions.

SECTION 5. IC 27-1-25-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. All claims paid by an administrator from funds collected on behalf of an insurer shall ~~only~~ be paid: ~~on~~

- (1) by drafts draft or checks check; or**
- (2) via electronic payment;**

as authorized by the insurer.

SECTION 6. IC 27-1-28-15, AS ADDED BY P.L. 11-2011, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 15. (a) Except as provided in section 16 of this chapter **and in subsection (e)**, an individual who applies for an independent adjuster license under this chapter must pass a written examination that is:

- (1) developed and conducted according to rules adopted by the commissioner under IC 4-22-2; and
- (2) intended to test the knowledge of the individual concerning:
 - (A) the lines of authority in which the individual has applied for licensing under this chapter;
 - (B) the duties and responsibilities of an independent adjuster; and
 - (C) Indiana insurance law.

(b) The commissioner may contract with a nongovernmental

entity to administer the written examination required by this section.

(c) An individual described in subsection (a) shall remit, with the application to take the written examination required by this section, a nonrefundable examination fee in an amount set by the commissioner or the organization administering the examination.

(d) If an individual:

- (1) fails to appear for or to pass an examination; and
- (2) desires to reschedule the examination;

the individual shall reapply for the written examination and remit all fees and forms before scheduling an examination date.

(e) An individual who holds a current claims certification issued by a national or state claims association whose certification program includes:

- (1) a precertification course for new adjusters that is approved by the department;**
- (2) an examination for new adjusters that is approved by the department; and**
- (3) a continuing education program that is approved by the department;**

is not required to complete a preclicensing course described in section 12(b)(5) of this chapter or pass a written examination described in subsection (a) to be issued an independent adjuster license under this chapter.

SECTION 7. IC 27-1-28-16, AS ADDED BY P.L.11-2011, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) An individual who applies for an independent adjuster license under this chapter and who:

- (1) possesses an independent adjuster license for the same line of authority in which the individual has applied for licensing under this chapter in a state in which a preclicensing independent adjuster licensure examination is required;
- (2) possessed an independent adjuster license that:
 - (A) was for the same line of authority in which the individual has applied for licensing under this chapter in a state in which a preclicensing independent adjuster licensure examination is required; and
 - (B) expired less than ninety (90) days before the date the commissioner receives the application; or
- (3) provides proof from contracting insurers that the individual has participated in claims adjudication in the same line of authority during the five (5) years immediately preceding the date of application;

is not required to complete a preclicensing course as described in section 12(b)(5) of this chapter or pass a written examination under section 15 of this chapter before being licensed under this chapter.

(b) An applicant who meets the criteria set forth in subsection (a)(1) or (a)(2) must provide certification from the other state that the applicant's independent adjuster license:

- (1) is currently in good standing; or
- (2) was in good standing at the time of expiration.

(c) A person:

- (1) that: who:**
 - ~~(+)~~ (A) is licensed as an independent adjuster in another state where a preclicensing

independent adjuster licensure examination is required;

~~(2)~~ (B) establishes legal residency in Indiana; and

~~(3)~~ (C) applies for a resident independent adjuster license under this chapter less than ninety (90) days after the person establishes legal residency in Indiana; or

(2) who holds a current claims certification issued by a national or state claims association whose certification program includes:

(A) a precertification course for new adjusters that is approved by the department;

(B) an examination for new adjusters that is approved by the department; and

(C) a continuing education program that is approved by the department;

is not required to complete a preclicensing course as described in section 12(b)(5) of this chapter or pass a written examination under section 15 of this chapter before being licensed under this chapter.

SECTION 8. IC 27-1-28-19, AS ADDED BY P.L.11-2011, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 19. (a) Except as provided in subsection (b), an individual who holds a license under this chapter shall, every two (2) years, satisfactorily complete a minimum of twenty-four (24) hours of continuing education courses and report the completion of the courses to the commissioner.

(b) This section does not apply to the following:

(1) An individual who is licensed for less than twelve (12) months before the end of the applicable continuing education biennium.

(2) A licensed nonresident independent adjuster who has met the continuing education requirements of the licensed nonresident independent adjuster's designated home state.

(3) An individual holding a current claims certification if:

(A) the claims certification is issued by a national or state claims association whose certification program is approved by the department for purposes of this section;

(B) the number of hours of study required to complete the certification program described in clause (A) is not less than the number of hours of continuing education that an individual is required to complete every two (2) years under subsection (a);

(C) the content of the certification program described in clause (A):
(i) includes the content of the preclicensing course of study required by section 12(b)(5) of this chapter for the line of authority in which the individual has applied for or obtained licensing under this chapter; and
(ii) is made available for review

and audit by the commissioner through an electronic portal maintained by the association;
 (D) the claims association referred to in clause (A) is approved as a continuing education provider in Indiana;
 (E) the claims association referred to in clause (A) reports the individual's completion of the certification program described in clause (A) to the commissioner through an electronic portal maintained by the commissioner; and
 (F) the association, through an electronic portal maintained by the association, provides the commissioner access to the individual's transcript showing the individual's completion of the certification program described in clause (A).

SECTION 9. IC 27-1-34-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 1.5.** A multiple employer welfare arrangement may be established through an interlocal cooperation agreement under IC 36-1-7.

SECTION 10. IC 27-2-27 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 27. Insurance Data Security

Sec. 1. This chapter applies after June 30, 2021.

Sec. 2. As used in this chapter, "authorized individual" means an individual authorized by the licensee to have access to the nonpublic information held by the licensee and its information systems.

Sec. 3. As used in this chapter, "commissioner" refers to the insurance commissioner appointed under IC 27-1-1-2.

Sec. 4. As used in this chapter, "consumer" means a resident of Indiana whose nonpublic information is in a licensee's possession, custody, or control.

Sec. 5. As used in this chapter, "cybersecurity event" means an event resulting in unauthorized access to or a disruption or misuse of an information system or nonpublic information stored on the information system that has a reasonable likelihood of materially harming a consumer or any material part of the normal operations of the licensee. However, the term does not include the following:

(1) The unauthorized acquisition of encrypted nonpublic information if the encryption, process, or key is not also acquired, released, or used without authorization.

(2) An event in which a licensee has determined that the nonpublic information accessed by an unauthorized person has not been used or released and has been returned or destroyed.

Sec. 6. As used in this chapter, "department" means the department of insurance created by IC 27-1-1-1.

Sec. 7. As used in this chapter, "encrypted" means the transformation of data into a form that results in a low probability of assigning meaning without the use of a protective process or key.

Sec. 8. As used in this chapter, "information security program" means the administrative, technical, and physical safeguards that a licensee uses to access, collect, distribute, process, protect, store, use, transmit, dispose of, or otherwise handle nonpublic information.

Sec. 9. As used in this chapter, "information system"

means either of the following:

(1) A discrete set of electronic information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of nonpublic information.

(2) Any specialized system, such as industrial or process control systems, telephone switching systems, private exchange systems, and environmental control systems.

Sec. 10. (a) As used in this chapter, "licensee" means a person that is:

(1) licensed, authorized to operate, or registered; or

(2) required to be licensed, authorized to operate, or registered;

under this title and the rules adopted under this title.

(b) The term does not include any of the following:

(1) A purchasing group or risk retention group that is chartered and licensed in another state.

(2) A person that is:

(A) acting as an assuming insurer; and

(B) domiciled in a state or jurisdiction other than Indiana.

Sec. 11. As used in this chapter, "multi-factor authentication" means authentication through verification of at least two (2) of the following types of authentication factors:

(1) Knowledge factors, such as a password.

(2) Possession factors, such as a token or text message on a mobile phone.

(3) Inherence factors, such as a biometric characteristic.

Sec. 12. As used in this chapter, "nonpublic information" means electronic information that is not publicly available information and is described in either of the following subdivisions:

(1) Any information concerning a consumer, which because of name, number, personal mark, or other identifier can be used, in combination with any one (1) or more of the following data elements, to identify the consumer:

(A) Social Security number.

(B) Driver's license number or nondriver identification card number.

(C) Financial account number, credit card number, or debit card number.

(D) Any security code, access code, or password that would permit access to a consumer's financial account.

(E) Biometric records.

(2) Any information or data, except age or gender, in any form or medium created by or derived from a health care provider or a consumer that can be used to identify a consumer and relates to:

(A) the past, present, or future physical, mental, or behavioral health or condition of the consumer or a member of the consumer's family;

(B) the provision of health care to the consumer; or

(C) payment for the provision of health care provided to the

consumer.

Sec. 13. As used in this chapter, "publicly available information" means any information that a licensee has a reasonable basis to believe is lawfully made available to the general public from:

- (1) federal, state, or local government records;
- (2) widely distributed media; or
- (3) disclosures to the general public that are required to be made by federal, state, or local law.

Sec. 14. As used in this chapter, "risk assessment" means the assessment a licensee is required to conduct under section 17 of this chapter.

Sec. 15. As used in this chapter, "third party service provider" means a person that contracts with a licensee to maintain, process, store, or otherwise is permitted access to nonpublic information through its provision of services to the licensee.

Sec. 16. (a) A licensee shall develop, implement, and maintain a comprehensive, written information security program that:

- (1) is based on the risk assessment required under section 17 of this chapter; and
- (2) contains administrative, technical, and physical safeguards for the protection of nonpublic information and the licensee's information systems.

(b) An information security program must accomplish the following:

- (1) Protect the security and confidentiality of nonpublic information and information systems.
- (2) Protect against any threats or hazards to the security or integrity of nonpublic information and information systems.
- (3) Protect against unauthorized access to or use of nonpublic information and minimize the likelihood of harm to a consumer.
- (4) Define and periodically reevaluate a schedule for retention of nonpublic information and a procedure for its destruction when no longer needed.

Sec. 17. A licensee shall conduct a risk assessment of its information systems and treatment of nonpublic information by doing the following:

- (1) Designating one (1) or more employees, an affiliate, or an outside vendor designated to act on behalf of the licensee information security program.
- (2) Identifying reasonably foreseeable internal or external threats that could result in a cybersecurity event, including threats to information systems and nonpublic information held or accessed by third party service providers.
- (3) Assessing the likelihood and potential damage of the threats identified in subdivision (2), taking into consideration the sensitivity of the nonpublic information.
- (4) Assessing the sufficiency of the policies, procedures, information systems, and other safeguards currently in place to manage the threats identified in subdivision (2), including an assessment of threats in each relevant area of the licensee's operations, including the following:

- (A) Employee training and management.
- (B) Information systems, including network and software

design, and information classification, governance, processing, storage, transmission, and disposal.

(C) Procedures for detecting, preventing, and responding to cybersecurity events or other systems failures.

(5) Implementing information safeguards to manage the threats identified under subdivision (2), and assessing the effectiveness of the safeguards' key controls, systems, and procedures at least one (1) time each year.

Sec. 18. Based on the results of the risk assessment, a licensee shall do the following:

(1) Design its information security program to mitigate the identified risks, commensurate with:

- (A) the licensee's size and complexity;
- (B) the nature and scope of the licensee's activities; and
- (C) the sensitivity of the nonpublic information in the licensee's control.

(2) Determine and implement appropriate security measures, which may include the following:

- (A) Placing access controls on information systems, including controls to authenticate and permit only authorized individuals to have access to nonpublic information.
- (B) Identifying and managing the data, personnel, devices, systems, and facilities that enable the licensee to achieve business purposes in accordance with their relative importance to business objectives and risk strategy.
- (C) Restricting physical access to nonpublic information to authorized individuals only.
- (D) Protecting by encryption or other appropriate means all nonpublic information while being transmitted over an external network and all nonpublic information stored on a laptop computer or other portable computing or storage device or media.
- (E) Adopting secure development practices for in-house developed applications used by the licensee.
- (F) Modifying information systems in accordance with the licensee's information security program.
- (G) Using effective controls, which may include multi-factor authentication procedures for any employees accessing nonpublic information.
- (H) Regularly testing and monitoring systems and procedures to detect actual and

attempted attacks on, or intrusions into, information systems.

(I) Including audit trails within the information security program designed to detect and respond to a cybersecurity event and designed to reconstruct material financial transactions sufficient to support normal operations and obligations of the licensee.

(J) Implementing measures to protect against destruction, loss, or damage of nonpublic information due to environmental hazards, such as fire and water damage or other catastrophes or technological failures.

(K) Developing, implementing, and maintaining procedures for the secure disposal of nonpublic information in any format.

(3) Include cybersecurity risks in the licensee's enterprise risk management process.

(4) Stay informed regarding emerging threats or vulnerabilities.

(5) Use reasonable security measures when sharing information, relative to the character of the sharing and the type of information shared.

(6) Provide personnel with cybersecurity awareness training that is updated as necessary to reflect risks identified in the risk assessment.

Sec. 19. (a) If the licensee has a board of directors, the board of directors shall require the licensee's executive management or its delegates to develop, implement, and maintain the licensee's information security program.

(b) If the licensee's executive management delegates any of its responsibilities under this section, it shall:

(1) oversee the development, implementation, and maintenance of the licensee's information security program prepared by the delegate; and

(2) receive a report from the delegate concerning:

(A) the overall status of the information security program;

(B) the licensee's compliance with this chapter; and

(C) material matters related to the information security program addressing such issues as:

(i) risk assessment;

(ii) risk management and control decisions;

(iii) third party service provider arrangements;

(iv) results of testing;

(v) cybersecurity events and management's responses to cybersecurity events; and

(vi) recommendations for changes in the information security program.

Sec. 20. (a) As part of its information security program, a licensee shall establish a written incident response plan

designed to promptly respond to, and recover from, any cybersecurity event.

(b) An incident response plan must include the following:

(1) The internal process for responding to a cybersecurity event.

(2) The goals of the incident response plan.

(3) The definition of clear roles, responsibilities, and levels of decision making authority.

(4) External and internal communications and information sharing.

(5) Identification of requirements for the remediation of any identified weaknesses in information systems and associated controls.

(6) Documentation and reporting regarding cybersecurity events and related incident response activities.

(7) The evaluation and revision, as necessary, of the incident response plan.

(c) Annually, not later than April 15, each insurer domiciled in Indiana shall submit to the commissioner a written statement certifying that the insurer is in compliance with the requirements set forth in sections 16 through 19 of this chapter and this section. Each insurer shall maintain for examination by the department all records, schedules, and data supporting this certificate for a period of five (5) years. To the extent an insurer has identified areas, systems, or processes that require material improvement, updating, or redesign, the insurer shall document the identification of the areas, systems, or processes and the remedial efforts planned and underway to address the areas, systems, or processes. The documentation must be available for inspection by the commissioner.

Sec. 21. (a) If a licensee learns that a cybersecurity event has or may have occurred, the licensee, or an outside vendor or service provider designated to act on the licensee's behalf, shall conduct a prompt investigation. During the investigation, the licensee or outside vendor or service provider designated to act on the licensee's behalf shall:

(1) determine:

(A) whether a cybersecurity event has occurred;

(B) if so, the nature and scope of the cybersecurity event; and

(C) whether any nonpublic information may have been involved in the cybersecurity event; and

(2) perform or oversee reasonable measures to restore the security of the information systems compromised in the cybersecurity event in order to prevent further unauthorized acquisition, release, or use of nonpublic information in the licensee's possession, custody, or control.

(b) A licensee shall maintain records concerning all cybersecurity events for at least five (5) years after the date of the cybersecurity event. A licensee shall produce these records upon demand of the commissioner.

(c) A licensee shall notify the commissioner as promptly as possible but not later than three (3) business days after a determination that a cybersecurity event involving nonpublic information that is in the possession of the licensee has occurred if either of the following applies:

(1) Indiana is the licensee's state of domicile, if the licensee is an insurer, or the licensee's home state, if the licensee is a producer, and the cybersecurity event has a reasonable likelihood of materially harming a consumer

residing in Indiana or materially harming any material part of the normal operations of the licensee.

(2) The licensee reasonably believes that the nonpublic information of at least two hundred fifty (250) consumers residing in Indiana was affected by the cybersecurity event and that the cybersecurity event is either of the following:

(A) A cybersecurity event impacting the licensee of which notice is required to be provided by any other state, federal, or local law.

(B) A cybersecurity event that has a reasonable likelihood of materially harming:

(i) a consumer residing in Indiana; or

(ii) any material part of the normal operations of the licensee.

(d) After learning that a cybersecurity event has or may have occurred, a licensee shall provide as much of the following information as possible in electronic form, as directed by the commissioner:

(1) The date of the cybersecurity event.

(2) A description of how the information was exposed, lost, stolen, or breached, including the specific roles and responsibilities of any third party service providers.

(3) How the cybersecurity event was discovered.

(4) Whether any lost, stolen, or breached information has been recovered and, if so, how this was done.

(5) The identity of the source of the cybersecurity event.

(6) Whether the licensee has filed a police report or has notified any regulatory, government, or law enforcement agencies and, if so, when the notification was provided.

(7) A description of the specific types of information acquired without authorization. Specific types of information means particular data elements including, for example, types of medical information, types of financial information, or types of information allowing identification of the consumer.

(8) The period during which the information system was compromised by the cybersecurity event.

(9) The total number of consumers in Indiana affected by the cybersecurity event. The licensee shall provide the best estimate in the initial report to the commissioner and update this estimate with each subsequent report to the commissioner under this section.

(10) The results of any internal review:

(A) identifying a lapse in either automated controls or internal procedures; or

(B) confirming that all automated controls or internal procedures were followed.

(11) A description of efforts being undertaken to remediate the situation that permitted the cybersecurity event to occur.

(12) A copy of the licensee's privacy policy and a statement outlining the steps the

licensee will take to investigate and notify consumers affected by the cybersecurity event.

(13) The name of a contact person who is both familiar with the cybersecurity event and authorized to act for the licensee.

(e) The licensee has a continuing obligation to update and supplement initial and subsequent notifications to the commissioner regarding material changes to previously provided information relating to the cybersecurity event.

(f) A licensee shall comply with IC 24-4.9, as applicable, and provide a copy of the notice sent to consumers under IC 24-4.9 to the commissioner if the licensee is required to notify the commissioner under subsection (c).

(g) Nothing in this chapter abrogates or prevents an agreement between a licensee and:

(1) another licensee;

(2) a third party service provider; or

(3) any other party;

to fulfill any investigation requirements imposed under subsection (a) or notice requirements imposed under subsections (c) through (f).

Sec. 22. (a) In the case of a cybersecurity event involving nonpublic information that:

(1) is used by a licensee acting as an assuming insurer; or

(2) is in the possession, custody, or control of a licensee that:

(A) is acting as an assuming insurer; and

(B) does not have a direct contractual relationship with the affected consumers;

the assuming insurer shall notify its affected ceding insurers and the commissioner of its state of domicile within three (3) business days after making the determination that a cybersecurity event has occurred and the ceding insurers that have a direct contractual relationship with affected consumers shall fulfill the consumer notification requirements imposed under IC 24-4.9 and any other notification requirements relating to a cybersecurity event imposed under section 21(c) through 21(f) of this chapter.

(b) In the case of a cybersecurity event involving nonpublic information that is in the possession, custody, or control of a third party service provider of a licensee that is an assuming insurer:

(1) the assuming insurer shall notify its affected ceding insurers and the commissioner of its state of domicile within three (3) business days after receiving notice from its third party service provider that a cybersecurity event has occurred; and

(2) the ceding insurers that have a direct contractual relationship with affected consumers shall fulfill the consumer notification requirements imposed under IC 24-4.9 and any other notification requirements relating to a cybersecurity event imposed under section 21(c) through 21(f) of this chapter.

(c) Except for the obligations set forth in this section, a licensee acting as assuming insurer has no notice obligations relating to a cybersecurity event or other data breach under section 21 of this chapter or any other law of Indiana.

Sec. 23. (a) In the case of a cybersecurity event:

(1) that involves nonpublic information:

(A) that is in the possession, custody, or control of a licensee that is an insurer or its third party service provider; and

(B) for which a consumer

accessed the insurer's services through an independent insurance producer; and

(2) for which consumer notice is required by IC 24-4.9;

the insurer shall notify the producers of record of all affected consumers of the cybersecurity event not later than the time at which notice is provided to the affected consumers.

(b) The insurer is excused from the obligation set forth in subsection (a):

(1) for any producers who are not authorized by law or contract to sell, solicit, or negotiate on behalf of the insurer; and

(2) in those instances in which the insurer does not have the current producer of record information for an individual consumer.

Sec. 24. (a) The commissioner may examine and investigate into the affairs of any licensee to determine whether the licensee has been or is engaged in any conduct in violation of this chapter. This power is in addition to the other powers the commissioner has under this title. Any investigation or examination of a licensee under this section shall be conducted pursuant to IC 27-1.

(b) Whenever the commissioner has reason to believe that a licensee has been or is engaged in conduct in Indiana that violates this chapter, the commissioner may take action that is necessary or appropriate to enforce this chapter.

Sec. 25. (a) Any documents, materials, or other information in the control or possession of the department that are:

(1) furnished by a licensee or an employee or agent acting on behalf of a licensee under section 20(c), 21(d)(2) through 21(d)(5), 21(d)(8), or 21(d)(10) through 21(d)(11) of this chapter; or

(2) obtained by the commissioner in an investigation or examination under section 24 of this chapter;

are confidential by law and privileged, are not subject to IC 5-14-3, are not subject to subpoena, and are not subject to discovery or admissible in evidence in any private civil action. However, the commissioner is authorized to use the documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the commissioner's duties. The commissioner shall not otherwise make the documents, materials, or other information public without the prior written consent of the licensee.

(b) Neither the commissioner nor any person who received documents, materials, or other information while acting under the authority of the commissioner shall be permitted or required to testify in any private civil action concerning any confidential documents, materials, or other information subject to subsection (a).

(c) In order to assist in the performance of the commissioner's duties under this chapter, the commissioner:

(1) may share documents, materials, or other information, including the confidential and privileged documents, materials, or information subject to subsection (a), with other state, federal, and international regulatory agencies, with the NAIC and its affiliates or subsidiaries, and with state, federal, and international law enforcement authorities, provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the document, material, or other information;

(2) may receive documents, materials, or information, including otherwise confidential

and privileged documents, materials, or information, from the NAIC and its affiliates or subsidiaries and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any document, material, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information;

(3) may share documents, materials, or other information subject to subsection (a), with a third party consultant or vendor provided the consultant or vendor agrees in writing to maintain the confidentiality and privileged status of the document, material, or other information; and

(4) may enter into agreements governing sharing and use of information consistent with this subsection.

(d) No waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information shall occur as a result of disclosure to the commissioner under this section or as a result of sharing as authorized in subsection (c).

(e) Nothing in this chapter prohibits the commissioner from releasing final, adjudicated actions that are open to public inspection under IC 5-14-3 to a data base or other clearinghouse service maintained by the NAIC, its affiliates, or subsidiaries.

(f) Documents, materials, or other information in the possession or control of the NAIC or a third party consultant or vendor under this chapter shall be confidential by law and privileged, shall not be subject to IC 5-14-3, shall not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil action.

Sec. 26. (a) A licensee is exempt from sections 16 through 20 of this chapter if the licensee has:

(1) fewer than fifty (50) employees;

(2) less than five million dollars (\$5,000,000) in gross annual revenue; or

(3) less than ten million dollars (\$10,000,000) in year-end total assets.

(b) A licensee that:

(1) is subject to the federal Health Insurance Portability and Accountability Act (Pub.L. 104-191, 110 Stat. 1936, enacted August 21, 1996); and

(2) has established and maintains an information security program pursuant to that federal act and the regulations, procedures, or guidelines established under that act;

will be considered as meeting the requirements of this chapter, except for the notice requirements described in section 21 of this chapter.

(c) An individual who:

(1) is an employee, agent, representative, or designee of a licensee; and

(2) is also a licensee;

is exempt from sections 16 through 20 of this chapter and need not develop the individual's own information security program to the extent that the individual is covered by the information security program of the licensee of which the individual is an employee, agent, representative, or designee.

(d) A licensee shall be considered to have complied with sections 16 through 20 of this chapter if the licensee is affiliated with a financial institution (as defined in 15 U.S.C.

6809) that maintains an information security program in compliance with the Interagency Guidelines Establishing Standards for Safeguarding Consumer Information adopted under Sections 501 and 505(b) of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 and 6805(b)).

(e) If a licensee ceases to qualify for an exception under subsection (a), (b), (c), or (d), the licensee must comply with sections 16 through 20 of this chapter not more than one hundred eighty (180) days after the licensee ceases to qualify for the exception.

Sec. 27. If a licensee violates this chapter, the insurance commissioner may, after notice and hearing under IC 4-21.5, suspend or revoke the license, certificate of authority, or registration of the licensee.

Sec. 28. The insurance commissioner may adopt rules under IC 4-22-2 to carry out the provisions of this chapter.

Sec. 29. This chapter does not create a private right of action against any person.

Sec. 30. Notwithstanding any other provision of law, this chapter establishes the exclusive state standards applying to licensees for:

- (1) data security;
- (2) the investigation of a cybersecurity event; and
- (3) notification to the insurance commissioner concerning a cybersecurity event.

Sec. 31. The requirements of this chapter do not apply to a financial institution (as defined in 15 U.S.C. 6809), except to the extent the financial institution transacts insurance business.

Sec. 32. (a) A licensee that satisfies the requirements of this chapter is entitled to an affirmative defense to any cause of action sounding in tort that:

- (1) is brought under the laws or in the courts of this state; and
- (2) alleges that the failure to implement reasonable information security controls resulted in a data breach concerning nonpublic information.

(b) The affirmative defense available under this section does not limit any other affirmative defenses available to a licensee.

SECTION 11. IC 27-6-10 IS REPEALED [EFFECTIVE JULY 1, 2020]. (Credit for Reinsurance).

SECTION 12. IC 27-6-10.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 10.1. Credit for Reinsurance

Sec. 1. (a) The purpose of this chapter is to protect the interest of insureds, claimants, ceding insurers, assuming insurers, and the public generally.

(b) The general assembly declares that its intent is to ensure adequate regulation of insurers and reinsurers and adequate protection for those to whom they owe obligations. In furtherance of that state interest, the general assembly provides a mandate that upon the insolvency of a non-U.S. insurer or reinsurer that provides security to fund its U.S. obligations in accordance with this chapter, the assets representing the security shall be maintained in the United States and claims shall be filed with and valued by the state insurance commissioner with regulatory oversight, and the assets shall be distributed, in accordance with the insurance laws of the state in which the trust is domiciled that are applicable to the liquidation of domestic U.S. insurance companies.

(c) The general assembly declares that the matters contained in this chapter are fundamental to the business of insurance in accordance with 15 U.S.C. 1011 through 15 U.S.C. 1012.

Sec. 2. Credit Allowed a Domestic Ceding Insurer. Credit for reinsurance shall be allowed a domestic ceding insurer

as either an asset or a reduction from liability on account of reinsurance ceded only when the reinsurer meets the requirements of Subsection A, B, C, D, E, F, or G; provided further, that the insurance commissioner may adopt by regulation pursuant to Section 5B of this chapter specific additional requirements relating to or setting forth: (1) the valuation of assets or reserve credits; (2) the amount and forms of security supporting reinsurance arrangements described in Section 5B of this chapter; and/or (3) the circumstances pursuant to which credit will be reduced or eliminated. Credit shall be allowed under Subsection A, B, or C only as respects cessions of those kinds or classes of business which the assuming insurer is licensed or otherwise permitted to write or assume in its state of domicile or, in the case of a U.S. branch of an alien assuming insurer, in the state through which it is entered and licensed to transact insurance or reinsurance. Credit shall be allowed under Subsection C or D only if the applicable requirements of Subsection H have been satisfied.

A. Credit shall be allowed when the reinsurance is ceded to an assuming insurer that is licensed to transact insurance or reinsurance in Indiana.

B. Credit shall be allowed when the reinsurance is ceded to an assuming insurer that is accredited by the insurance commissioner as a reinsurer in Indiana. In order to be eligible for accreditation, a reinsurer must:

- (1) file with the insurance commissioner evidence of its submission to Indiana's jurisdiction;
- (2) submit to Indiana's authority to examine its books and records;
- (3) be licensed to transact insurance or reinsurance in at least one (1) state, or in the case of a U.S. branch of an alien assuming insurer, be entered through and licensed to transact insurance or reinsurance in at least one (1) state;
- (4) file annually with the insurance commissioner a copy of its annual statement filed with the insurance department of its state of domicile and a copy of its most recent audited financial statement; and
- (5) demonstrate to the satisfaction of the insurance commissioner that it has adequate financial capacity to meet its reinsurance obligations and is otherwise qualified to assume reinsurance from domestic insurers.

An assuming insurer is deemed to meet this requirement as of the time of its application if it maintains a surplus as regards policyholders in an amount not less than twenty million dollars (\$20,000,000) and its accreditation has not been denied by the insurance commissioner within ninety (90) days after submission of its application.

C. (1) Credit shall be allowed when the reinsurance is ceded to an assuming insurer that is domiciled in, or in the case of a U.S. branch of an alien assuming insurer is entered through, a state that employs standards regarding credit for reinsurance substantially similar to those applicable under this statute and the assuming insurer or U.S. branch of an alien assuming insurer:

- (a) maintains a surplus as regards policyholders in an amount not less than twenty million dollars (\$20,000,000);

and
 (b) submits to the authority of Indiana to examine its books and records.

(2) The requirement of Paragraph (1)(a) of this subsection does not apply to reinsurance ceded and assumed pursuant to pooling arrangements among insurers in the same holding company system.

D. (1) Credit shall be allowed when the reinsurance is ceded to an assuming insurer that maintains a trust fund in a qualified U.S. financial institution, as defined in Section 4B of this chapter, for the payment of the valid claims of its U.S. ceding insurers, their assigns, and successors in interest. To enable the insurance commissioner to determine the sufficiency of the trust fund, the assuming insurer shall report annually to the insurance commissioner information substantially the same as that required to be reported on the NAIC Annual Statement form by licensed insurers. The assuming insurer shall submit to examination of its books and records by the insurance commissioner and bear the expense of examination.

(2) (a) Credit for reinsurance shall not be granted under this subsection unless the form of the trust and any amendments to the trust have been approved by:

(i) the insurance commissioner of the state where the trust is domiciled; or

(ii) the insurance commissioner of another state who, pursuant to the terms of the trust instrument, has accepted principal regulatory oversight of the trust.

(b) The form of the trust and any trust amendments also shall be filed with the insurance commissioner of every state in which the ceding insurer beneficiaries of the trust are domiciled. The trust instrument shall provide that contested claims shall be valid and enforceable upon the final order of any court of competent jurisdiction in the United States. The trust shall vest legal title to its assets in its trustees for the benefit of the assuming insurer's U.S. ceding insurers, their assigns, and successors in interest. The trust and the assuming insurer shall be subject to examination as determined by the insurance commissioner.

(c) The trust shall remain in effect for as long as the assuming insurer has outstanding obligations due under the reinsurance agreements subject to the trust. No later than February 28 of each year the trustee of the trust shall report to the insurance commissioner in writing the balance of the trust, provide a listing of the trust's investments at the preceding year

end, and certify the date of termination of the trust, if so planned, or certify that the trust will not expire prior to the following December 31.

(3) The following requirements apply to the following categories of assuming insurer:

(a) The trust fund for a single assuming insurer shall consist of funds in trust in an amount not less than the assuming insurer's liabilities attributable to reinsurance ceded by U.S. ceding insurers, and, in addition, the assuming insurer shall maintain a trustee surplus of not less than twenty million dollars (\$20,000,000), except as provided in Paragraph 3(b) of this subsection.

(b) At any time after the assuming insurer has permanently discontinued underwriting new business secured by the trust for at least three (3) full years, the insurance commissioner with principal regulatory oversight of the trust may authorize a reduction in the required trustee surplus, but only after a finding, based on an assessment of the risk, that the new required surplus level is adequate for the protection of U.S. ceding insurers, policyholders, and claimants in light of reasonably foreseeable adverse loss development. The risk assessment may involve an actuarial review, including an independent analysis of reserves and cash flows, and shall consider all material risk factors, including when applicable the lines of business involved, the stability of the incurred loss estimates and the effect of the surplus requirements on the assuming insurer's liquidity or solvency. The minimum required trustee surplus may not be reduced to an amount less than thirty percent (30%) of the assuming insurer's liabilities attributable to reinsurance ceded by U.S. ceding insurers covered by the trust.

(c) (i) In the case of a group including incorporated and individual unincorporated underwriters:

(I) for reinsurance ceded under reinsurance agreements with an inception, amendment, or renewal date on or after January 1, 1993, the trust shall consist of a trustee account in an amount not less than the respective underwriters' several

liabilities attributable to business ceded by U.S. domiciled ceding insurers to any underwriter of the group;

(II) for reinsurance ceded under reinsurance agreements with an inception date on or before December 31, 1992, and not amended or renewed after that date, notwithstanding the other provisions of this chapter, the trust shall consist of a trusteed account in an amount not less than the respective underwriters' several insurance and reinsurance liabilities attributable to business written in the United States; and

(III) in addition to these trusts, the group shall maintain in trust a trusteed surplus of which one hundred million dollars (\$100,000,000) shall be held jointly for the benefit of the U.S. domiciled ceding insurers of any member of the group for all years of account; and

(ii) the incorporated members of the group shall not be engaged in any business other than underwriting as a member of the group and shall be subject to the same level of regulation and solvency control by the group's domiciliary regulator as are the unincorporated members; and

(iii) within ninety (90) days after its financial statements are due to be filed with the group's domiciliary regulator, the group shall provide to the insurance commissioner an annual certification by the group's domiciliary regulator of the solvency of each underwriter member; or if a certification is unavailable, financial statements, prepared by independent public accountants, of each underwriter member of the group.

(d) In the case of a group of incorporated underwriters under common administration, the group shall:

(i) have continuously transacted an insurance business outside the United States for at least three (3) years immediately prior to making application for accreditation;

(ii) maintain aggregate policyholders' surplus of at least ten billion dollars (\$10,000,000,000);

(iii) maintain a trust fund in an amount not less than the group's several liabilities attributable to business ceded by U.S. domiciled ceding insurers to any member of the group pursuant to reinsurance contracts issued in

the name of the group;

(iv) in addition, maintain a joint trusteed surplus of which one hundred million dollars (\$100,000,000) shall be held jointly for the benefit of U.S. domiciled ceding insurers of any member of the group as additional security for these liabilities; and

(v) within ninety (90) days after its financial statements are due to be filed with the group's domiciliary regulator, make available to the insurance commissioner an annual certification of each underwriter member's solvency by the member's domiciliary regulator and financial statements of each underwriter member of the group prepared by its independent public accountant.

E. Credit shall be allowed when the reinsurance is ceded to an assuming insurer that has been certified by the insurance commissioner as a reinsurer in Indiana and secures its obligations in accordance with the requirements of this subsection.

(1) In order to be eligible for certification, the assuming insurer shall meet all of the following requirements:

(a) The assuming insurer must be domiciled and licensed to transact insurance or reinsurance in a qualified jurisdiction, as determined by the insurance commissioner pursuant to Paragraph (3) of this subsection.

(b) The assuming insurer must maintain minimum capital and surplus, or its equivalent, in an amount to be determined by the insurance commissioner pursuant to regulation.

(c) The assuming insurer must maintain financial strength ratings from two (2) or more rating agencies deemed acceptable by the insurance commissioner pursuant to regulation.

(d) The assuming insurer must agree to submit to the jurisdiction of Indiana, appoint the insurance commissioner as its agent for service of process in Indiana, and agree to provide security for one hundred percent (100%) of the assuming insurer's liabilities attributable to reinsurance ceded by U.S. ceding insurers if it resists enforcement of a final U.S. judgment.

(e) The assuming insurer must agree to meet applicable information filing requirements as determined by the insurance commissioner, both with respect

to an initial application for certification and on an ongoing basis.

(f) The assuming insurer must satisfy any other requirements for certification deemed relevant by the insurance commissioner.

(2) An association including incorporated and individual unincorporated underwriters may be a certified reinsurer. In order to be eligible for certification, in addition to satisfying requirements of Paragraph (1) of this subsection:

(a) the association shall satisfy its minimum capital and surplus requirements through the capital and surplus equivalents (net of liabilities) of the association and its members, which shall include a joint central fund that may be applied to any unsatisfied obligation of the association or any of its members, in an amount determined by the insurance commissioner to provide adequate protection;

(b) the incorporated members of the association shall not be engaged in any business other than underwriting as a member of the association and shall be subject to the same level of regulation and solvency control by the association's domiciliary regulator as are the unincorporated members; and

(c) within ninety (90) days after its financial statements are due to be filed with the association's domiciliary regulator, the association shall provide to the insurance commissioner an annual certification by the association's domiciliary regulator of the solvency of each underwriter member; or if a certification is unavailable, financial statements, prepared by independent public accountants, of each underwriter member of the association.

(3) The insurance commissioner shall create and publish a list of qualified jurisdictions, under which an assuming insurer licensed and domiciled in such jurisdiction is eligible to be considered for certification by the insurance commissioner as a certified reinsurer.

(a) In order to determine whether the domiciliary jurisdiction of a non-U.S. assuming insurer is eligible to be recognized as a qualified jurisdiction, the insurance commissioner shall evaluate the appropriateness and effectiveness of the reinsurance supervisory system of the jurisdiction, both initially and on an ongoing basis, and consider the rights, benefits and the extent

of reciprocal recognition afforded by the non-U.S. jurisdiction to reinsurers licensed and domiciled in the U.S. A qualified jurisdiction must agree to share information and cooperate with the insurance commissioner with respect to all certified reinsurers domiciled within that jurisdiction. A jurisdiction may not be recognized as a qualified jurisdiction if the insurance commissioner has determined that the jurisdiction does not adequately and promptly enforce final U.S. judgments and arbitration awards. Additional factors may be considered in the discretion of the insurance commissioner.

(b) A list of qualified jurisdictions shall be published through the NAIC Committee Process. The insurance commissioner shall consider this list in determining qualified jurisdictions. If the insurance commissioner approves a jurisdiction as qualified that does not appear on the list of qualified jurisdictions, the commissioner shall provide thoroughly documented justification in accordance with criteria to be developed under regulations.

(c) U.S. jurisdictions that meet the requirement for accreditation under the NAIC financial standards and accreditation program shall be recognized as qualified jurisdictions.

(d) If a certified reinsurer's domiciliary jurisdiction ceases to be a qualified jurisdiction, the insurance commissioner has the discretion to suspend the reinsurer's certification indefinitely, in lieu of revocation.

(4) The insurance commissioner shall assign a rating to each certified reinsurer, giving due consideration to the financial strength ratings that have been assigned by rating agencies deemed acceptable to the insurance commissioner pursuant to regulation. The insurance commissioner shall publish a list of all certified reinsurers and their ratings.

(5) A certified reinsurer shall secure obligations assumed from U.S. ceding insurers under this subsection at a level consistent with its rating, as specified in regulations promulgated by the insurance commissioner.

(a) In order for a domestic ceding insurer to qualify for full financial statement credit for reinsurance ceded to a certified reinsurer, the certified reinsurer

shall maintain security in a form acceptable to the insurance commissioner and consistent with the provisions of Section 3 of this chapter, or in a multibeneficiary trust in accordance with Subsection D, except as otherwise provided in this subsection.

(b) If a certified reinsurer maintains a trust to fully secure its obligations subject to Subsection D, and chooses to secure its obligations incurred as a certified reinsurer in the form of a multibeneficiary trust, the certified reinsurer shall maintain separate trust accounts for its obligations incurred under reinsurance agreements issued or renewed as a certified reinsurer with reduced security as permitted by this subsection or comparable laws of other U.S. jurisdictions and for its obligations subject to Subsection D. It shall be a condition to the grant of certification under this subsection that the certified reinsurer shall have bound itself, by the language of the trust and agreement with the insurance commissioner with principal regulatory oversight of each such trust account, to fund, upon termination of any such trust account, out of the remaining surplus of such trust any deficiency of any other such trust account.

(c) The minimum trustee surplus requirements provided in Subsection D are not applicable with respect to a multibeneficiary trust maintained by a certified reinsurer for the purpose of securing obligations incurred under this subsection, except that such trust shall maintain a minimum trustee surplus of ten million dollars (\$10,000,000).

(d) With respect to obligations incurred by a certified reinsurer under this subsection, if the security is insufficient, the insurance commissioner shall reduce the allowable credit by an amount proportionate to the deficiency, and has the discretion to impose further reductions in allowable credit upon finding that there is a material risk that the certified reinsurer's obligations will not be paid in full when due.

(e) For purposes of this subsection, a certified reinsurer whose certification has been terminated for any reason shall be treated as a certified reinsurer required to secure one hundred

percent (100%) of its obligations.

(i) As used in this subsection, the term "terminated" refers to revocation, suspension, voluntary surrender, and inactive status.

(ii) If the insurance commissioner continues to assign a higher rating as permitted by other provisions of this section, this requirement does not apply to a certified reinsurer in inactive status or to a reinsurer whose certification has been suspended.

(6) If an applicant for certification has been certified as a reinsurer in an NAIC accredited jurisdiction, the insurance commissioner has the discretion to defer to that jurisdiction's certification, and has the discretion to defer to the rating assigned by that jurisdiction, and such assuming insurer shall be considered to be a certified reinsurer in Indiana.

(7) A certified reinsurer that ceases to assume new business in Indiana may request to maintain its certification in inactive status in order to continue to qualify for a reduction in security for its in force business. An inactive certified reinsurer shall continue to comply with all applicable requirements of this subsection, and the insurance commissioner shall assign a rating that takes into account, if relevant, the reasons why the reinsurer is not assuming new business.

F. (1) Credit shall be allowed when the reinsurance is ceded to an assuming insurer meeting each of the conditions set forth below.

(a) The assuming insurer must have its head office or be domiciled in, as applicable, and be licensed in a Reciprocal Jurisdiction. A "Reciprocal Jurisdiction" is a jurisdiction that meets one (1) of the following:

(i) A non-U.S. jurisdiction that is subject to an in force covered agreement with the United States, each within its legal authority, or, in the case of a covered agreement between the United States and European Union, is a member state of the European Union. For purposes of this subsection, a "covered agreement" is an agreement entered into pursuant to Dodd-Frank Wall Street Reform and Consumer Protection Act, 31 U.S.C. 313 and 31 U.S.C 314, that is currently in effect or in a period of provisional application and addresses the elimination, under specified conditions, of collateral requirements as a condition for entering into any reinsurance agreement with a ceding insurer domiciled in

Indiana or for allowing the ceding insurer to recognize credit for reinsurance.

(ii) A U.S. jurisdiction that meets the requirements for accreditation under the NAIC financial standards and accreditation program.

(iii) A qualified jurisdiction, as determined by the insurance commissioner pursuant to Subsection E(3), which is not otherwise described in Subparagraphs (a)(i) or (a)(ii) and which meets certain additional requirements, consistent with the terms and conditions of in force covered agreements, as specified by the insurance commissioner in regulation.

(b) The assuming insurer must have and maintain, on an ongoing basis, minimum capital and surplus, or its equivalent, calculated according to the methodology of its domiciliary jurisdiction, in an amount to be set forth in regulation. If the assuming insurer is an association, including incorporated and individual unincorporated underwriters, it must have and maintain, on an ongoing basis, minimum capital and surplus equivalents (net of liabilities), calculated according to the methodology applicable in its domiciliary jurisdiction, and a central fund containing a balance in amounts to be set forth in regulation.

(c) The assuming insurer must have and maintain, on an ongoing basis, a minimum solvency or capital ratio, as applicable, which will be set forth in regulation. If the assuming insurer is an association, including incorporated and individual unincorporated underwriters, it must have and maintain, on an ongoing basis, a minimum solvency or capital ratio in the Reciprocal Jurisdiction where the assuming insurer has its head office or is domiciled, as applicable, and is also licensed.

(d) The assuming insurer must agree and provide adequate assurance to the insurance commissioner, in a form specified by the insurance commissioner pursuant to regulation, as follows:

(i) The assuming insurer must provide prompt written notice and explanation to the insurance commissioner if it falls below the minimum requirements set forth

in Subparagraph (b) or (c) of this section, or if any regulatory action is taken against it for serious noncompliance with applicable law.

(ii) The assuming insurer must consent in writing to the jurisdiction of the courts of Indiana and to the appointment of the insurance commissioner as agent for service of process. The insurance commissioner may require that consent for service of process be provided to the insurance commissioner and included in each reinsurance agreement. Nothing in this provision shall limit, or in any way alter, the capacity of parties to a reinsurance agreement to agree to alternative dispute resolution mechanisms, except to the extent such agreements are unenforceable under applicable insolvency or delinquency laws.

(iii) The assuming insurer must consent in writing to pay all final judgments, wherever enforcement is sought, obtained by a ceding insurer or its legal successor, that have been declared enforceable in the jurisdiction where the judgment was obtained.

(iv) Each reinsurance agreement must include a provision requiring the assuming insurer to provide security in an amount equal to one hundred percent (100%) of the assuming insurer's liabilities attributable to reinsurance ceded pursuant to that agreement if the assuming insurer resists enforcement of a final judgment that is enforceable under the law of the jurisdiction in which it was obtained or a properly enforceable arbitration award, whether obtained by the ceding insurer or by its legal successor on behalf of its resolution estate.

(v) The assuming insurer must confirm that it is not presently participating in any solvent scheme of arrangement which involves Indiana's ceding insurers, and agree to notify the ceding insurer and the insurance commissioner and to provide security in an amount equal to one hundred percent (100%) of the assuming insurer's liabilities to the ceding insurer, should the assuming insurer enter into such a solvent scheme of arrangement. Such security shall be in a form consistent with the provisions of Subsection E and Section 3 of this chapter and as specified by the insurance

commissioner in regulation.

(e) The assuming insurer or its legal successor must provide, if requested by the insurance commissioner, on behalf of itself and any legal predecessors, certain documentation to the insurance commissioner, as specified by the insurance commissioner in regulation.

(f) The assuming insurer must maintain a practice of prompt payment of claims under reinsurance agreements, pursuant to criteria set forth in regulation.

(g) The assuming insurer's supervisory authority must confirm to the insurance commissioner on an annual basis, as of the preceding December 31 or at the annual date otherwise statutorily reported to the Reciprocal Jurisdiction, that the assuming insurer complies with the requirements set forth in Subparagraphs (b) and (c) of this section.

(h) Nothing in this provision precludes an assuming insurer from providing the insurance commissioner with information on a voluntary basis.

(2) The insurance commissioner shall timely create and publish a list of Reciprocal Jurisdictions.

(a) A list of Reciprocal Jurisdictions is published through the NAIC Committee Process. The insurance commissioner's list shall include any Reciprocal Jurisdiction as defined under Subsection F(1)(a)(i) and F(1)(a)(ii), and shall consider any other Reciprocal Jurisdiction included on the NAIC list. The insurance commissioner may approve a jurisdiction that does not appear on the NAIC list of Reciprocal Jurisdictions in accordance with criteria to be developed under regulations issued by the insurance commissioner.

(b) The insurance commissioner may remove a jurisdiction from the list of Reciprocal Jurisdictions upon a determination that the jurisdiction no longer meets the requirements of a Reciprocal Jurisdiction, in accordance with a process set forth in regulations issued by the insurance commissioner, except that the insurance commissioner shall not remove from the list a Reciprocal Jurisdiction as defined under Subsection F(1)(a)(i) and F(1)(a)(ii). Upon removal of a Reciprocal Jurisdiction from this

list credit for reinsurance ceded to an assuming insurer which has its home office or is domiciled in that jurisdiction shall be allowed, if otherwise allowed pursuant to Indiana law.

(3) The insurance commissioner shall timely create and publish a list of assuming insurers that have satisfied the conditions set forth in this subsection and to which cessions shall be granted credit in accordance with this subsection. The insurance commissioner may add an assuming insurer to such list if an NAIC accredited jurisdiction has added such assuming insurer to a list of such assuming insurers or if, upon initial eligibility, the assuming insurer submits the information to the insurance commissioner as required under Paragraph (1)(d) of this subsection and complies with any additional requirements that the insurance commissioner may impose by regulation, except to the extent that they conflict with an applicable covered agreement.

(4) If the insurance commissioner determines that an assuming insurer no longer meets one (1) or more of the requirements under this subsection, the insurance commissioner may revoke or suspend the eligibility of the assuming insurer for recognition under this subsection in accordance with procedures set forth in regulation.

(a) While an assuming insurer's eligibility is suspended, no reinsurance agreement issued, amended, or renewed after the effective date of the suspension qualifies for credit except to the extent that the assuming insurer's obligations under the contract are secured in accordance with Section 3 of this chapter.

(b) If an assuming insurer's eligibility is revoked, no credit for reinsurance may be granted after the effective date of the revocation with respect to any reinsurance agreements entered into by the assuming insurer, including reinsurance agreements entered into prior to the date of revocation, except to the extent that the assuming insurer's obligations under the contract are secured in a form acceptable to the insurance commissioner and consistent with the provisions of Section 3 of this chapter.

(5) If subject to a legal process of rehabilitation, liquidation, or conservation, as applicable, the ceding insurer, or its representative, may seek and, if determined appropriate by the court in which the proceedings are pending, may obtain an order requiring that the assuming insurer post security for all outstanding ceded liabilities.

(6) Nothing in this subsection shall limit or in

any way alter the capacity of parties to a reinsurance agreement to agree on requirements for security or other terms in that reinsurance agreement, except as expressly prohibited by this chapter or other applicable law or regulation.

(7) Credit may be taken under this subsection only for reinsurance agreements entered into, amended, or renewed on or after the effective date of the statute adding this subsection, and only with respect to losses incurred and reserves reported on or after the later of: (i) the date on which the assuming insurer has met all eligibility requirements pursuant to Subsection F(1) herein; and (ii) the effective date of the new reinsurance agreement, amendment, or renewal.

(a) This paragraph does not alter or impair a ceding insurer's right to take credit for reinsurance, to the extent that credit is not available under this subsection, as long as the reinsurance qualifies for credit under any other applicable provision of this chapter.

(b) Nothing in this subsection shall authorize an assuming insurer to withdraw or reduce the security provided under any reinsurance agreement except as permitted by the terms of the agreement.

(c) Nothing in this subsection shall limit, or in any way alter, the capacity of parties to any reinsurance agreement to renegotiate the agreement.

G. Credit shall be allowed when the reinsurance is ceded to an assuming insurer not meeting the requirements of Subsection A, B, C, D, E, or F, but only as to the insurance of risks located in jurisdictions where the reinsurance is required by applicable law or regulation of that jurisdiction.

H. If the assuming insurer is not licensed, accredited or certified to transact insurance or reinsurance in Indiana, the credit permitted by Subsections C and D shall not be allowed unless the assuming insurer agrees in the reinsurance agreements:

(1) (a) That in the event of the failure of the assuming insurer to perform its obligations under the terms of the reinsurance agreement, the assuming insurer, at the request of the ceding insurer, shall submit to the jurisdiction of any court of competent jurisdiction in any state of the United States, will comply with all requirements necessary to give the court jurisdiction, and will abide by the final decision of the court or of any appellate court in the event of an appeal; and

(b) To designate the insurance commissioner or a designated attorney as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the ceding insurer.

(2) This subsection is not intended to conflict with or override the obligation of the parties to a reinsurance agreement to arbitrate their disputes, if this obligation is created in the agreement.

I. If the assuming insurer does not meet the requirements of Subsection A, B, C, or F, the credit permitted by Subsection D or E shall not be allowed unless the assuming insurer agrees in the trust agreements to all of the following conditions:

(1) Notwithstanding any other provisions in the trust instrument, if the trust fund is inadequate because it contains an amount less than the amount required by Subsection D(3), or if the grantor of the trust has been declared insolvent or placed into receivership, rehabilitation, liquidation, or similar proceedings under the laws of its state or country of domicile, the trustee shall comply with an order of the insurance commissioner with regulatory oversight over the trust or with an order of a court of competent jurisdiction directing the trustee to transfer to the insurance commissioner with regulatory oversight all of the assets of the trust fund.

(2) The assets shall be distributed by and claims shall be filed with and valued by the insurance commissioner with regulatory oversight in accordance with the laws of the state in which the trust is domiciled that are applicable to the liquidation of domestic insurance companies.

(3) If the insurance commissioner with regulatory oversight determines that the assets of the trust fund or any part thereof are not necessary to satisfy the claims of the U.S. ceding insurers of the grantor of the trust, the assets or part thereof shall be returned by the insurance commissioner with regulatory oversight to the trustee for distribution in accordance with the trust agreement.

(4) The grantor shall waive any right otherwise available to it under U.S. law that is inconsistent with this provision.

J. If an accredited or certified reinsurer ceases to meet the requirements for accreditation or certification, the insurance commissioner may suspend or revoke the reinsurer's accreditation or certification.

(1) The insurance commissioner must give the reinsurer notice and opportunity for hearing. The suspension or revocation may not take effect until after the insurance commissioner's order on hearing, unless:

(a) the reinsurer waives its right to hearing;

(b) the insurance commissioner's order is based on regulatory action by the reinsurer's domiciliary jurisdiction or the voluntary surrender or termination of the reinsurer's eligibility to transact insurance or reinsurance business in its domiciliary jurisdiction or in the primary certifying state of the reinsurer under Subsection E(6); or

(c) the insurance commissioner finds that an emergency requires immediate action and a court of competent jurisdiction has not stayed the insurance commissioner's action.

(2) While a reinsurer's accreditation or certification is suspended, no reinsurance contract issued or renewed after the effective date of the suspension qualifies for credit except to the extent that the reinsurer's obligations under the contract are secured in accordance with Section 3 of this chapter. If a reinsurer's accreditation or certification is revoked, no credit for reinsurance may be granted after the effective date of the revocation except to the extent that the reinsurer's obligations under the contract are secured in accordance with Subsection E(5) or Section 3 of this chapter.

K. Concentration Risk.

(1) A ceding insurer shall take steps to manage its reinsurance recoverables proportionate to its own book of business. A domestic ceding insurer shall notify the insurance commissioner within thirty (30) days after reinsurance recoverables from any single assuming insurer, or group of affiliated assuming insurers, exceeds fifty percent (50%) of the domestic ceding insurer's last reported surplus to policyholders, or after it is determined that reinsurance recoverables from any single assuming insurer, or group of affiliated assuming insurers, is likely to exceed this limit. The notification shall demonstrate that the exposure is safely managed by the domestic ceding insurer.

(2) A ceding insurer shall take steps to diversify its reinsurance program. A domestic ceding insurer shall notify the insurance commissioner within thirty (30) days after ceding to any single assuming insurer, or group of affiliated assuming insurers, more than twenty percent (20%) of the ceding insurer's gross written premium in the prior calendar year, or after it has determined that the reinsurance ceded to any single assuming insurer, or group of affiliated assuming insurers, is likely to exceed this limit. The notification shall demonstrate that the exposure is safely managed by the domestic ceding insurer.

Sec. 3. Asset or Reduction from Liability for Reinsurance Ceded by a Domestic Insurer to an Assuming Insurer not Meeting the Requirements of Section 2 of this chapter. An asset or a reduction from liability for the reinsurance ceded by a domestic insurer to an assuming insurer not meeting the requirements of Section 2 of this chapter shall be allowed in an amount not exceeding the liabilities carried by the ceding insurer; provided further, that the insurance commissioner may adopt by regulation pursuant to Section 5B of this chapter specific additional requirements relating to or setting forth: (1) the valuation of assets or reserve credits; (2) the amount and forms of security supporting reinsurance arrangements described in Section 5B of this chapter; and/or (3) the circumstances pursuant to which credit will be reduced or eliminated. The reduction shall be in the amount of funds held by or on behalf of the ceding insurer, including funds held in trust for the ceding insurer, under a reinsurance contract with the assuming insurer as security for the payment of obligations thereunder, if the

security is held in the United States subject to withdrawal solely by, and under the exclusive control of, the ceding insurer; or, in the case of a trust, held in a qualified U.S. financial institution, as defined in Section 4B of this chapter. This security may be in the form of:

A. cash;

B. securities listed by the Securities Valuation Office of the NAIC, including those deemed exempt from filing as defined by the Purposes and Procedures Manual of the Securities Valuation Office, and qualifying as admitted assets;

C. (1) clean, irrevocable, unconditional letters of credit, issued or confirmed by a qualified U.S. financial institution, as defined in Section 4A of this chapter, effective no later than December 31 of the year for which the filing is being made, and in the possession of, or in trust for, the ceding insurer on or before the filing date of its annual statement; (2) letters of credit meeting applicable standards of issuer acceptability as of the dates of their issuance (or confirmation) shall, notwithstanding the issuing (or confirming) institution's subsequent failure to meet applicable standards of issuer acceptability, continue to be acceptable as security until their expiration, extension, renewal, modification, or amendment, whichever first occurs; or

D. any other form of security acceptable to the insurance commissioner.

Sec. 4. Qualified U.S. Financial Institutions

A. For purposes of Section 3C of this chapter, a "qualified U.S. financial institution" means an institution that:

(1) is organized or (in the case of a U.S. office of a foreign banking organization) licensed, under the laws of the United States or any state thereof;

(2) is regulated, supervised, and examined by U.S. federal or state authorities having regulatory authority over banks and trust companies; and

(3) has been determined by either the commissioner or the Securities Valuation Office of the NAIC to meet such standards of financial condition and standing as are considered necessary and appropriate to regulate the quality of financial institutions whose letters of credit will be acceptable to the commissioner.

B. A "qualified U.S. financial institution" means, for purposes of those provisions of this chapter specifying those institutions that are eligible to act as a fiduciary of a trust, an institution that:

(1) is organized, or, in the case of a U.S. branch or agency office of a foreign banking organization, licensed, under the laws of the United States or any state thereof and has been granted authority to operate with fiduciary powers; and

(2) is regulated, supervised and examined by federal or state authorities having regulatory authority over banks and trust companies.

Sec. 5. Rules and Regulations.

A. The insurance commissioner may adopt rules and regulations under IC 4-22-2 implementing the provisions of this chapter.

B. The insurance commissioner is further

authorized to adopt rules and regulations under IC 4-22-2 applicable to reinsurance arrangements described in Paragraph (1) of this subsection.

(1) A regulation adopted pursuant to this subsection may apply only to reinsurance relating to:

- (a) life insurance policies with guaranteed nonlevel gross premiums or guaranteed nonlevel benefits;
- (b) universal life insurance policies with provisions resulting in the ability of a policyholder to keep a policy in force over a secondary guarantee period;
- (c) variable annuities with guaranteed death or living benefits;
- (d) long term care insurance policies; or
- (e) such other life and health insurance and annuity products as to which the NAIC adopts model regulatory requirements with respect to credit for reinsurance.

(2) A regulation adopted pursuant to Paragraph 1(a) or 1(b) of this subsection may apply to any treaty containing: (i) policies issued on or after January 1, 2015; and/or (ii) policies issued prior to January 1, 2015, if risk pertaining to such pre-2015 policies is ceded in connection with the treaty, in whole or in part, on or after January 1, 2015.

(3) A regulation adopted pursuant to this subsection may require the ceding insurer, in calculating the amounts or forms of security required to be held under regulations promulgated under this authority, to use the Valuation Manual adopted by the NAIC under Section 11B(1) of the NAIC Standard Valuation Law, including all amendments adopted by the NAIC and in effect on the date as of which the calculation is made, to the extent applicable.

(4) A regulation adopted pursuant to this subsection shall not apply to cessions to an assuming insurer that:

- (a) meets the conditions set forth in Section 2F of this chapter in Indiana;
- (b) is certified in Indiana; or
- (c) maintains at least two hundred fifty million dollars (\$250,000,000) in capital and surplus when determined in accordance with the NAIC Accounting Practices and Procedures Manual, including all amendments thereto adopted by the NAIC, excluding the impact of any permitted or prescribed practices; and is:
 - (i) licensed in at least twenty-six (26) states; or
 - (ii) licensed in at least ten (10) states, and licensed or accredited in a total of at least thirty-five (35) states.

(5) The authority to adopt regulations

pursuant to this subsection does not limit the insurance commissioner's general authority to adopt regulations pursuant to Subsection A.

Sec. 6. Reinsurance Agreements Affected. This chapter shall apply to all cessions after June 30, 2020, under reinsurance agreements that have an inception, anniversary, or renewal date not less than six (6) months after July 1, 2020.

SECTION 13. IC 27-7-5-2, AS AMENDED BY P.L.208-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) Except as provided in subsections (d), (f), and (h), the insurer shall make available, in each automobile liability or motor vehicle liability policy of insurance which is delivered or issued for delivery in this state with respect to any motor vehicle registered or principally garaged in this state, insuring against loss resulting from liability imposed by law for bodily injury or death suffered by any person and for injury to or destruction of property to others arising from the ownership, maintenance, or use of a motor vehicle, or in a supplement to such a policy, the following types of coverage:

- (1) in limits for bodily injury or death and for injury to or destruction of property not less than those set forth in IC 9-25-4-5 under policy provisions approved by the commissioner of insurance, for the protection of persons insured under the policy who are legally entitled to recover damages from owners or operators of uninsured or underinsured motor vehicles because of bodily injury, sickness or disease, including death, and for the protection of persons insured under the policy who are legally entitled to recover damages from owners or operators of uninsured motor vehicles for injury to or destruction of property resulting therefrom; or
- (2) in limits for bodily injury or death not less than those set forth in IC 9-25-4-5 under policy provisions approved by the commissioner of insurance, for the protection of persons insured under the policy provisions who are legally entitled to recover damages from owners or operators of uninsured or underinsured motor vehicles because of bodily injury, sickness or disease, including death resulting therefrom.

The uninsured and underinsured motorist coverages must be provided by insurers for either a single premium or for separate premiums, in limits at least equal to the limits of liability specified in the bodily injury liability provisions of an insured's policy, unless such coverages have been rejected in writing by the insured. However, underinsured motorist coverage must be made available in limits of not less than fifty thousand dollars (\$50,000). At the insurer's option, the bodily injury liability provisions of the insured's policy may be required to be equal to the insured's underinsured motorist coverage. Insurers may not sell or provide underinsured motorist coverage in an amount less than fifty thousand dollars (\$50,000). Insurers must make underinsured motorist coverage available to all existing policyholders on the date of the first renewal of existing policies that occurs on or after January 1, 1995, and on any policies newly issued or delivered on or after January 1, 1995. Uninsured motorist coverage or underinsured motorist coverage may be offered by an insurer in an amount exceeding the limits of liability specified in the bodily injury and property damage liability provisions of the insured's policy.

(b) A named insured of an automobile or motor vehicle liability policy has the right, in writing, to:

- (1) reject both the uninsured motorist coverage and the underinsured motorist coverage

- provided for in this section; or
- (2) reject either the uninsured motorist coverage alone or the underinsured motorist coverage alone, if the insurer provides the coverage not rejected separately from the coverage rejected.

A rejection of coverage under this subsection by a named insured is a rejection on behalf of all other named insureds, all other insureds, and all other persons entitled to coverage under the policy. No insured may have uninsured motorist property damage liability insurance coverage under this section unless the insured also has uninsured motorist bodily injury liability insurance coverage under this section. Following rejection of either or both uninsured motorist coverage or underinsured motorist coverage, unless later requested in writing, the insurer need not offer uninsured motorist coverage or underinsured motorist coverage in or supplemental to a renewal or replacement policy issued to the same insured by the same insurer or a subsidiary or an affiliate of the originally issuing insurer. Renewals of policies issued or delivered in this state which have undergone interim policy endorsement or amendment do not constitute newly issued or delivered policies for which the insurer is required to provide the coverages described in this section.

(c) A rejection under subsection (b) must specify:

- (1) that the named insured is rejecting:
 - (A) the uninsured motorist coverage;
 - (B) the underinsured motorist coverage; or
 - (C) both the uninsured motorist coverage and the underinsured motorist coverage;

that would otherwise be provided under the policy; and

- (2) the date on which the rejection is effective.

(d) The following apply to the coverage described in subsection (a) in connection with a commercial umbrella or excess liability policy, including a commercial umbrella or excess liability policy that is issued or delivered to a motor carrier (as defined in IC 8-2.1-17-10) that is in compliance with the minimum levels of financial responsibility set forth in 49 CFR Part 387:

- (1) An insurer is not required to make available in a commercial umbrella or excess liability policy the coverage described in subsection (a).
- (2) An insurer that, through a rider or an endorsement, reduces or removes from a commercial umbrella or excess liability policy the coverage described in subsection (a) shall:
 - (A) through the United States mail; or
 - (B) by electronic means;

provide to the named insured written notice of the reduction or removal.

- (3) An insurer that makes available in a commercial umbrella or excess liability policy the coverage described in subsection (a):

- (A) may make available the coverage in limits determined by the insurer; and
- (B) is not required to make available the coverage in limits equal to the limits specified in the commercial umbrella or excess liability policy.

(e) A rejection under subsection (b) of uninsured motorist coverage or underinsured motorist coverage in an underlying commercial policy of insurance is also a rejection of uninsured motorist coverage or underinsured motorist coverage in a commercial umbrella or excess liability policy.

(f) An insurer is not required to make available the coverage described in subsection (a) in connection with coverage that:

- (1) is related to or included in a commercial policy of property and casualty insurance described in Class 2 or Class 3 of IC 27-1-5-1; and
- (2) covers a loss related to a motor vehicle:
 - (A) of which the insured is not the owner; and
 - (B) that is used:
 - (i) by the insured or an agent of the insured; and
 - (ii) for purposes authorized by the insured.

(g) For purposes of subsection (f), "owner" means:

- (1) a person who holds the legal title to a motor vehicle;
- (2) a person who rents or leases a motor vehicle and has exclusive use of the motor vehicle for more than thirty (30) days;
- (3) the conditional vendee or lessee under an agreement for the conditional sale or lease of a motor vehicle; or
- (4) the mortgagor under an agreement for the conditional sale or lease of a motor vehicle under which the mortgagor has:
 - (A) the right to purchase; and
 - (B) an immediate right of possession of;

the motor vehicle upon the performance of the conditions stated in the agreement.

(h) The following apply to the coverage described in subsection (a) in relation to a personal umbrella or excess liability policy:

- (1) An insurer is not required to make available the coverage described in subsection (a) under a personal umbrella or excess liability policy.
- (2) An insurer that reduces or removes, through a rider or an endorsement, coverage described in subsection (a) under a personal umbrella or excess liability policy shall:
 - (A) through the United States mail; or
 - (B) by electronic means;

provide to the named insured written notice of the reduction or removal.

- (3) An insurer that makes available the coverage described in subsection (a) under a personal umbrella or excess liability policy:
 - (A) may make available the coverage in limits determined by the insurer; and
 - (B) is not required to make available the coverage in limits equal to the limits specified in the personal umbrella or excess liability policy.

(4) A rejection under subsection (b) of uninsured motorist coverage or underinsured motorist coverage in an underlying personal policy of insurance is also a rejection of uninsured motorist coverage or underinsured motorist coverage in a personal umbrella or excess liability policy.

SECTION 14. IC 27-8-37 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 37. Coverage for Pediatric Neuropsychiatric Disorders

Sec. 1. As used in this chapter, "policy of accident and sickness insurance" has the meaning set forth in IC 27-8-5-1, offered on an individual or group basis.

Sec. 2. A policy of accident and sickness insurance must provide coverage for treatment of:

- (1) **pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections (PANDAS); and**
- (2) **pediatric acute-onset neuropsychiatric syndrome (PANS);**

including treatment with intravenous immunoglobulin therapy.

Sec. 3. The coverage required by this chapter may not be subject to annual or lifetime limitation, deductible, copayment, or coinsurance provisions that are more restrictive than the annual or lifetime limitation, deductible, copayment, or coinsurance provisions that apply generally under the policy of accident and sickness insurance.

SECTION 15. IC 27-13-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Subject to section 3 of this chapter, the powers of a health maintenance organization include the following:

- (1) The purchase, lease, construction, renovation, operation, or maintenance of:
 - (A) hospitals and medical facilities;
 - (B) equipment for hospitals and medical facilities; and
 - (C) other property reasonably required for the principal office of the health maintenance organization or for purposes necessary in the transaction of the business of the organization.

(2) Engaging in transactions between affiliated entities, including loans and the transfer of responsibility under any or all contracts:

- (A) between affiliates; or
- (B) between the health maintenance organization and the parent organization of the health maintenance organization.

(3) The furnishing of health care services through:

- (A) providers;
- (B) provider associations; and
- (C) agents for providers;

who are under contract with or are employed by the health maintenance organization. The contracts with providers, provider associations, or agents of providers may include fee for service, cost plus, capitation, or other payment or risk-sharing arrangements.

(4) Contracting with any person for the performance on behalf of the health maintenance organization of certain functions, including:

- (A) marketing;
- (B) enrollment; and
- (C) administration.

(5) Contracting with:

- (A) an insurance company licensed in Indiana;
- (B) an authorized reinsurer; or
- (C) a hospital authorized to conduct business in Indiana;

for the provision of insurance, indemnity, or reimbursement against the cost of health care services provided by the health maintenance organization.

- (6) The offering of point-of-service products.
- (7) The joint marketing of products with:

(A) an insurance company that is licensed in Indiana; or

(B) a hospital that is authorized to conduct business in Indiana;

if the company that is offering each product is clearly identified.

(8) Administration of the provision of health care services at the expense of a self-funded plan.

(b) A health maintenance organization may offer any of the following:

(1) Plans that include only basic health care services.

(2) Plans that include basic health care services and other health care services.

(3) Plans that include health care services other than basic health care services so long as at least one (1) of the plans offered by the health maintenance organization includes basic health care services.

(c) Notwithstanding subsection (a)(5), a health maintenance organization may not take credit for reinsurance unless the risk is ceded to a reinsurer qualified under ~~IC 27-6-10~~ **IC 27-6-10.1.**

SECTION 16. IC 27-13-7-26 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 26. (a) An individual contract and a group contract must provide coverage for treatment of:**

- (1) **pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections (PANDAS); and**
- (2) **pediatric acute-onset neuropsychiatric syndrome (PANS);**

including treatment with intravenous immunoglobulin therapy.

(b) The coverage required by this section may not be subject to annual or lifetime limitation, deductible, copayment, or coinsurance provisions that are more restrictive than the annual or lifetime limitation, deductible, copayment, or coinsurance provisions that apply generally under the individual contract or group contract.

SECTION 17. [EFFECTIVE JULY 1, 2020] (a) **IC 5-10-8-24, as added by this act, applies to a state employee health plan that is established, entered into, amended, or renewed after June 30, 2020.**

(b) IC 27-8-37, as added by this act, applies to a policy of accident and sickness insurance that is issued, delivered, amended, or renewed after June 30, 2020.

(c) IC 27-13-7-26, as added by this act, applies to an individual contract or a group contract that is entered into, delivered, amended, or renewed after June 30, 2020.

(d) This SECTION expires July 1, 2023.

SECTION 18. [EFFECTIVE UPON PASSAGE] (a) **The following definitions apply throughout this SECTION:**

(1) **"Covered individual" means an individual who is entitled to coverage under a health plan.**

(2) **"Health care services" has the meaning set forth in IC 27-8-11-1.**

(3) **"Health plan" means a plan through which coverage is provided for health care services through insurance, prepayment, reimbursement, or otherwise. The term:**

(A) includes:

(i) a policy of accident and sickness insurance (as defined in IC 27-8-5-1);

(ii) an individual contract (as defined in IC 27-13-1-21) or a

group contract (as defined in IC 27-13-1-16);
 (iii) a state employee health plan offered under IC 5-10-8;
 (iv) an employee welfare benefit plan (as defined in 29 U.S.C. 1002 et seq.) to the extent allowable under federal law;
 (v) accident only insurance; and
 (vi) medicare supplement insurance; but

(B) does not include:

- (i) credit, long term care, or disability income insurance;
- (ii) liability insurance coverage;
- (iii) worker's compensation or similar insurance;
- (iv) medical payment coverage;
- (v) a specified disease policy issued as an individual policy; or
- (vi) a policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement.

(4) "Medical payment coverage" means an insurance policy benefit that provides payment for expenses incurred by an individual as a result of injury, illness, or death arising from:

- (A) the operation of a motor vehicle; or
- (B) the presence of an individual on a premises;

that is covered by the insurance policy.

(b) The legislative council is urged to assign to an appropriate interim study committee the task of studying medical payment coverage, including:

- (1) whether medical payment coverage should be supplemental to the benefits:
 - (A) to which a covered individual is entitled under a health plan; and
 - (B) that are the same as or similar to benefits available to the covered individual under the medical payment coverage; and
- (2) whether a health plan should be prohibited from requiring the use or exhaustion of medical payment coverage as a condition of payment of benefits under the health plan for health care services rendered to a covered individual.

(c) This SECTION expires January 1, 2021.

SECTION 19. An emergency is declared for this act.

(Reference is to EHB 1372 as reprinted February 28, 2020.)

CARBAUGH	BASSLER
AUSTIN	NIEZGODSKI
House Conferees	Senate Conferees

Roll Call 393: yeas 88, nays 3. Report adopted.

Representative Bosma, who had been excused, is now present.

Representative Porter, who had been present, is now excused.

CONFERENCE COMMITTEE REPORT
ESB 335-1

Mr. Speaker: Your Conference Committee appointed to

confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 335 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 1-1-2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2.5. (a) This section applies to every crime in which proof that a person has a prior conviction or judgment for an infraction increases:

- (1) the class or level of the crime;
- (2) the penalty for the crime from a misdemeanor to a felony; or
- (3) the penalty for an infraction to a misdemeanor or felony.

(b) This section does not apply to a sentencing provision that increases the penalty that may be imposed for an infraction or crime but does not increase:

- (1) the class or level of the crime;
- (2) the penalty for the crime from a misdemeanor to a felony; or
- (3) the penalty for an infraction to a misdemeanor or felony;

including IC 35-50-2-8 (habitual offenders), IC 35-50-2-9 (death penalty sentencing), IC 9-30-15.5 (habitual vehicular substance offender), and IC 35-50-2-14 (repeat sexual offender).

(c) This section does not apply to a crime that contains a specific lookback period for a prior conviction or judgment for an infraction.

(d) Subject to subsection (e), and except as provided in subsection (f), a prior conviction or a prior judgment for an infraction increases the class or level of the crime, the penalty for the crime from a misdemeanor to a felony, or the penalty for an infraction to a misdemeanor or felony only if the current crime was committed not later than twelve (12) years from the date the defendant was:

- (1) convicted of the prior crime, if the defendant was not sentenced to a term of incarceration or probation;
- (2) adjudicated to have committed the infraction; or
- (3) released from a term of incarceration, probation, or parole (whichever occurs later) imposed for the prior conviction;

whichever occurred last.

(e) If a crime described in subsection (a) requires proof of more than one (1) criminal conviction or judgment for an infraction, the increased penalty applies only if the current crime was committed not later than twelve (12) years from the date the defendant was:

- (1) convicted of one (1) of the prior crimes, if the person was not sentenced to a term of incarceration or probation;
- (2) adjudicated to have committed one (1) of the infractions; or
- (3) released from a term of incarceration, probation, or parole (whichever occurs later) imposed for one (1) of the prior convictions;

whichever occurred last.

(f) This section does not apply if the crime described in subsection (a) is one (1) or more of the following:

- (1) A crime of violence (as defined by IC 35-50-1-2).
- (2) A crime that results in bodily injury or death to a victim.

- (3) A sex offense (as defined by IC 11-8-8-5.2).
- (4) Domestic battery (IC 35-42-2-1.3).
- (5) Strangulation (IC 35-42-2-9).
- (6) Operating while intoxicated with a prior conviction for operating while intoxicated that resulted in death, serious bodily injury, or catastrophic injury (IC 9-30-5-3(b)).
- (7) Dealing in cocaine or a narcotic drug (IC 35-48-4-1).
- (8) Dealing in methamphetamine (IC 35-48-4-1.1).
- (9) Manufacturing methamphetamine (IC 35-48-4-1.2).
- (10) Dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2).

(g) If there is a conflict between a provision in this section and another provision of the Indiana Code, this section controls.

SECTION 2. IC 1-1-2-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. (a) As used in this section, "reference to a conviction for an Indiana criminal offense" means both a specific reference to a conviction for a criminal offense in Indiana (with or without an Indiana Code citation reference) and a general reference to a conviction for a class or type of criminal offense, such as:

- (1) a felony;
- (2) a misdemeanor;
- (3) a sex offense;
- (4) a violent crime;
- (5) a crime of domestic violence;
- (6) a crime of dishonesty;
- (7) fraud;
- (8) a crime resulting in a specified injury or committed against a specified victim; or
- (9) a crime under IC 35-42 or IC 9-30-5 or under any other statute describing one (1) or more criminal offenses.

(b) Except as provided in subsection (c), a reference to a conviction for an Indiana criminal offense appearing within the Indiana Code also includes a conviction for any of the following:

- (1) An attempt to commit the offense, unless the offense is murder (IC 35-42-1-1).
- (2) A conspiracy to commit the offense.
- (3) A substantially similar offense committed in another jurisdiction, including an attempt or conspiracy to commit the offense, even if the reference to the conviction for the Indiana criminal offense specifically refers to an "Indiana conviction" or a conviction "in Indiana" or under "Indiana law" or "laws of this state".

(c) A reference to a conviction for an Indiana criminal offense appearing within the Indiana Code does not include an offense described in subsection (b)(1) through (b)(3) if:

- (1) the reference expressly excludes an offense described in subsection (b)(1) through (b)(3); or
- (2) with respect to an offense described in subsection (b)(3), the reference imposes an additional qualifier on the offense committed in another jurisdiction.

(d) If there is a conflict between a provision in this section and another provision of the Indiana Code, this section controls.

SECTION 3. IC 3-8-1-5, AS AMENDED BY P.L.74-2017, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) This section does not apply to a candidate for federal office.

(b) As used in this section, "felony" means a conviction in any jurisdiction for which the convicted person might have been imprisoned for more than one (1) year.

(c) A person is not disqualified under this section for:

- (1) a felony conviction for which the person has been pardoned;
- (2) a felony conviction that has been:
 - (A) reversed;
 - (B) vacated;
 - (C) set aside;
 - (D) not entered because the trial court did not accept the person's guilty plea; or
 - (E) expunged under IC 35-38-9; or
- (3) a person's plea of guilty or nolo contendere at a guilty plea hearing that is not accepted and entered by a trial court.

(d) A person is disqualified from assuming or being a candidate for an elected office if:

- (1) the person gave or offered a bribe, threat, or reward to procure the person's election, as provided in Article 2, Section 6 of the Constitution of the State of Indiana;
- (2) the person does not comply with IC 5-8-3 because of a conviction for a violation of the federal laws listed in that statute;
- (3) in a:

- (A) jury trial, a jury publicly announces a verdict against the person for a felony;
- (B) bench trial, the court publicly announces a verdict against the person for a felony; or
- (C) guilty plea hearing, the person pleads guilty or nolo contendere to a felony;

(4) the person has been removed from the office the candidate seeks under Article 7, Section 11 or Article 7, Section 13 of the Constitution of the State of Indiana;

(5) the person is a member of the United States armed forces on active duty and prohibited by the United States Department of Defense from being a candidate; or

(6) the person is subject to:

- (A) 5 U.S.C. 1502 (the Little Hatch Act); or
- (B) 5 U.S.C. 7321-7326 (the Hatch Act);

and would violate either federal statute by becoming or remaining the candidate of a political party for nomination or election to an elected office or a political party office.

(e) The subsequent reduction of a felony to a Class A misdemeanor under IC 35 after the:

- (1) jury has announced its verdict against the person for a felony;
- (2) court has announced its verdict against the person for a felony; or
- (3) person has pleaded guilty or nolo contendere to a felony;

does not affect the operation of subsection (d).

SECTION 4. IC 4-33-8-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) An individual who is disqualified under section 3(2) of this chapter due to a conviction for a felony may apply to the commission for a waiver of the requirements of section 3(2) of this chapter.

(b) The commission may waive the requirements of section 3(2) of this chapter with respect to an individual applying for an occupational license if:

- (1) the individual qualifies for a waiver under subsection (e) or (f); and
- (2) the commission determines that the individual has demonstrated by clear and convincing evidence the individual's rehabilitation.

(c) In determining whether the individual applying for the occupational license has demonstrated rehabilitation under subsection (b), the commission shall consider the following factors:

- (1) The nature and duties of the position applied for by the individual.
- (2) The nature and seriousness of the offense or conduct.
- (3) The circumstances under which the offense or conduct occurred.
- (4) The date of the offense or conduct.
- (5) The age of the individual when the offense or conduct was committed.
- (6) Whether the offense or conduct was an isolated or a repeated incident.
- (7) A social condition that may have contributed to the offense or conduct.
- (8) Evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational education, successful participation in a correctional work release program, or the recommendation of a person who has or has had the individual under the person's supervision.
- (9) The complete criminal record of the individual.
- (10) The prospective employer's written statement that:
 - (A) the employer has been advised of all of the facts and circumstances of the individual's criminal record; and
 - (B) after having considered the facts and circumstances, the prospective employer will hire the individual if the commission grants a waiver of the requirements of section 3(2) of this chapter.

(d) The commission may not waive the requirements of section 3(2) of this chapter for an individual who has been convicted of committing any of the following:

- (1) A felony in violation of federal law (as classified in 18 U.S.C. 3559).
- (2) A felony of fraud, deceit, or misrepresentation. ~~under the laws of Indiana or any other jurisdiction.~~
- ~~(3) A felony of conspiracy to commit a felony described in subdivision (1); (2); or (4) under the laws of Indiana or any other jurisdiction.~~
- ~~(4) (3) A felony of gambling under IC 35-45-5 or IC 35-45-6. or a crime in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a crime described in IC 35-45-5 or IC 35-45-6.~~

(e) The commission may waive the requirements of section 3(2) of this chapter for an individual if:

- (1) the individual has been convicted of committing:
 - (A) a felony described in IC 35-42 against another human being or a felony described in IC 35-48-4; or
 - (B) a felony under Indiana law that

results in bodily injury, serious bodily injury, or death to another human being; or ~~(C) a crime in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a felony described in clause (A) or (B); and~~

- (2) ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later, for the conviction described in subdivision (1).

(f) The commission may waive the requirements of section 3(2) of this chapter for an individual if:

- (1) the individual has been convicted in Indiana or any other jurisdiction of committing a felony not described in subsection (d) or (e); and
- (2) five (5) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later, for the conviction described in subdivision (1).

(g) To enable a prospective employer to determine, for purposes of subsection (c)(10), whether the prospective employer has been advised of all of the facts and circumstances of the individual's criminal record, the commission shall notify the prospective employer of all information that the commission:

- (1) has obtained concerning the individual; and
- (2) is authorized to release under IC 5-14.

(h) The commission shall deny the individual's request to waive the requirements of section 3(2) of this chapter if the individual fails to disclose to both the commission and the prospective employer all information relevant to this section.

SECTION 5. IC 4-35-6.5-11, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) An individual who is disqualified under section 3(2) of this chapter due to a conviction for a felony may apply to the commission for a waiver of the requirements of section 3(2) of this chapter.

(b) The commission may waive the requirements of section 3(2) of this chapter with respect to an individual applying for an occupational license if:

- (1) the individual qualifies for a waiver under subsection (e) or (f); and
- (2) the commission determines that the individual has demonstrated by clear and convincing evidence the individual's rehabilitation.

(c) In determining whether the individual applying for the occupational license has demonstrated rehabilitation under subsection (b), the commission shall consider the following factors:

- (1) The nature and duties of the position applied for by the individual.
- (2) The nature and seriousness of the offense or conduct.
- (3) The circumstances under which the offense or conduct occurred.
- (4) The date of the offense or conduct.
- (5) The age of the individual when the offense or conduct was committed.
- (6) Whether the offense or conduct was an isolated or a repeated incident.
- (7) A social condition that may have contributed to the offense or conduct.
- (8) Evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received,

acquisition of additional academic or vocational education, successful participation in a correctional work release program, or the recommendation of a person who has or has had the individual under the person's supervision.

(9) The complete criminal record of the individual.

(10) The prospective employer's written statement that:

(A) the employer has been advised of all of the facts and circumstances of the individual's criminal record; and

(B) after having considered the facts and circumstances, the prospective employer will hire the individual if the commission grants a waiver of the requirements of section 3(2) of this chapter.

(d) The commission may not waive the requirements of section 3(2) of this chapter for an individual who has been convicted of committing any of the following:

(1) A felony in violation of federal law (as classified in 18 U.S.C. 3559).

(2) A felony of fraud, deceit, or misrepresentation, ~~under the laws of Indiana or any other jurisdiction.~~

(3) ~~A felony of conspiracy to commit a felony described in subdivision (1); (2); or (4) under the laws of Indiana or any other jurisdiction.~~

(4) ~~(3) A felony of gambling under IC 35-45-5 or IC 35-45-6. or a crime in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a crime described in IC 35-45-5 or IC 35-45-6.~~

(e) The commission may waive the requirements of section 3(2) of this chapter for an individual if:

(1) the individual has been convicted of committing:

(A) a felony described in IC 35-42 against another human being or a felony described in IC 35-48-4; **or**

(B) a felony under Indiana law that results in bodily injury, serious bodily injury, or death to another human being; **or**

~~(C) a crime in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a felony described in clause (A) or (B); and~~

(2) ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later, for the conviction described in subdivision (1).

(f) The commission may waive the requirements of section 3(2) of this chapter for an individual if:

(1) the individual has been convicted in Indiana or any other jurisdiction of committing a felony not described in subsection (d) or (e); and

(2) five (5) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later, for the conviction described in subdivision (1).

(g) To enable a prospective employer to determine, for purposes of subsection (c)(10), whether the prospective employer has been advised of all of the facts and circumstances

of the individual's criminal record, the commission shall notify the prospective employer of all information that the commission:

(1) has obtained concerning the individual; and
(2) is authorized to release under IC 5-14.

(h) The commission shall deny the individual's request to waive the requirements of section 3(2) of this chapter if the individual fails to disclose to both the commission and the prospective employer all information relevant to this section.

SECTION 6. IC 7.1-1-3-13.5, AS AMENDED BY P.L.196-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 13.5. "Conviction for operating while intoxicated" means a conviction (as defined in IC 9-13-2-38)

~~(1) in Indiana for a crime under IC 9-30-5-1 through IC 9-30-5-9, IC 35-46-9-6, or IC 14-15-8 (before its repeal). or~~

~~(2) in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a crime described in IC 9-30-5-1 through IC 9-30-5-9; IC 35-46-9-6; or IC 14-15-8-8 (before its repeal).~~

SECTION 7. IC 9-13-2-130 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 130. "Previous conviction of operating while intoxicated" means a previous conviction **for:**

~~(1) in Indiana of:~~

~~(A) (1) an alcohol related or drug related crime under Acts 1939, c.48, s.52, as amended, IC 9-4-1-54 (repealed September 1, 1983), or IC 9-11-2 (repealed July 1, 1991); or~~

~~(B) (2) a crime under IC 9-30-5-1 through IC 9-30-5-9. or~~

~~(2) in any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a crime described in IC 9-30-5-1 through IC 9-30-5-9.~~

SECTION 8. IC 9-30-5-1, AS AMENDED BY P.L.63-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) A person who operates a vehicle with an alcohol concentration equivalent to at least eight-hundredths (0.08) gram of alcohol but less than fifteen-hundredths (0.15) gram of alcohol per:

(1) one hundred (100) milliliters of the person's blood; or

(2) two hundred ten (210) liters of the person's breath;

commits a Class C misdemeanor.

(b) A person who operates a vehicle with an alcohol concentration equivalent to at least fifteen-hundredths (0.15) gram of alcohol per:

(1) one hundred (100) milliliters of the person's blood; or

(2) two hundred ten (210) liters of the person's breath;

commits a Class A misdemeanor.

(c) A person who operates a vehicle with a controlled substance listed in schedule I or II of IC 35-48-2 or its metabolite in the person's **body blood** commits a Class C misdemeanor.

(d) It is a defense to subsection (c) that the accused person consumed the controlled substance in accordance with a valid prescription or order of a practitioner (as defined in IC 35-48-1) who acted in the course of the practitioner's professional practice.

SECTION 9. IC 9-30-5-3, AS AMENDED BY P.L.184-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) Except

as provided in subsection (b), a person who violates section 1 or 2 of this chapter commits a Level 6 felony if:

- (1) the person has a previous conviction of operating while intoxicated that occurred within the seven (7) years immediately preceding the occurrence of the violation of section 1 or 2 of this chapter; or
- (2) the person:
 - (A) is at least twenty-one (21) years of age;
 - (B) violates section 1(b), 1(c), or 2(b) of this chapter; and
 - (C) operated a vehicle in which at least one (1) passenger was less than eighteen (18) years of age.

(b) A person who violates section 1 or 2 of this chapter or subsection (a)(2) commits a Level 5 felony if:

- (1) the person has a previous conviction of operating while intoxicated causing death or catastrophic injury (IC 9-30-5-5); or
- (2) the person has a previous conviction of operating while intoxicated causing serious bodily injury (IC 9-30-5-4).

SECTION 10. IC 10-13-3-27, AS AMENDED BY P.L.32-2019, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 27. (a) Except as provided in subsection (b), on request, a law enforcement agency shall release a limited criminal history to or allow inspection of a limited criminal history by noncriminal justice organizations or individuals only if the subject of the request:

- (1) has applied for employment with a noncriminal justice organization or individual;
- (2) has:
 - (A) applied for a license or is maintaining a license; and
 - (B) provided criminal history data as required by law to be provided in connection with the license;
- (3) is a candidate for public office or a public official;
- (4) is in the process of being apprehended by a law enforcement agency;
- (5) is placed under arrest for the alleged commission of a crime;
- (6) has charged that the subject's rights have been abused repeatedly by criminal justice agencies;
- (7) is the subject of a judicial decision or determination with respect to the setting of bond, plea bargaining, sentencing, or probation;
- (8) has volunteered services that involve contact with, care of, or supervision over a child who is being placed, matched, or monitored by a social services agency or a nonprofit corporation;
- (9) is currently residing in a location designated by the department of child services (established by IC 31-25-1-1) or by a juvenile court as the out-of-home placement for a child at the time the child will reside in the location;
- (10) has volunteered services at a public school (as defined in IC 20-18-2-15) or nonpublic school (as defined in IC 20-18-2-12) that involve contact with, care of, or supervision over a student enrolled in the school;
- (11) is being investigated for welfare fraud by an investigator of the division of family resources or a county office of the division of family resources;
- (12) is being sought by the parent locator service of the child support bureau of the department of

child services;

(13) is or was required to register as a sex or violent offender under IC 11-8-8;

(14) has been convicted of any of the following:

- (A) Rape (IC 35-42-4-1), if the victim is less than eighteen (18) years of age.
- (B) Criminal deviate conduct (IC 35-42-4-2) (repealed), if the victim is less than eighteen (18) years of age.
- (C) Child molesting (IC 35-42-4-3).
- (D) Child exploitation (IC 35-42-4-4(b) or IC 35-42-4-4(c)).
- (E) Possession of child pornography (IC 35-42-4-4(d) or IC 35-42-4-4(e)).
- (F) Vicarious sexual gratification (IC 35-42-4-5).
- (G) Child solicitation (IC 35-42-4-6).
- (H) Child seduction (IC 35-42-4-7).
- (I) Sexual misconduct with a minor as a felony (IC 35-42-4-9).
- (J) Incest (IC 35-46-1-3), if the victim is less than eighteen (18) years of age;

~~(K) Attempt under IC 35-41-5-1 to commit an offense listed in clauses (A) through (J).~~

~~(L) Conspiracy under IC 35-41-5-2 to commit an offense listed in clauses (A) through (J).~~

~~(M) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described under clauses (A) through (J);~~

(15) is identified as a possible perpetrator of child abuse or neglect in an assessment conducted by the department of child services under IC 31-33-8; or

(16) is:

- (A) a parent, guardian, or custodian of a child; or
- (B) an individual who is at least eighteen (18) years of age and resides in the home of the parent, guardian, or custodian;

with whom the department of child services or a county probation department has a case plan, dispositional decree, or permanency plan approved under IC 31-34 or IC 31-37 that provides for reunification following an out-of-home placement.

However, limited criminal history information obtained from the National Crime Information Center may not be released under this section except to the extent permitted by the Attorney General of the United States.

(b) A law enforcement agency shall allow inspection of a limited criminal history by and release a limited criminal history to the following noncriminal justice organizations:

- (1) Federally chartered or insured banking institutions.
- (2) Officials of state and local government for any of the following purposes:

(A) Employment with a state or local governmental entity.

(B) Licensing.

(3) Segments of the securities industry identified under 15 U.S.C. 78q(f)(2).

(c) Any person who knowingly or intentionally uses limited criminal history for any purpose not specified under this section commits a Class C infraction. However, the violation is a Class A misdemeanor if the person has a prior unrelated adjudication or conviction for a violation of this section within the previous five (5) years.

SECTION 11. IC 10-13-6-10, AS AMENDED BY P.L.111-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. (a) This section applies to the following:

(1) A person arrested for a felony after December 31, 2017.

(2) A person convicted of a felony under IC 35-42 (offenses against the person) or IC 35-43-2-1 (burglary):

(A) after June 30, 1996, whether or not the person is sentenced to a term of imprisonment; or

(B) before July 1, 1996, if the person is held in jail or prison on or after July 1, 1996.

(3) A person convicted of a criminal law in effect before October 1, 1977, that penalized an act substantially similar to a felony described in IC 35-42 or IC 35-43-2-1 or that would have been an included offense of a felony described in IC 35-42 or IC 35-43-2-1 if the felony had been in effect:

(A) after June 30, 1998, whether or not the person is sentenced to a term of imprisonment; or

(B) before July 1, 1998, if the person is held in jail or prison on or after July 1, 1998.

(4) A person convicted of a felony: ~~conspiracy to commit a felony, or attempt to commit a felony:~~

(A) after June 30, 2005, whether or not the person is sentenced to a term of imprisonment; or

(B) before July 1, 2005, if the person is held in jail or prison on or after July 1, 2005.

(b) A person described in subsection (a) shall provide a DNA sample to the:

(1) department of correction or the designee of the department of correction if the offender is committed to the department of correction;

(2) county sheriff or the designee of the county sheriff if the offender is held in a county jail or other county penal facility, placed in a community corrections program (as defined in IC 35-38-2.6-2), placed on probation, or released on bond;

(3) agency that supervises the person, or the agency's designee, if the person is on conditional release in accordance with IC 35-38-1-27; or

(4) sheriff, in the case of a person arrested for a felony.

A DNA sample provided under subdivision (4) may be obtained only by buccal swab. A person is not required to submit a blood sample if doing so would present a substantial and an unreasonable risk to the person's health.

(c) The detention, arrest, or conviction of a person based on a data base match or data base information is not invalidated if

a court determines that the DNA sample was obtained or placed in the Indiana DNA data base by mistake.

(d) The officer, employee, or designee who obtains a DNA sample from a person under this section shall:

(1) inform the person of the person's right to DNA removal under section 18 of this chapter; and

(2) provide the person with instructions and a form that may be used for DNA removal.

(e) This subsection applies only to a DNA sample provided by a person arrested for a felony. A person described in subsection (b)(1), (b)(2), (b)(3), or (b)(4) may not ship a DNA sample collected from a felony arrestee for DNA identification testing unless:

(1) the arrestee was arrested pursuant to a felony arrest warrant; or

(2) a court has found probable cause for the felony arrest.

SECTION 12. IC 11-8-8-4.5, AS AMENDED BY P.L.144-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4.5. (a) Except as provided in section 22 of this chapter, as used in this chapter, "sex offender" means a person convicted of any of the following offenses:

(1) Rape (IC 35-42-4-1).

(2) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).

(3) Child molesting (IC 35-42-4-3).

(4) Child exploitation (IC 35-42-4-4(b) or IC 35-42-4-4(c)).

(5) Vicarious sexual gratification (including performing sexual conduct in the presence of a minor) (IC 35-42-4-5).

(6) Child solicitation (IC 35-42-4-6).

(7) Child seduction (IC 35-42-4-7).

(8) Sexual misconduct with a minor (IC 35-42-4-9) as a Class A, Class B, or Class C felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 4, or Level 5 felony (for a crime committed after June 30, 2014), unless:

(A) the person is convicted of sexual misconduct with a minor as a Class C felony (for a crime committed before July 1, 2014) or a Level 5 felony (for a crime committed after June 30, 2014);

(B) the person is not more than:

(i) four (4) years older than the victim if the offense was committed after June 30, 2007; or

(ii) five (5) years older than the victim if the offense was committed before July 1, 2007;

and

(C) the sentencing court finds that the person should not be required to register as a sex offender.

(9) Incest (IC 35-46-1-3).

(10) Sexual battery (IC 35-42-4-8).

(11) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age, and the person who kidnapped the victim is not the victim's parent or guardian.

(12) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age, and the person who confined or removed the victim is not the victim's parent or guardian.

(13) Possession of child pornography (IC 35-42-4-4(d) or IC 35-42-4-4(e)).

(14) Promoting prostitution (IC 35-45-4-4) as a Class B felony (for a crime committed before July 1, 2014) or a Level 4 felony (for a crime committed after June 30, 2014).

(15) Promotion of human sexual trafficking under IC 35-42-3.5-1.1.

(16) Promotion of child sexual trafficking under IC 35-42-3.5-1.2(a).

(17) Promotion of sexual trafficking of a younger child (IC 35-42-3.5-1.2(c)).

(18) Child sexual trafficking (IC 35-42-3.5-1.3).

(19) Human trafficking under IC 35-42-3.5-1.4 if the victim is less than eighteen (18) years of age.

(20) Sexual misconduct by a service provider with a detained or supervised child (IC 35-44.1-3-10(c)).

~~(21) An attempt or conspiracy to commit a crime listed in this subsection.~~

~~(22) A crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in this subsection.~~

(b) The term includes:

(1) a person who is required to register as a sex offender in any jurisdiction; and

(2) a child who has committed a delinquent act and who:

(A) is at least fourteen (14) years of age;

(B) is on probation, is on parole, is discharged from a facility by the department of correction, is discharged from a secure private facility (as defined in IC 31-9-2-115), or is discharged from a juvenile detention facility as a result of an adjudication as a delinquent child for an act that would be an offense described in subsection (a) if committed by an adult; and

(C) is found by a court by clear and convincing evidence to be likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

(c) In making a determination under subsection (b)(2)(C), the court shall consider expert testimony concerning whether a child is likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

SECTION 13. IC 11-8-8-5, AS AMENDED BY P.L.144-2018, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) Except as provided in section 22 of this chapter, as used in this chapter, "sex or violent offender" means a person convicted of any of the following offenses:

(1) Rape (IC 35-42-4-1).

(2) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).

(3) Child molesting (IC 35-42-4-3).

(4) Child exploitation (IC 35-42-4-4(b) or IC 35-42-4-4(c)).

(5) Vicarious sexual gratification (including performing sexual conduct in the presence of a minor) (IC 35-42-4-5).

(6) Child solicitation (IC 35-42-4-6).

(7) Child seduction (IC 35-42-4-7).

(8) Sexual misconduct with a minor (IC 35-42-4-9) as a Class A, Class B, or Class C

felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 4, or Level 5 felony (for a crime committed after June 30, 2014), unless:

(A) the person is convicted of sexual misconduct with a minor as a Class C felony (for a crime committed before July 1, 2014) or a Level 5 felony (for a crime committed after June 30, 2014);

(B) the person is not more than:

(i) four (4) years older than the victim if the offense was committed after June 30, 2007; or

(ii) five (5) years older than the victim if the offense was committed before July 1, 2007; and

(C) the sentencing court finds that the person should not be required to register as a sex offender.

(9) Incest (IC 35-46-1-3).

(10) Sexual battery (IC 35-42-4-8).

(11) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age, and the person who kidnapped the victim is not the victim's parent or guardian.

(12) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age, and the person who confined or removed the victim is not the victim's parent or guardian.

(13) Possession of child pornography (IC 35-42-4-4(d) or IC 35-42-4-4(e)).

(14) Promoting prostitution (IC 35-45-4-4) as a Class B felony (for a crime committed before July 1, 2014) or a Level 4 felony (for a crime committed after June 30, 2014).

(15) Promotion of human sexual trafficking under IC 35-42-3.5-1.1.

(16) Promotion of child sexual trafficking under IC 35-42-3.5-1.2(a).

(17) Promotion of sexual trafficking of a younger child (IC 35-42-3.5-1.2(c)).

(18) Child sexual trafficking (IC 35-42-3.5-1.3).

(19) Human trafficking under IC 35-42-3.5-1.4 if the victim is less than eighteen (18) years of age.

(20) Murder (IC 35-42-1-1).

(21) Voluntary manslaughter (IC 35-42-1-3).

(22) Sexual misconduct by a service provider with a detained or supervised child (IC 35-44.1-3-10(c)).

~~(23) An attempt or conspiracy to commit a crime listed in this subsection.~~

~~(24) A crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in this subsection.~~

(b) The term includes:

(1) a person who is required to register as a sex or violent offender in any jurisdiction; and

(2) a child who has committed a delinquent act and who:

(A) is at least fourteen (14) years of age;

(B) is on probation, is on parole, is discharged from a facility by the department of correction, is discharged from a secure private

facility (as defined in IC 31-9-2-115), or is discharged from a juvenile detention facility as a result of an adjudication as a delinquent child for an act that would be an offense described in subsection (a) if committed by an adult; and
 (C) is found by a court by clear and convincing evidence to be likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

(c) In making a determination under subsection (b)(2)(C), the court shall consider expert testimony concerning whether a child is likely to repeat an act that would be an offense described in subsection (a) if committed by an adult.

SECTION 14. IC 11-8-8-17, AS AMENDED BY P.L.44-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 17. (a) A sex or violent offender who knowingly or intentionally:

- (1) fails to register when required to register under this chapter;
- (2) fails to register in every location where the sex or violent offender is required to register under this chapter;
- (3) makes a material misstatement or omission while registering as a sex or violent offender under this chapter;
- (4) fails to register in person as required under this chapter; or
- (5) does not reside at the sex or violent offender's registered address or location;

commits a Level 6 felony.

(b) The offense described in subsection (a) is a Level 5 felony if the sex or violent offender has a prior unrelated conviction for an offense:

- (1) under this section;
- (2) based on the person's failure to comply with any requirement imposed on a sex or violent offender under this chapter or under IC 5-2-12 before its repeal; or
- (3) that

~~(A) is a crime under the laws of another jurisdiction, including a military court; and~~

~~(B) is:~~

~~(i) the same or substantially similar to an offense under this section; or~~

~~(ii) is based on the person's failure to comply with a requirement imposed on the person that is the same or substantially similar to a requirement imposed on a sex or violent offender under this chapter or under IC 5-2-12 before its repeal.~~

(c) It is not a defense to a prosecution under this section that the sex or violent offender was unable to pay the sex or violent offender registration fee or the sex or violent offender address change fee described under IC 36-2-13-5.6.

SECTION 15. IC 11-12-3.7-6, AS AMENDED BY P.L.211-2019, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. As used in this chapter, "violent offense" means one (1) or more of the following offenses:

- (1) Murder (IC 35-42-1-1).
- (2) Attempted murder (IC 35-41-5-1).
- (3) Voluntary manslaughter (IC 35-42-1-3).
- (4) Involuntary manslaughter (IC 35-42-1-4).

(5) Reckless homicide (IC 35-42-1-5).

(6) Aggravated battery (IC 35-42-2-1.5).

(7) Battery (IC 35-42-2-1) as a:

(A) Class A felony, Class B felony, or Class C felony (for a crime committed before July 1, 2014); or

(B) Level 2 felony, Level 3 felony, or Level 5 felony (for a crime committed after June 30, 2014).

(8) Kidnapping (IC 35-42-3-2).

(9) A sex crime listed in IC 35-42-4-1 through IC 35-42-4-8 that is a:

(A) Class A felony, Class B felony, or Class C felony (for a crime committed before July 1, 2014); or

(B) Level 1 felony, Level 2 felony, Level 3 felony, Level 4 felony, or Level 5 felony (for a crime committed after June 30, 2014).

(10) Sexual misconduct with a minor (IC 35-42-4-9) as a:

(A) Class A felony or Class B felony (for a crime committed before July 1, 2014); or

(B) Level 1 felony, Level 2 felony, or Level 4 felony (for a crime committed after June 30, 2014).

(11) Incest (IC 35-46-1-3).

(12) Robbery (IC 35-42-5-1) as a:

(A) Class A felony or a Class B felony (for a crime committed before July 1, 2014); or

(B) Level 2 felony or Level 3 felony (for a crime committed after June 30, 2014).

(13) Burglary (IC 35-43-2-1) as a:

(A) Class A felony or a Class B felony (for a crime committed before July 1, 2014); or

(B) Level 1 felony, Level 2 felony, Level 3 felony, or Level 4 felony (for a crime committed after June 30, 2014).

(14) Carjacking (IC 35-42-5-2) (repealed).

(15) Assisting a criminal (IC 35-44.1-2-5) as a:

(A) Class C felony (for a crime committed before July 1, 2014); or

(B) Level 5 felony (for a crime committed after June 30, 2014).

(16) Escape (IC 35-44.1-3-4) as a:

(A) Class B felony or Class C felony (for a crime committed before July 1, 2014); or

(B) Level 4 felony or Level 5 felony (for a crime committed after June 30, 2014).

(17) Trafficking with an inmate (IC 35-44.1-3-5) as a:

(A) Class C felony (for a crime committed before July 1, 2014); or

(B) Level 5 felony (for a crime committed after June 30, 2014).

(18) Causing death or catastrophic injury when operating a vehicle (IC 9-30-5-5).

(19) Criminal confinement (IC 35-42-3-3) as a:

(A) Class B felony (for a crime committed before July 1, 2014); or

(B) Level 3 felony (for a crime

- committed after June 30, 2014).
- (20) Arson (IC 35-43-1-1) as a:
 - (A) Class A or Class B felony (for a crime committed before July 1, 2014); or
 - (B) Level 2, Level 3, or Level 4 felony (for a crime committed after June 30, 2014).
- (21) Possession, use, or manufacture of a weapon of mass destruction (IC 35-46.5-2-1) (or IC 35-47-12-1 before its repeal).
- (22) Terroristic mischief (IC 35-46.5-2-3) (or IC 35-47-12-3 before its repeal) as a:
 - (A) Class B felony (for a crime committed before July 1, 2014); or
 - (B) Level 4 felony (for a crime committed after June 30, 2014).
- (23) Hijacking or disrupting an aircraft (IC 35-47-6-1.6).
- (24) A violation of IC 35-47.5 (controlled explosives) as a:
 - (A) Class A or Class B felony (for a crime committed before July 1, 2014); or
 - (B) Level 2 or Level 4 felony (for a crime committed after June 30, 2014).
- (25) Domestic battery (IC 35-42-2-1.3) as a Level 2 felony, Level 3 felony, or Level 5 felony.
- ~~(26) A crime under the laws of another jurisdiction, including a military court, that is substantially similar to any of the offenses listed in this subdivision.~~

SECTION 16. IC 12-7-2-53.2, AS AMENDED BY P.L.168-2014, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 53.2. "Dangerous felony", for purposes of IC 12-17.2, means one (1) or more of the following felonies:

- ~~(27)~~ (26) Any other crimes evidencing a propensity or history of violence.
- (1) Murder (IC 35-42-1-1).
- (2) Attempted murder (IC 35-41-5-1).
- (3) Voluntary manslaughter (IC 35-42-1-3).
- (4) Involuntary manslaughter (IC 35-42-1-4).
- (5) Reckless homicide (IC 35-42-1-5).
- (6) Aggravated battery (IC 35-42-2-1.5).
- (7) Kidnapping (IC 35-42-3-2).
- (8) Rape (IC 35-42-4-1).
- (9) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).
- (10) Child molesting (IC 35-42-4-3).
- (11) Sexual misconduct with a minor as a Class A felony (for a crime committed before July 1, 2014) or a Level 1 felony (for a crime committed after June 30, 2014) under IC 35-42-4-9(a)(2) or a Class B felony (for a crime committed before July 1, 2014) or a Level 2 felony (for a crime committed after June 30, 2014) under IC 35-42-4-9(b)(2).
- (12) Robbery as a Class A or Class B felony (for a crime committed before July 1, 2014) or a Level 2 or Level 3 felony (for a crime committed after June 30, 2014) (IC 35-42-5-1).
- (13) Burglary as a Class A or Class B felony (for a crime committed before July 1, 2014) or a Level 2 or Level 3 felony (for a crime committed after June 30, 2014) (IC 35-43-2-1).
- (14) Battery as a felony (IC 35-42-2-1).
- (15) Domestic battery (IC 35-42-2-1.3).

- (16) Strangulation (IC 35-42-2-9).
- (17) Criminal confinement (IC 35-42-3-3).
- (18) Sexual battery (IC 35-42-4-8).
- ~~(19) A felony committed in another jurisdiction that is substantially similar to a felony in this section.~~
- ~~(20) An attempt to commit or a conspiracy to commit an offense listed in subdivisions (1) through (19).~~

SECTION 17. IC 14-15-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) **Subject to subsection (b)**, the operator of a boat involved in an accident or a collision resulting in injury to or death of a person or damage to a boat or other property, shall do the following:

- (1) **If the action described in this subdivision can be done without endangering a person**, stop the boat immediately and as close as possible to the scene of the accident.
- (2) **If the action described in this subdivision can be done without endangering a person**, return to the scene of the accident and remain there until the operator has complied with this section.
- (3) Give:
 - (A) the operator's name and address;
 - (B) a full identification of the boat operated; and
 - (C) the name and address of the owner;

- to the operator of each other boat and each person injured.
- (4) Upon request, exhibit the operator's license to the operator of each other boat and each person injured.
- (5) **Notify emergency services as soon as possible, and** provide reasonable assistance to each person injured, including carrying or arranging for carrying each injured person to a physician, surgeon, or hospital for medical or surgical treatment if:

- (A) it is apparent that treatment is necessary; or
- (B) the injured person so requests.

(b) **An operator described in subsection (a) shall make a reasonable and good faith effort to perform the actions described in subsection (a). However, an operator is not required to perform an act that would endanger a person.**

SECTION 18. IC 16-27-2-5, AS AMENDED BY P.L.51-2016, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) Except as provided in subsection (b), a person who operates a home health agency under IC 16-27-1 or a personal services agency under IC 16-27-4 may not employ a person to provide services in a patient's or client's temporary or permanent residence if that person's national criminal history background check or expanded criminal history check indicates that the person has been convicted of any of the following:

- (1) Rape (IC 35-42-4-1).
- (2) Criminal deviate conduct (IC 35-42-4-2) (repealed).
- (3) Exploitation of an endangered adult (IC 35-46-1-12).
- (4) Failure to report battery, neglect, or exploitation of an endangered adult (IC 35-46-1-13).
- (5) Theft (IC 35-43-4), if the conviction for theft occurred less than ten (10) years before the person's employment application date.
- ~~(6) A felony that is substantially equivalent to a~~

felony listed in:

(A) subdivisions (1) through (4); or
(B) subdivision (5); if the conviction for theft occurred less than ten (10) years before the person's employment application date;

for which the conviction was entered in another state:

(b) A home health agency or personal services agency may not employ a person to provide services in a patient's or client's temporary or permanent residence for more than twenty-one (21) calendar days without receipt of that person's national criminal history background check or expanded criminal history check required by section 4 of this chapter, unless the state police department, the Federal Bureau of Investigation under IC 10-13-3-39, or the private agency providing the expanded criminal history check is responsible for failing to provide the person's national criminal history background check or expanded criminal history check to the home health agency or personal services agency within the time required under this subsection.

SECTION 19. IC 16-31-3-14, AS AMENDED BY P.L.80-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14. (a) A person holding a certificate or license issued under this article must comply with the applicable standards and rules established under this article. A certificate holder or license holder is subject to disciplinary sanctions under subsection (b) if the department of homeland security determines that the certificate holder or license holder:

- (1) engaged in or knowingly cooperated in fraud or material deception in order to obtain a certificate or license, including cheating on a certification or licensure examination;
- (2) engaged in fraud or material deception in the course of professional services or activities;
- (3) advertised services or goods in a false or misleading manner;
- (4) falsified or knowingly allowed another person to falsify attendance records or certificates of completion of continuing education courses required under this article or rules adopted under this article;
- (5) is convicted of a crime, if the act that resulted in the conviction has a direct bearing on determining if the certificate holder or license holder should be entrusted to provide emergency medical services;
- (6) is convicted of violating IC 9-19-14.5;
- (7) fails to comply and maintain compliance with or violates any applicable provision, standard, or other requirement of this article or rules adopted under this article;
- (8) continues to practice if the certificate holder or license holder becomes unfit to practice due to:

(A) professional incompetence that includes the undertaking of professional activities that the certificate holder or license holder is not qualified by training or experience to undertake;

(B) failure to keep abreast of current professional theory or practice;

(C) physical or mental disability; or

(D) addiction to, abuse of, or dependency on alcohol or other drugs that endanger the public by

impairing the certificate holder's or license holder's ability to practice safely;

(9) engages in a course of lewd or immoral conduct in connection with the delivery of services to the public;

(10) allows the certificate holder's or license holder's name or a certificate or license issued under this article to be used in connection with a person who renders services beyond the scope of that person's training, experience, or competence;

(11) is subjected to disciplinary action in another state or jurisdiction on grounds similar to those contained in this chapter. For purposes of this subdivision, a certified copy of a record of disciplinary action constitutes prima facie evidence of a disciplinary action in another jurisdiction;

(12) assists another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; or

(13) allows a certificate or license issued by the commission to be:

(A) used by another person; or
(B) displayed to the public when the certificate or license is expired, inactive, invalid, revoked, or suspended.

(b) The department of homeland security may issue an order under IC 4-21.5-3-6 to impose one (1) or more of the following sanctions if the department of homeland security determines that a certificate holder or license holder is subject to disciplinary sanctions under subsection (a):

(1) Revocation of a certificate holder's certificate or license holder's license for a period not to exceed seven (7) years.

(2) Suspension of a certificate holder's certificate or license holder's license for a period not to exceed seven (7) years.

(3) Censure of a certificate holder or license holder.

(4) Issuance of a letter of reprimand.

(5) Assessment of a civil penalty against the certificate holder or license holder in accordance with the following:

(A) The civil penalty may not exceed five hundred dollars (\$500) per day per violation.

(B) If the certificate holder or license holder fails to pay the civil penalty within the time specified by the department of homeland security, the department of homeland security may suspend the certificate holder's certificate or license holder's license without additional proceedings.

(6) Placement of a certificate holder or license holder on probation status and requirement of the certificate holder or license holder to:

(A) report regularly to the department of homeland security upon the matters that are the basis of probation;

(B) limit practice to those areas prescribed by the department of homeland security;

(C) continue or renew professional education approved by the

department of homeland security until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; or
 (D) perform or refrain from performing any acts, including community restitution or service without compensation, that the department of homeland security considers appropriate to the public interest or to the rehabilitation or treatment of the certificate holder or license holder.

The department of homeland security may withdraw or modify this probation if the department of homeland security finds after a hearing that the deficiency that required disciplinary action is remedied or that changed circumstances warrant a modification of the order.

(c) If an applicant or a certificate holder or license holder has engaged in or knowingly cooperated in fraud or material deception to obtain a certificate or license, including cheating on the certification or licensure examination, the department of homeland security may rescind the certificate or license if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the certificate or license for a length of time established by the department of homeland security.

(d) The department of homeland security may deny certification or licensure to an applicant who would be subject to disciplinary sanctions under subsection (b) if that person were a certificate holder or license holder, has had disciplinary action taken against the applicant or the applicant's certificate or license to practice in another state or jurisdiction, or has practiced without a certificate or license in violation of the law. A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action.

(e) The department of homeland security may order a certificate holder or license holder to submit to a reasonable physical or mental examination if the certificate holder's or license holder's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding. Failure to comply with a department of homeland security order to submit to a physical or mental examination makes a certificate holder or license holder liable to temporary suspension under subsection (i).

(f) Except as provided under subsection (a), subsection (g), and section 14.5 of this chapter, a certificate or license may not be denied, revoked, or suspended because the applicant, certificate holder, or license holder has been convicted of an offense. The acts from which the applicant's, certificate holder's, or license holder's conviction resulted may be considered as to whether the applicant or certificate holder or license holder should be entrusted to serve the public in a specific capacity.

(g) The department of homeland security may deny, suspend, or revoke a certificate or license issued under this article if the individual who holds or is applying for the certificate or license is convicted of any of the following:

- (1) Possession of cocaine or a narcotic drug under IC 35-48-4-6.
- (2) Possession of methamphetamine under IC 35-48-4-6.1.
- (3) Possession of a controlled substance under IC 35-48-4-7(a).
- (4) Fraudulently obtaining a controlled substance under IC 35-48-4-7(c).
- (5) Manufacture of paraphernalia as a Class D felony (for a crime committed before July 1,

2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.1(b).

(6) Dealing in paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.5(b).

(7) Possession of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.3(b) (before its amendment on July 1, 2015).

(8) Possession of marijuana, hash oil, hashish, or salvia as a Class D felony (for a crime committed before July 1, 2014) or Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-11.

(9) A felony offense under IC 35-48-4 involving:

(A) possession of a synthetic drug (as defined in IC 35-31.5-2-321);
 (B) possession of a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) as a:

(i) Class D felony (for a crime committed before July 1, 2014); or
 (ii) Level 6 felony (for a crime committed after June 30, 2014); under IC 35-48-4-11.5 (before its repeal on July 1, 2019); or

(C) possession of a controlled substance analog (as defined in IC 35-48-1-9.3).

(10) Maintaining a common nuisance under IC 35-48-4-13 (repealed) or IC 35-45-1-5, if the common nuisance involves a controlled substance.

(11) An offense relating to registration, labeling, and prescription forms under IC 35-48-4-14.

~~(12) Conspiracy under IC 35-41-5-2 to commit an offense listed in this section:~~

~~(13) Attempt under IC 35-41-5-1 to commit an offense listed in this section:~~

~~(14) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described in this section:~~

(h) A decision of the department of homeland security under subsections (b) through (g) may be appealed to the commission under IC 4-21.5-3-7.

(i) The department of homeland security may temporarily suspend a certificate holder's certificate or license holder's license under IC 4-21.5-4 before a final adjudication or during the appeals process if the department of homeland security finds that a certificate holder or license holder would represent a clear and immediate danger to the public's health, safety, or property if the certificate holder or license holder were allowed to continue to practice.

(j) On receipt of a complaint or information alleging that a person certified or licensed under this chapter or IC 16-31-3.5 has engaged in or is engaging in a practice that is subject to disciplinary sanctions under this chapter, the department of homeland security must initiate an investigation against the person.

(k) The department of homeland security shall conduct a factfinding investigation as the department of homeland security considers proper in relation to the complaint.

(l) The department of homeland security may reinstate a

certificate or license that has been suspended under this section if the department of homeland security is satisfied that the applicant is able to practice with reasonable skill, competency, and safety to the public. As a condition of reinstatement, the department of homeland security may impose disciplinary or corrective measures authorized under this chapter.

(m) The department of homeland security may not reinstate a certificate or license that has been revoked under this chapter.

(n) The department of homeland security must be consistent in the application of sanctions authorized in this chapter. Significant departures from prior decisions involving similar conduct must be explained in the department of homeland security's findings or orders.

(o) A certificate holder may not surrender the certificate holder's certificate, and a license holder may not surrender the license holder's license, without the written approval of the department of homeland security, and the department of homeland security may impose any conditions appropriate to the surrender or reinstatement of a surrendered certificate or license.

(p) For purposes of this section, "certificate holder" means a person who holds:

- (1) an unlimited certificate;
- (2) a limited or probationary certificate; or
- (3) an inactive certificate.

(q) For purposes of this section, "license holder" means a person who holds:

- (1) an unlimited license;
- (2) a limited or probationary license; or
- (3) an inactive license.

SECTION 20. IC 16-31-3-14.5, AS AMENDED BY P.L.80-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14.5. The department of homeland security may issue an order under IC 4-21.5-3-6 to deny an applicant's request for certification or licensure or permanently revoke a certificate or license under procedures provided by section 14 of this chapter if the individual who holds the certificate or license issued under this title is convicted of any of the following:

- (1) Dealing in a controlled substance resulting in death under IC 35-42-1-1.5.
- (2) Dealing in or manufacturing cocaine or a narcotic drug under IC 35-48-4-1.
- (3) Dealing in methamphetamine under IC 35-48-4-1.1.
- (4) Manufacturing methamphetamine under IC 35-48-4-1.2.
- (5) Dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.
- (6) Dealing in a schedule IV controlled substance under IC 35-48-4-3.
- (7) Dealing in a schedule V controlled substance under IC 35-48-4-4.
- (8) Dealing in a substance represented to be a controlled substance under IC 35-48-4-4.5 (repealed).
- (9) Knowingly or intentionally manufacturing, advertising, distributing, or possessing with intent to manufacture, advertise, or distribute a substance represented to be a controlled substance under IC 35-48-4-4.6.
- (10) Dealing in a counterfeit substance under IC 35-48-4-5.
- (11) Dealing in marijuana, hash oil, hashish, or salvia as a felony under IC 35-48-4-10.
- (12) 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).

~~(13) Conspiracy under IC 35-41-5-2 to commit an offense listed in this section:~~

~~(14) Attempt under IC 35-41-5-1 to commit an offense listed in this section:~~

~~(15) (13) A crime of violence (as defined in IC 35-50-1-2(a)).~~

~~(16) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described under this section:~~

SECTION 21. IC 20-26-5-11, AS AMENDED BY P.L.85-2017, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) This section applies to:

- (1) a school corporation;
- (2) a charter school; and
- (3) an entity:
 - (A) with which the school corporation contracts for services; and
 - (B) that has employees who are likely to have direct, ongoing contact with children within the scope of the employees' employment.

(b) A school corporation, charter school, or entity may use information obtained under section 10 of this chapter concerning an individual's conviction for one (1) of the following offenses as grounds to not employ or contract with the individual:

- (1) Murder (IC 35-42-1-1).
- (2) Causing suicide (IC 35-42-1-2).
- (3) Assisting suicide (IC 35-42-1-2.5).
- (4) Voluntary manslaughter (IC 35-42-1-3).
- (5) Reckless homicide (IC 35-42-1-5).
- (6) Battery (IC 35-42-2-1) unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (7) Aggravated battery (IC 35-42-2-1.5).
- (8) Kidnapping (IC 35-42-3-2).
- (9) Criminal confinement (IC 35-42-3-3).
- (10) A sex offense under IC 35-42-4.
- (11) Carjacking (IC 35-42-5-2) (repealed).
- (12) Arson (IC 35-43-1-1), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (13) Incest (IC 35-46-1-3).
- (14) Neglect of a dependent as a Class B felony (for a crime committed before July 1, 2014) or a Level 1 felony or Level 3 felony (for a crime committed after June 30, 2014) (IC 35-46-1-4(b)(2)), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (15) Child selling (IC 35-46-1-4(d)).
- (16) Contributing to the delinquency of a minor (IC 35-46-1-8), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.
- (17) An offense involving a weapon under IC 35-47 or IC 35-47.5, unless ten (10) years

have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(18) An offense relating to controlled substances under IC 35-48-4, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(19) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3, unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(20) An offense relating to operating a motor vehicle while intoxicated under IC 9-30-5, unless five (5) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is later.

(21) Domestic battery (IC 35-42-2-1.3), unless ten (10) years have elapsed from the date the individual was discharged from probation, imprisonment, or parole, whichever is latest.

~~(22) An offense that is substantially equivalent to any of the offenses listed in this subsection in which the judgment of conviction was entered under the law of any other jurisdiction.~~

(c) An individual employed by a school corporation, charter school, or entity described in subsection (a) shall notify the governing body of the school corporation, if during the course of the individual's employment, the individual is convicted in Indiana or another jurisdiction of an offense described in subsection (b).

(d) A school corporation, charter school, or entity may use information obtained under section 10 of this chapter concerning an individual being the subject of a substantiated report of child abuse or neglect as grounds to not employ or contract with the individual.

(e) An individual employed by a school corporation, charter school, or entity described in subsection (a) shall notify the governing body of the school corporation, if during the course of the individual's employment, the individual is the subject of a substantiated report of child abuse or neglect.

SECTION 22. IC 20-26-14-8, AS ADDED BY P.L.169-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) The department shall notify the association of any license revocation or suspension involving a licensed teacher (as defined in IC 20-18-2-22) under IC 20-28-5-8 who:

- (1) has:
 - (A) been convicted of an offense described in IC 20-28-5-8(c); ~~or of a known comparable offense in another state;~~ or
 - (B) committed misconduct described in IC 20-28-5-7(1) or IC 20-28-5-7(2); and

(2) is also a coach accredited by the association.

(b) A school corporation, charter high school, or nonpublic high school with at least one (1) employee must report to the association, in a manner prescribed by the association, when a nonteaching or volunteer coach accredited by the association has been convicted of an offense described in IC 20-28-5-8(c). ~~or of a known comparable offense in another state.~~

(c) The association shall develop a rule, as soon as practicable, to suspend or revoke the coaching accreditation of a teacher who has been reported to the association under subsection (a) for committing misconduct described in IC 20-28-5-7(1) or IC 20-28-5-7(2).

(d) The association shall revoke the accreditation of any

coach who has been convicted of an offense described in IC 20-28-5-8. The association may, after holding a hearing on the matter, reinstate the accreditation of an individual whose accreditation has been revoked by the association if the individual's conviction has been reversed, vacated, or set aside on appeal.

(e) Nothing in this section shall be construed to prohibit the association from revoking a coaching accreditation or otherwise imposing any other form of discipline for misconduct not described in IC 20-28-5-7(1), IC 20-28-5-7(2), or IC 20-28-5-8.

- (f) The:
 - (1) association or its employees;
 - (2) department or its employees; or
 - (3) school corporation, charter high school, or nonpublic high school with at least one (1) employee or its employees;

are immune from civil liability for any act done or omitted under this section or section 9 of this chapter unless the action constitutes gross negligence or willful or wanton misconduct.

SECTION 23. IC 22-15-5-16, AS AMENDED BY P.L.80-2019, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) A practitioner shall comply with the standards established under this licensing program. A practitioner is subject to the exercise of the disciplinary sanctions under subsection (b) if the department finds that a practitioner has:

- (1) engaged in or knowingly cooperated in fraud or material deception in order to obtain a license to practice, including cheating on a licensing examination;
- (2) engaged in fraud or material deception in the course of professional services or activities;
- (3) advertised services or goods in a false or misleading manner;
- (4) falsified or knowingly allowed another person to falsify attendance records or certificates of completion of continuing education courses provided under this chapter;
- (5) been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently;
- (6) knowingly violated a state statute or rule or federal statute or regulation regulating the profession for which the practitioner is licensed;
- (7) continued to practice although the practitioner has become unfit to practice due to:
 - (A) professional incompetence;
 - (B) failure to keep abreast of current professional theory or practice;
 - (C) physical or mental disability; or
 - (D) addiction to, abuse of, or severe dependency on alcohol or other drugs that endanger the public by impairing a practitioner's ability to practice safely;
- (8) engaged in a course of lewd or immoral conduct in connection with the delivery of services to the public;
- (9) allowed the practitioner's name or a license issued under this chapter to be used in connection with an individual or business who renders services beyond the scope of that individual's or business's training, experience, or competence;
- (10) had disciplinary action taken against the practitioner or the practitioner's license to practice in another state or jurisdiction on grounds similar to those under this chapter;

- (11) assisted another person in committing an act that would constitute a ground for disciplinary sanction under this chapter; or
 (12) allowed a license issued by the department to be:

- (A) used by another person; or
 (B) displayed to the public when the license has expired, is inactive, is invalid, or has been revoked or suspended.

For purposes of subdivision (10), a certified copy of a record of disciplinary action constitutes prima facie evidence of a disciplinary action in another jurisdiction.

(b) The department may impose one (1) or more of the following sanctions if the department finds that a practitioner is subject to disciplinary sanctions under subsection (a):

- (1) Permanent revocation of a practitioner's license.
 (2) Suspension of a practitioner's license.
 (3) Censure of a practitioner.
 (4) Issuance of a letter of reprimand.
 (5) Assessment of a civil penalty against the practitioner in accordance with the following:

(A) The civil penalty may not be more than one thousand dollars (\$1,000) for each violation listed in subsection (a), except for a finding of incompetency due to a physical or mental disability.

(B) When imposing a civil penalty, the department shall consider a practitioner's ability to pay the amount assessed. If the practitioner fails to pay the civil penalty within the time specified by the department, the department may suspend the practitioner's license without additional proceedings. However, a suspension may not be imposed if the sole basis for the suspension is the practitioner's inability to pay a civil penalty.

(6) Placement of a practitioner on probation status and requirement of the practitioner to:

- (A) report regularly to the department upon the matters that are the basis of probation;
 (B) limit practice to those areas prescribed by the department;
 (C) continue or renew professional education approved by the department until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; or
 (D) perform or refrain from performing any acts, including community restitution or service without compensation, that the department considers appropriate to the public interest or to the rehabilitation or treatment of the practitioner.

The department may withdraw or modify this probation if the department finds after a hearing that the deficiency that required disciplinary action has been remedied or that changed circumstances warrant a modification of the order.

(c) If an applicant or a practitioner has engaged in or

knowingly cooperated in fraud or material deception to obtain a license to practice, including cheating on the licensing examination, the department may rescind the license if it has been granted, void the examination or other fraudulent or deceptive material, and prohibit the applicant from reapplying for the license for a length of time established by the department.

(d) The department may deny licensure to an applicant who has had disciplinary action taken against the applicant or the applicant's license to practice in another state or jurisdiction or who has practiced without a license in violation of the law. A certified copy of the record of disciplinary action is conclusive evidence of the other jurisdiction's disciplinary action.

(e) The department may order a practitioner to submit to a reasonable physical or mental examination if the practitioner's physical or mental capacity to practice safely and competently is at issue in a disciplinary proceeding. Failure to comply with a department order to submit to a physical or mental examination makes a practitioner liable to temporary suspension under subsection (j).

(f) Except as provided under subsection (g) or (h), a license may not be denied, revoked, or suspended because the applicant or holder has been convicted of an offense. The acts from which the applicant's or holder's conviction resulted may, however, be considered as to whether the applicant or holder should be entrusted to serve the public in a specific capacity.

(g) The department may deny, suspend, or revoke a license issued under this chapter if the individual who holds the license is convicted of any of the following:

(1) Possession of cocaine or a narcotic drug under IC 35-48-4-6.

(2) Possession of methamphetamine under IC 35-48-4-6.1.

(3) Possession of a controlled substance under IC 35-48-4-7(a).

(4) Fraudulently obtaining a controlled substance under IC 35-48-4-7(b) (for a crime committed before July 1, 2014) or IC 35-48-4-7(c) (for a crime committed after June 30, 2014).

(5) Manufacture of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.1(b).

(6) Dealing in paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.5(b).

(7) Possession of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.3(b) (before its amendment on July 1, 2015).

(8) Possession of marijuana, hash oil, hashish, or salvia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-11.

(9) A felony offense under IC 35-48-4 involving possession of a synthetic drug (as defined in IC 35-31.5-2-321), possession of a controlled substance analog (as defined in IC 35-48-1-9.3), or possession of a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) as a:

(A) Class D felony for a crime committed before July 1, 2014; or

(B) Level 6 felony for a crime committed after June 30, 2014; under IC 35-48-4-11.5 (before its repeal on July 1, 2019).

(10) Maintaining a common nuisance under IC 35-48-4-13 (repealed) or IC 35-45-1-5, if the common nuisance involves a controlled substance.

(11) An offense relating to registration, labeling, and prescription forms under IC 35-48-4-14.

~~(12) Conspiracy under IC 35-41-5-2 to commit an offense listed in this subsection.~~

~~(13) Attempt under IC 35-41-5-1 to commit an offense listed in this subsection.~~

~~(14) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described in this subsection.~~

(h) The department shall deny, revoke, or suspend a license issued under this chapter if the individual who holds the license is convicted of any of the following:

(1) Dealing in a controlled substance resulting in death under IC 35-42-1-1.5.

(2) Dealing in cocaine or a narcotic drug under IC 35-48-4-1.

(3) Dealing in methamphetamine under IC 35-48-4-1.1.

(4) Manufacturing methamphetamine under IC 35-48-4-1.2.

(5) Dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.

(6) Dealing in a schedule IV controlled substance under IC 35-48-4-3.

(7) Dealing in a schedule V controlled substance under IC 35-48-4-4.

(8) Dealing in a substance represented to be a controlled substance under IC 35-48-4-4.5 (repealed).

(9) Knowingly or intentionally manufacturing, advertising, distributing, or possessing with intent to manufacture, advertise, or distribute a substance represented to be a controlled substance under IC 35-48-4-4.6.

(10) Dealing in a counterfeit substance under IC 35-48-4-5.

(11) Dealing in marijuana, hash oil, hashish, or salvia as a felony under IC 35-48-4-10.

(12) 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).

~~(13) Conspiracy under IC 35-41-5-2 to commit an offense listed in this subsection.~~

~~(14) Attempt under IC 35-41-5-1 to commit an offense listed in this subsection.~~

~~(15) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described in this subsection.~~

~~(16)~~ (13) A violation of any federal or state drug law or rule related to wholesale legend drug distributors licensed under IC 25-26-14.

(i) A decision of the department under subsections (b) through (h) may be appealed to the commission under IC 4-21.5-3-7.

(j) The department may temporarily suspend a practitioner's license under IC 4-21.5-4 before a final adjudication or during the appeals process if the department finds that a practitioner represents a clear and immediate danger to the public's health, safety, or property if the practitioner is allowed to continue to practice.

(k) On receipt of a complaint or an information alleging that a person licensed under this chapter has engaged in or is engaging in a practice that jeopardizes the public health, safety, or welfare, the department shall initiate an investigation against the person.

(l) Any complaint filed with the office of the attorney general alleging a violation of this licensing program shall be referred to the department for summary review and for its general information and any authorized action at the time of the filing.

(m) The department shall conduct a fact finding investigation as the department considers proper in relation to the complaint.

(n) The department may reinstate a license that has been suspended under this section if, after a hearing, the department is satisfied that the applicant is able to practice with reasonable skill, safety, and competency to the public. As a condition of reinstatement, the department may impose disciplinary or corrective measures authorized under this chapter.

(o) The department may not reinstate a license that has been revoked under this chapter. An individual whose license has been revoked under this chapter may not apply for a new license until seven (7) years after the date of revocation.

(p) The department shall seek to achieve consistency in the application of sanctions authorized in this chapter. Significant departures from prior decisions involving similar conduct must be explained in the department's findings or orders.

(q) A practitioner may petition the department to accept the surrender of the practitioner's license instead of having a hearing before the commission. The practitioner may not surrender the practitioner's license without the written approval of the department, and the department may impose any conditions appropriate to the surrender or reinstatement of a surrendered license.

(r) A practitioner who has been subjected to disciplinary sanctions may be required by the commission to pay the costs of the proceeding. The practitioner's ability to pay shall be considered when costs are assessed. If the practitioner fails to pay the costs, a suspension may not be imposed solely upon the practitioner's inability to pay the amount assessed. The costs are limited to costs for the following:

(1) Court reporters.

(2) Transcripts.

(3) Certification of documents.

(4) Photo duplication.

(5) Witness attendance and mileage fees.

(6) Postage.

(7) Expert witnesses.

(8) Depositions.

(9) Notarizations.

SECTION 24. IC 24-5-26-1, AS ADDED BY P.L.137-2009, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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). **or**

~~(3) a substantially similar crime committed in another jurisdiction.~~

SECTION 25. IC 25-1-1.1-2, AS AMENDED BY P.L.80-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. Notwithstanding IC 25-1-7, a board, a commission, or a

committee may suspend, deny, or revoke a license or certificate issued under this title by the board, the commission, or the committee without an investigation by the office of the attorney general if the individual who holds the license or certificate is convicted of any of the following and the board, commission, or committee determines, after the individual has appeared in person, that the offense affects the individual's ability to perform the duties of the profession:

- (1) Possession of cocaine or a narcotic drug under IC 35-48-4-6.
- (2) Possession of methamphetamine under IC 35-48-4-6.1.
- (3) Possession of a controlled substance under IC 35-48-4-7(a).
- (4) Fraudulently obtaining a controlled substance under IC 35-48-4-7(c).
- (5) Manufacture of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.1(b).
- (6) Dealing in paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.5(b).
- (7) Possession of paraphernalia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-8.3(b) (before its amendment on July 1, 2015).
- (8) Possession of marijuana, hash oil, hashish, or salvia as a Class D felony (for a crime committed before July 1, 2014) or a Level 6 felony (for a crime committed after June 30, 2014) under IC 35-48-4-11.
- (9) A felony offense under IC 35-48-4 involving possession of a synthetic drug (as defined in IC 35-31.5-2-321), possession of a controlled substance analog (as defined in IC 35-48-1-9.3), or possession of a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5 (before its repeal on July 1, 2019)) as a:
 - (A) Class D felony for a crime committed before July 1, 2014; or
 - (B) Level 6 felony for a crime committed after June 30, 2014;
 under IC 35-48-4-11.5 (before its repeal on July 1, 2019).
- (10) Maintaining a common nuisance under IC 35-48-4-13 (repealed) or IC 35-45-1-5, if the common nuisance involves a controlled substance.
- (11) An offense relating to registration, labeling, and prescription forms under IC 35-48-4-14.
- ~~(12) Conspiracy under IC 35-41-5-2 to commit an offense listed in this section.~~
- ~~(13) Attempt under IC 35-41-5-1 to commit an offense listed in this section.~~
- ~~(14) (12) A sex crime under IC 35-42-4.~~
- ~~(15) (13) A felony that reflects adversely on the individual's fitness to hold a professional license.~~
- ~~(16) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described in this section.~~

SECTION 26. IC 25-1-1.1-3, AS AMENDED BY P.L.80-2019, SECTION 10, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. A board, a commission, or a committee shall revoke or suspend a license or certificate issued under this title by the board, the commission, or the committee if the individual who holds the license or certificate is convicted of any of the following:

- (1) Dealing in a controlled substance resulting in death under IC 35-42-1-1.5.
- (2) Dealing in or manufacturing cocaine or a narcotic drug under IC 35-48-4-1.
- (3) Dealing in methamphetamine under IC 35-48-4-1.1.
- (4) Manufacturing methamphetamine under IC 35-48-4-1.2.
- (5) Dealing in a schedule I, II, or III controlled substance under IC 35-48-4-2.
- (6) Dealing in a schedule IV controlled substance under IC 35-48-4-3.
- (7) Dealing in a schedule V controlled substance under IC 35-48-4-4.
- (8) Dealing in a substance represented to be a controlled substance under IC 35-48-4-4.5 (before its repeal on July 1, 2019).
- (9) Knowingly or intentionally manufacturing, advertising, distributing, or possessing with intent to manufacture, advertise, or distribute a substance represented to be a controlled substance under IC 35-48-4-4.6.
- (10) Dealing in a counterfeit substance under IC 35-48-4-5.
- (11) Dealing in marijuana, hash oil, hashish, or salvia as a felony under IC 35-48-4-10.
- (12) 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).
- ~~(13) Conspiracy under IC 35-41-5-2 to commit an offense listed in this section.~~
- ~~(14) Attempt under IC 35-41-5-1 to commit an offense listed in this section.~~
- ~~(15) An offense in any other jurisdiction in which the elements of the offense for which the conviction was entered are substantially similar to the elements of an offense described in this section.~~
- ~~(16) (13) A violation of any federal or state drug law or rule related to wholesale legend drug distributors licensed under IC 25-26-14.~~

SECTION 27. IC 25-23.6-1-5.7, AS ADDED BY P.L.122-2009, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5.7. (a) "Practice of addiction counseling" means the providing of professional services that are delivered by a licensed addiction counselor, that are designed to change substance use or addictive behavior, and that involve specialized knowledge and skill related to addictions and addictive behaviors, including understanding addiction, knowledge of the treatment process, application to practice, and professional readiness. The term includes:

- (1) gathering information through structured interview screens using routine protocols;
- (2) reviewing assessment findings to assist in the development of a plan individualized for treatment services and to coordinate services;
- (3) referring for assessment, diagnosis,

- evaluation, and mental health therapy;
- (4) providing client and family education related to addictions;
- (5) providing information on social networks and community systems for referrals and discharge planning;
- (6) participating in multidisciplinary treatment team meetings or consulting with clinical addiction professionals;
- (7) counseling, through individual and group counseling, as well as group and family education, to treat addiction and substance abuse in a variety of settings, including:
 - (A) mental and physical health facilities; and
 - (B) child and family service agencies; and
- (8) maintaining the highest level of professionalism and ethical responsibility.

(b) The term does not include the use of psychotherapy or diagnosis (as defined in IC 25-22.5-1-1.1(c) or as defined as the practice of psychology under IC 25-33-1-2(a)).

(c) For an individual who obtains a license as an addiction counselor by:

- (1) holding a valid:
 - (A) level II or higher certification or the equivalent certification from a credentialing agency approved by the division of mental health and addiction; or
 - (B) certification as an addiction counselor or addiction therapist from a credentialing agency that is approved by the board;
- (2) having at least ten (10) years of experience in addiction counseling;
- (3) furnishing satisfactory evidence to the board that the individual does not have:
 - (A) a conviction for a crime of violence (as defined in ~~IC 35-50-1-2(a)(1) through IC 35-50-1-2(a)(13)~~; **IC 35-50-1-2**); or
 - (B) a conviction in the previous two (2) years that has a direct bearing on the individual's ability to practice competently; and
- (4) filing an initial application with the board before July 1, 2010;

the term includes the provision of addiction counseling services in private practice in consultation with other licensed professionals as required by the client's individualized treatment plan.

SECTION 28. IC 25-23.6-10.5-1, AS ADDED BY P.L.122-2009, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. An individual who applies for a license as an addiction counselor must meet the following requirements:

- (1) Furnish satisfactory evidence to the board that the individual has:
 - (A) received a baccalaureate or higher degree in addiction counseling or in a related area as determined by the board from:
 - (i) an eligible postsecondary educational institution that meets the requirements under section 3(1) of this chapter; or
 - (ii) a foreign school that has a program of study that meets the

- requirements under section 3(2) or 3(3) of this chapter;
- (B) completed the educational requirements under section 5 of this chapter; and
- (C) completed the experience requirements under section 7 of this chapter.

- (2) Furnish satisfactory evidence to the board that the individual does not have a:
 - (A) conviction for a crime of violence (as defined in ~~IC 35-50-1-2(a)(1) through IC 35-50-1-2(a)(13)~~; **IC 35-50-1-2**); or
 - (B) conviction in the previous two (2) years that has a direct bearing on the individual's ability to practice competently.
- (3) Furnish satisfactory evidence to the board that the individual has not been the subject of a disciplinary action by a licensing or certification agency of another state or jurisdiction on the grounds that the individual was not able to practice as an addiction counselor without endangering the public.
- (4) Pass an examination established by the board.
- (5) Pay the fee established by the board.

SECTION 29. IC 25-23.6-10.5-1.5, AS AMENDED BY P.L.195-2018, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.5. (a) An individual who applies for a license as an addiction counselor associate must meet the following requirements:

- (1) Furnish satisfactory evidence to the board that the individual has:
 - (A) received a baccalaureate or higher degree in addiction counseling, or in a related area as determined by the board from:
 - (i) an eligible postsecondary educational institution that meets the requirement under section 3(1) of this chapter; or
 - (ii) a foreign school that has a program of study that meets the requirement under section 3(2) or 3(3) of this chapter; and
 - (B) completed the educational requirements under section 5 of this chapter.
- (2) Furnish satisfactory evidence to the board that the individual does not have a:
 - (A) conviction for a crime of violence (as defined in ~~IC 35-50-1-2(a)(1) through IC 35-50-1-2(a)(19)~~; **IC 35-50-1-2**); or
 - (B) conviction in the previous two (2) years that has a direct bearing on the individual's ability to practice competently.
- (3) Furnish satisfactory evidence to the board that the individual has not been the subject of a disciplinary action by a licensing or certification agency of another state or jurisdiction on the grounds that the individual was not able to practice as an addiction counselor associate without endangering the public.

(4) Pass an examination established by the board.

(5) Pay the fee established by the board.

(b) The board shall issue an associate temporary permit to practice addiction counseling or clinical addiction counseling to an individual who:

(1) meets the educational requirements for a license as an addiction counselor or clinical addiction counselor;

(2) is pursuing the required clinical supervisory hours for a license as an addiction counselor or clinical addiction counselor; and

(3) pays a fee for the temporary permit set by the board.

An associate temporary permit issued under this subsection expires one (1) year after the date the permit is issued, without regard to the number of times the individual passes or fails the required examination to become a licensed addiction counselor or clinical addiction counselor. The temporary permit may not be renewed.

SECTION 30. IC 25-23.6-10.5-2, AS ADDED BY P.L.122-2009, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. An individual who applies for a license as a clinical addiction counselor must meet the following requirements:

(1) Furnish satisfactory evidence to the board that the individual has:

(A) received a master's or doctor's degree in addiction counseling, addiction therapy, or a related area as determined by the board from an eligible postsecondary educational institution that meets the requirements under section 4(a)(1) of this chapter or from a foreign school that has a program of study that meets the requirements under section 4(a)(2) or 4(a)(3) of this chapter;

(B) completed the educational requirements under section 6 of this chapter; and

(C) completed the experience requirements under section 8 of this chapter.

(2) Furnish satisfactory evidence to the board that the individual does not have a:

(A) conviction for a crime of violence (as defined in ~~IC 35-50-1-2(a)(1) through IC 35-50-1-2(a)(13)~~);

IC 35-50-1-2); or
(B) conviction in the previous two (2) years that has a direct bearing on the individual's ability to practice competently.

(3) Furnish satisfactory evidence to the board that the individual has not been the subject of a disciplinary action by a licensing or certification agency of another state or jurisdiction on the grounds that the individual was not able to practice as a clinical addiction counselor without endangering the public.

(4) Pass an examination established by the board.

(5) Pay the fee established by the board.

SECTION 31. IC 25-23.6-10.5-2.5, AS AMENDED BY P.L.80-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2.5. An individual who applies for a license as a clinical addiction

counselor associate must meet the following requirements:

(1) Furnish satisfactory evidence to the board that the individual has:

(A) received a master's or doctor's degree in addiction counseling, or in a related area as determined by the board from:

(i) an eligible postsecondary educational institution that meets the requirements under section 4(a)(1) of this chapter; or

(ii) a foreign school that has a program of study that meets the requirements under section 4(a)(2) or 4(a)(3) of this chapter; and

(B) completed the education requirements under section 6 of this chapter.

(2) Furnish satisfactory evidence to the board that the individual does not have a:

(A) conviction for a crime of violence (as defined in ~~IC 35-50-1-2(a)(1) through IC 35-50-1-2(a)(19)~~);

IC 35-50-1-2); or
(B) conviction in the previous two (2) years that has a direct bearing on the individual's ability to practice competently.

(3) Furnish satisfactory evidence to the board that the individual has not been the subject of a disciplinary action by a licensing or certification agency of another state or jurisdiction on the grounds that the individual was not able to practice as a clinical addiction counselor associate without endangering the public.

(4) Pass an examination established by the board.

(5) Pay the fee established by the board.

SECTION 32. IC 29-1-2-1, AS AMENDED BY P.L.143-2009, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) The estate of a person dying intestate shall descend and be distributed as provided in this section.

(b) Except as otherwise provided in subsection (c), the surviving spouse shall receive the following share:

(1) One-half (1/2) of the net estate if the intestate is survived by at least one (1) child or by the issue of at least one (1) deceased child.

(2) Three-fourths (3/4) of the net estate, if there is no surviving issue, but the intestate is survived by one (1) or both of the intestate's parents.

(3) All of the net estate, if there is no surviving issue or parent.

(c) If the surviving spouse is a second or other subsequent spouse who did not at any time have children by the decedent, and the decedent left surviving the decedent a child or children or the descendants of a child or children by a previous spouse, the surviving second or subsequent childless spouse shall take only an amount equal to twenty-five percent (25%) of the remainder of:

(1) the fair market value as of the date of death of the real property of the deceased spouse; minus

(2) the value of the liens and encumbrances on the real property of the deceased spouse.

The fee shall, at the decedent's death, vest at once in the decedent's surviving child or children, or the descendants of the

decedent's child or children who may be dead. A second or subsequent childless spouse described in this subsection shall, however, receive the same share of the personal property of the decedent as is provided in subsection (b) with respect to surviving spouses generally.

(d) The share of the net estate not distributable to the surviving spouse, or the entire net estate if there is no surviving spouse, shall descend and be distributed as follows:

(1) To the issue of the intestate, if they are all of the same degree of kinship to the intestate, they shall take equally, or if of unequal degree, then those of more remote degrees shall take by representation.

(2) Except as provided in subsection (e), if there is a surviving spouse but no surviving issue of the intestate, then to the surviving parents of the intestate.

(3) Except as provided in subsection (e), if there is no surviving spouse or issue of the intestate, then to the surviving parents, brothers, and sisters, and the issue of deceased brothers and sisters of the intestate. Each living parent of the intestate shall be treated as of the same degree as a brother or sister and shall be entitled to the same share as a brother or sister. However, the share of each parent shall be not less than one-fourth (1/4) of the decedent's net estate. Issue of deceased brothers and sisters shall take by representation.

(4) If there is no surviving parent or brother or sister of the intestate, then to the issue of brothers and sisters. If the distributees described in this subdivision are all in the same degree of kinship to the intestate, they shall take equally or, if of unequal degree, then those of more remote degrees shall take by representation.

(5) If there is no surviving issue or parent of the intestate or issue of a parent, then to the surviving grandparents of the intestate equally.

(6) If there is no surviving issue or parent or issue of a parent, or grandparent of the intestate, then the estate of the decedent shall be divided into that number of shares equal to the sum of:

(A) the number of brothers and sisters of the decedent's parents surviving the decedent; plus

(B) the number of deceased brothers and sisters of the decedent's parents leaving issue surviving both them and the decedent;

and one (1) of the shares shall pass to each of the brothers and sisters of the decedent's parents or their respective issue per stirpes.

(7) If interests in real estate go to a husband and wife under this subsection, the aggregate interests so descending shall be owned by them as tenants by the entireties. Interests in personal property so descending shall be owned as tenants in common.

(8) If there is no person mentioned in subdivisions (1) through (7), then to the state.

(e) A parent may not receive an intestate share of the estate of the parent's minor or adult child if the parent was convicted of causing the death of the child's other parent by:

(1) murder (IC 35-42-1-1);

(2) voluntary manslaughter (IC 35-42-1-3); or

(3) another criminal act, if the death does not result from the operation of a vehicle. or

(4) a crime in any other jurisdiction in which the

elements of the crime are substantially similar to the elements of a crime listed in subdivisions (1) through (3):

If a parent is disqualified from receiving an intestate share under this subsection, the estate of the deceased child shall be distributed as though the parent had predeceased the child.

SECTION 33. IC 29-3-7-7, AS AMENDED BY P.L.86-2018, SECTION 213, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. A court may not appoint a person to serve as the guardian or permit a person to continue to serve as a guardian if the person:

(1) is a sexually violent predator (as described in IC 35-38-1-7.5);

(2) was at least eighteen (18) years of age at the time of the offense and was convicted of child molesting (IC 35-42-4-3) or sexual misconduct with a minor (IC 35-42-4-9) against a child less than sixteen (16) years of age:

(A) by using or threatening the use of deadly force;

(B) while armed with a deadly weapon; or

(C) that resulted in serious bodily injury; or

(3) was less than eighteen (18) years of age at the time of the offense and was convicted as an adult of

(A) an offense described in:

(i) (A) IC 35-42-4-1;

(ii) (B) IC 35-42-4-2 (before its repeal);

(iii) (C) IC 35-42-4-3 as a Class A or Class B felony (for crimes committed before July 1, 2014) or as a Level 1, Level 2, Level 3, or Level 4 felony (for crimes committed after June 30, 2014);

(iv) (D) IC 35-42-4-5(a)(1);

(v) (E) IC 35-42-4-5(a)(2);

(vi) (F) IC 35-42-4-5(a)(3) (before that provision was redesignated by P.L.158-2013, SECTION 441);

(vii) (G) IC 35-42-4-5(b)(1) as a Class A or Class B felony (for crimes committed before July 1, 2014) or as a Level 2, Level 3, or Level 4 felony (for crimes committed after June 30, 2014);

(viii) (H) IC 35-42-4-5(b)(2); or

(ix) (I) IC 35-42-4-5(b)(3) as a Class A or Class B felony (for crimes committed before July 1, 2014) or as a Level 2, Level 3, or Level 4 felony (for crimes committed after June 30, 2014).

(B) an attempt or conspiracy to commit a crime listed in clause (A); or

(C) a crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in clauses (A) and (B):

SECTION 34. IC 31-9-2-84.8, AS AMENDED BY P.L.243-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 84.8. "Nonwaivable offense", for purposes of this title, means a conviction of any of the following felonies:

(1) Murder (IC 35-42-1-1).

(2) Causing suicide (IC 35-42-1-2).

- (3) Assisting suicide (IC 35-42-1-2.5).
- (4) Voluntary manslaughter (IC 35-42-1-3).
- (5) Involuntary manslaughter (IC 35-42-1-4).
- (6) Reckless homicide (IC 35-42-1-5).
- (7) Feticide (IC 35-42-1-6).
- (8) Battery (IC 35-42-2-1) within the past five (5) years.
- (9) Domestic battery (IC 35-42-2-1.3).
- (10) Aggravated battery (IC 35-42-2-1.5).
- (11) Criminal recklessness (IC 35-42-2-2) within the past five (5) years.
- (12) Strangulation (IC 35-42-2-9).
- (13) Kidnapping (IC 35-42-3-2).
- (14) Criminal confinement (IC 35-42-3-3) within the past five (5) years.
- (15) Human and sexual trafficking (IC 35-42-3.5).
- (16) A felony sex offense under IC 35-42-4.
- (17) Arson (IC 35-43-1-1) within the past five (5) years.
- (18) Incest (IC 35-46-1-3).
- (19) Neglect of a dependent (IC 35-46-1-4(a) and IC 35-46-1-4(b)).
- (20) Child selling (IC 35-46-1-4(d)).
- (21) Reckless supervision (IC 35-46-1-4.1).
- (22) Nonsupport of a dependent child (IC 35-46-1-5) within the past five (5) years.
- (23) Operating a motorboat while intoxicated (IC 35-46-9-6) within the past five (5) years.
- (24) A felony involving a weapon under IC 35-47 within the past five (5) years.
- (25) A felony relating to controlled substances under IC 35-48-4 within the past five (5) years.
- (26) An offense relating to material or a performance that is harmful to minors or obscene under IC 35-49-3.
- (27) A felony under IC 9-30-5 within the past five (5) years.
- (28) A felony related to the health or safety of a child (as defined in IC 31-9-2-13(h)) or an endangered adult (as defined in IC 12-10-3-2).
- ~~(29) Attempt (IC 35-41-5-1) to commit a felony described in subdivisions (1) through (28): If a conviction for a felony is nonwaivable for a stated duration under subdivisions (1) through (28); a conviction for an attempt to commit the felony is nonwaivable for the same duration under this subdivision.~~
- ~~(30) A felony that is substantially equivalent to a felony described in subdivisions (1) through (29) for which the conviction was entered in another jurisdiction: If a conviction for a felony is nonwaivable for a stated duration under subdivisions (1) through (29); a conviction for a substantially equivalent felony in another jurisdiction is nonwaivable for the same duration under this subdivision.~~

SECTION 35. IC 31-19-9-8, AS AMENDED BY P.L.113-2017, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) Consent to adoption, which may be required under section 1 of this chapter, is not required from any of the following:

- (1) A parent or parents if the child is adjudged to have been abandoned or deserted for at least six (6) months immediately preceding the date of the filing of the petition for adoption.
- (2) A parent of a child in the custody of another person if for a period of at least one (1) year the parent:
 - (A) fails without justifiable cause

to communicate significantly with the child when able to do so; or
 (B) knowingly fails to provide for the care and support of the child when able to do so as required by law or judicial decree.

(3) The biological father of a child born out of wedlock whose paternity has not been established:

(A) by a court proceeding other than the adoption proceeding; or
 (B) by executing a paternity affidavit under IC 16-37-2-2.1.

(4) The biological father of a child born out of wedlock who was conceived as a result of:

(A) a rape for which the father was convicted under IC 35-42-4-1;
 (B) child molesting (IC 35-42-4-3);

(C) sexual misconduct with a minor (IC 35-42-4-9); or

(D) incest (IC 35-46-1-3). or

~~(E) a crime in any other jurisdiction in which the elements of the crime are substantially similar to the elements of a crime listed in clauses (A) through (D):~~

(5) The putative father of a child born out of wedlock if the putative father's consent to adoption is irrevocably implied under section 15 of this chapter.

(6) The biological father of a child born out of wedlock if the:

(A) father's paternity is established after the filing of a petition for adoption in a court proceeding or by executing a paternity affidavit under IC 16-37-2-2.1; and

(B) father is required to but does not register with the putative father registry established by IC 31-19-5 within the period required by IC 31-19-5-12.

(7) A parent who has relinquished the parent's right to consent to adoption as provided in this chapter.

(8) A parent after the parent-child relationship has been terminated under IC 31-35 (or IC 31-6-5 before its repeal).

(9) A parent judicially declared incompetent or mentally defective if the court dispenses with the parent's consent to adoption.

(10) A legal guardian or lawful custodian of the person to be adopted who has failed to consent to the adoption for reasons found by the court not to be in the best interests of the child.

(11) A parent if:

(A) a petitioner for adoption proves by clear and convincing evidence that the parent is unfit to be a parent; and

(B) the best interests of the child sought to be adopted would be served if the court dispensed with the parent's consent.

(12) A child's biological father who denies paternity of the child before or after the birth of the child if the denial of paternity:

(A) is in writing;

(B) is signed by the child's father

- in the presence of a notary public; and
- (C) contains an acknowledgment that:
 - (i) the denial of paternity is irrevocable; and
 - (ii) the child's father will not receive notice of adoption proceedings.

A child's father who denies paternity of the child under this subdivision may not challenge or contest the child's adoption.

(b) If a parent has made only token efforts to support or to communicate with the child the court may declare the child abandoned by the parent.

SECTION 36. IC 31-19-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. A court shall determine that consent to adoption is not required from a parent if the:

- (1) parent is convicted of and incarcerated at the time of the filing of a petition for adoption for:
 - (A) murder (IC 35-42-1-1);
 - (B) causing suicide (IC 35-42-1-2);
 - or**
 - (C) voluntary manslaughter (IC 35-42-1-3);
 - ~~(D) an attempt under IC 35-41-5-1 to commit a crime described in clauses (A) through (C); or~~
 - ~~(E) a crime in another state that is substantially similar to a crime described in clauses (A) through (D);~~
- (2) victim of the crime is the child's other parent; and
- (3) court determines, after notice to the convicted parent and a hearing, that dispensing with the parent's consent to adoption is in the child's best interests.

SECTION 37. IC 31-19-9-10, AS AMENDED BY P.L.210-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10. A court shall determine that consent to adoption is not required from a parent if:

- (1) the parent is convicted of and incarcerated at the time of the filing of a petition for adoption for:
 - (A) murder (IC 35-42-1-1);
 - (B) causing suicide (IC 35-42-1-2);
 - (C) voluntary manslaughter (IC 35-42-1-3);
 - (D) rape (IC 35-42-4-1);
 - (E) criminal deviate conduct (IC 35-42-4-2) (before its repeal);
 - (F) child molesting (IC 35-42-4-3) as a:
 - (i) Class A or Class B felony, for a crime committed before July 1, 2014; or
 - (ii) Level 1, Level 2, Level 3, or Level 4 felony, for a crime committed after June 30, 2014;
 - (G) incest (IC 35-46-1-3) as a:
 - (i) Class B felony, for a crime committed before July 1, 2014; or
 - (ii) Level 4 felony, for a crime committed after June 30, 2014;
 - (H) neglect of a dependent (IC 35-46-1-4) as a:
 - (i) Class B felony, for a crime

- committed before July 1, 2014; or
- (ii) Level 1 or Level 3 felony, for a crime committed after June 30, 2014;
- (I) battery (IC 35-42-2-1) of a child as a:
 - (i) Class C felony, for a crime committed before July 1, 2014; or
 - (ii) Level 5 felony, for a crime committed after June 30, 2014;
- (J) battery (IC 35-42-2-1) as a:
 - (i) Class A or Class B felony, for a crime committed before July 1, 2014; or
 - (ii) Level 2, Level 3, or Level 4 felony, for a crime committed after June 30, 2014;
- (K) domestic battery (IC 35-42-2-1.3) as a Level 5, Level 4, Level 3, or Level 2 felony; **or**
- (L) aggravated battery (IC 35-42-2-1.5) as a Level 3 or Level 1 felony;
- ~~(M) an attempt under IC 35-41-5-1 to commit an offense described in this subdivision; or~~
- ~~(N) a crime in another state that is substantially similar to a crime described in clauses (A) through (M);~~

- (2) the child or the child's sibling, half-blood sibling, or step-sibling of the parent's current marriage is the victim of the offense; and
- (3) after notice to the parent and a hearing, the court determines that dispensing with the parent's consent to adoption is in the child's best interests.

SECTION 38. IC 31-19-11-1, AS AMENDED BY P.L.243-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Whenever the court has heard the evidence and finds that:

- (1) the adoption requested is in the best interest of the child;
- (2) the petitioner or petitioners for adoption are of sufficient ability to rear the child and furnish suitable support and education;
- (3) the report of the investigation and recommendation under IC 31-19-8-5 has been filed;
- (4) the attorney or agency arranging an adoption has filed with the court an affidavit prepared by the state department of health under IC 31-19-5-16 indicating whether a man is entitled to notice of the adoption because the man has registered with the putative father registry in accordance with IC 31-19-5;
- (5) proper notice arising under subdivision (4), if notice is necessary, of the adoption has been given;
- (6) the attorney or agency has filed with the court an affidavit prepared by the state department of health under:
 - (A) IC 31-19-6 indicating whether a record of a paternity determination; or
 - (B) IC 16-37-2-2(g) indicating whether a paternity affidavit executed under IC 16-37-2-2.1;
 has been filed in relation to the child;
- (7) proper consent, if consent is necessary, to

the adoption has been given;

(8) the petitioner for adoption is not prohibited from adopting the child as the result of an inappropriate criminal history described in subsection (c) or (d); and

(9) the person, licensed child placing agency, or local office that has placed the child for adoption has provided the documents and other information required under IC 31-19-17 to the prospective adoptive parents;

the court shall grant the petition for adoption and enter an adoption decree.

(b) A court may not grant an adoption unless the state department of health's affidavit under IC 31-19-5-16 is filed with the court as provided under subsection (a)(4).

(c) A juvenile adjudication for an act listed in IC 31-9-2-84.8 that would be a felony if committed by an adult, a conviction of a misdemeanor related to the health and safety of a child, or a conviction of a felony not listed in IC 31-9-2-84.8 by a petitioner for adoption or household member is a permissible basis for the court to deny the petition for adoption. In addition, the court may not grant an adoption if a petitioner for adoption has been convicted of a nonwaivable offense under IC 31-9-2-84.8. However, the court is not prohibited from granting an adoption based upon a felony conviction for:

- (1) a felony under IC 9-30-5;
- (2) battery (IC 35-42-2-1);
- (3) criminal recklessness (IC 35-42-2-2) as a felony;
- (4) criminal confinement (IC 35-42-3-3);
- (5) arson (IC 35-43-1-1);
- (6) nonsupport of a dependent child (IC 35-46-1-5);
- (7) operating a motorboat while intoxicated (IC 35-46-9-6) as a felony;
- (8) a felony involving a weapon under IC 35-47;
- or**
- (9) a felony relating to controlled substances under IC 35-48-4;
- ~~(10) attempt to commit a felony listed in subdivisions (1) through (9); or~~
- ~~(11) a felony that is substantially equivalent to a felony listed in this section for which the conviction was entered in another jurisdiction;~~

if the date of the conviction did not occur within the immediately preceding five (5) year period.

(d) A court may not grant an adoption if the petitioner is a sex or violent offender (as defined in IC 11-8-8-5) or a sexually violent predator (as defined in IC 35-38-1-7.5).

SECTION 39. IC 31-30-1-2.5, AS AMENDED BY P.L.86-2018, SECTION 218, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2.5. A juvenile court may not appoint a person to serve as the guardian or custodian of a child or permit a person to continue to serve as a guardian or custodian of a child if the person:

- (1) is a sexually violent predator (as described in IC 35-38-1-7.5);
- (2) was at least eighteen (18) years of age at the time of the offense and committed child molesting (IC 35-42-4-3) or sexual misconduct with a minor (IC 35-42-4-9) against a child less than sixteen (16) years of age:
 - (A) by using or threatening the use of deadly force;
 - (B) while armed with a deadly weapon; or
 - (C) that resulted in serious bodily injury; or
- (3) was less than eighteen (18) years of age at the time of the offense but was tried and

convicted as an adult of

~~(A)~~ an offense described in:

~~(i)~~ ~~(A)~~ IC 35-42-4-1;

~~(ii)~~ ~~(B)~~ IC 35-42-4-2 (before its repeal);

~~(iii)~~ ~~(C)~~ IC 35-42-4-3 as a Class A or Class B felony (for crimes committed before July 1, 2014) or as a Level 1, Level 2, or Level 3 felony (for crimes committed after June 30, 2014);

~~(iv)~~ ~~(D)~~ IC 35-42-4-5(a)(1);

~~(v)~~ ~~(E)~~ IC 35-42-4-5(a)(2);

~~(vi)~~ ~~(F)~~ IC 35-42-4-5(a)(3) (before that provision was redesignated by P.L.158-2013, SECTION 441);

~~(vii)~~ ~~(G)~~ IC 35-42-4-5(b)(1) as a Class A or Class B felony (for crimes committed before July 1, 2014) or as a Level 2, Level 3, or Level 4 felony (for crimes committed after June 30, 2014);

~~(viii)~~ ~~(H)~~ IC 35-42-4-5(b)(2); or

~~(ix)~~ ~~(I)~~ IC 35-42-4-5(b)(3) as a Class A or Class B felony (for crimes committed before July 1, 2014) or as a Level 1, Level 2, or Level 3 felony (for crimes committed after June 30, 2014).

~~(B) an attempt or conspiracy to commit a crime listed in clause (A); or~~

~~(C) a crime under the laws of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in clauses (A) and (B);~~

SECTION 40. IC 31-34-1-2, AS AMENDED BY P.L.71-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) A child is a child in need of services if before the child becomes eighteen (18) years of age:

- (1) the child's physical or mental health is seriously endangered due to injury by the act or omission of the child's parent, guardian, or custodian; and
- (2) the child needs care, treatment, or rehabilitation that:

(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

(b) A child is a child in need of services if, before the child becomes eighteen (18) years of age, the child:

- (1) is a victim of:

(A) an offense under IC 35-42-1-2.5;

(B) an offense under IC 35-42-2-1;

(C) an offense under IC 35-42-2-1.3;

(D) an offense under IC 35-42-2-1.5;

(E) an offense under IC 35-42-2-9;

or

(F) an offense under IC 35-46-1-4;

and

~~(G) an attempt or conspiracy to commit;~~

~~(i) an offense listed in clauses (A) through (F); or~~

~~(ii) an offense under IC 35-42-1-1, IC 35-42-1-2, IC 35-42-1-3, IC 35-42-1-4, or IC 35-42-1-5; or (H) an offense under the law of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in clauses (A) through (G); and~~

(2) needs care, treatment, or rehabilitation that:
(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

(c) A child is a child in need of services if, before the child becomes eighteen (18) years of age, the child:

(1) lives in the same household as an adult who:
(A) committed:
(i) an offense described in subsection (b)(1); or
(ii) an offense under IC 35-42-1-1, IC 35-42-1-2, IC 35-42-1-3, IC 35-42-1-4, or IC 35-42-1-5; against another child who lives in the household and the offense resulted in a conviction or a judgment under IC 31-34-11-2; or
(B) has been charged with committing an offense described in clause (A) against another child who lives in the household and is awaiting trial; and

(2) needs care, treatment, or rehabilitation that:
(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

(d) Evidence that the illegal manufacture of a drug or controlled substance is occurring on property where a child resides creates a rebuttable presumption that the child's physical or mental health is seriously endangered.

SECTION 41. IC 31-34-1-3, AS AMENDED BY P.L.144-2018, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) A child is a child in need of services if, before the child becomes eighteen (18) years of age:

(1) the child is the victim of an offense under:
(A) IC 35-42-4-1;
(B) IC 35-42-4-2 (before its repeal);
(C) IC 35-42-4-3;
(D) IC 35-42-4-4;
(E) IC 35-42-4-5;
(F) IC 35-42-4-6;
(G) IC 35-42-4-7;
(H) IC 35-42-4-8;
(I) IC 35-42-4-9;
(J) IC 35-45-4-1;
(K) IC 35-45-4-2;
(L) IC 35-45-4-3;
(M) IC 35-45-4-4; or
(N) IC 35-46-1-3; or
~~(O) the law of another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in clauses (A) through (N); and~~

(2) the child needs care, treatment, or rehabilitation that:
(A) the child is not receiving; and

(B) is unlikely to be provided or accepted without the coercive intervention of the court.

(b) A child is a child in need of services if, before the child becomes eighteen (18) years of age, the child:

(1) lives in the same household as an adult who:
(A) committed an offense described in subsection (a)(1) against a child and the offense resulted in a conviction or a judgment under IC 31-34-11-2; or
(B) has been charged with an offense described in subsection (a)(1) against a child and is awaiting trial; and

(2) needs care, treatment, or rehabilitation that:
(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court.

(c) A child is a child in need of services if, before the child becomes eighteen (18) years of age:

(1) the child lives in the same household as another child who is the victim of an offense described in subsection (a)(1);
(2) the child needs care, treatment, or rehabilitation that:

(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive intervention of the court; and

(3) a caseworker assigned to provide services to the child:

(A) places the child in a program of informal adjustment or other family or rehabilitative services based on the existence of the circumstances described in subdivisions (1) and (2), and the caseworker subsequently determines further intervention is necessary; or
(B) determines that a program of informal adjustment or other family or rehabilitative services is inappropriate.

(d) A child is a child in need of services if, before the child becomes eighteen (18) years of age:

(1) the child lives in the same household as an adult who:

(A) committed a human or sexual trafficking offense under IC 35-42-3.5-1 through IC 35-42-3.5-1.4 or the law of another jurisdiction, including federal law, that resulted in a conviction or a judgment under IC 31-34-11-2; or
(B) has been charged with a human or sexual trafficking offense under IC 35-42-3.5-1 through IC 35-42-3.5-1.4 or the law of another jurisdiction, including federal law, and is awaiting trial; and

(2) the child needs care, treatment, or rehabilitation that:

(A) the child is not receiving; and
(B) is unlikely to be provided or accepted without the coercive

intervention of the court.

SECTION 42. IC 31-34-1-3.5, AS ADDED BY P.L.46-2016, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.5. (a) A child is a child in need of services if, before the child becomes eighteen (18) years of age:

- (1) the child is the victim of
 - ~~(A) human or sexual trafficking (as defined in IC 31-9-2-133.1); or~~
 - ~~(B) a human or sexual trafficking offense under the law of another jurisdiction, including federal law, that is substantially equivalent to the act described in clause (A); and~~
- (2) the child needs care, treatment, or rehabilitation that:
 - (A) the child is not receiving; and
 - (B) is unlikely to be provided or accepted without the coercive intervention of the court.

(b) A child is considered a victim of human or sexual trafficking regardless of whether the child consented to the conduct described in subsection (a)(1).

SECTION 43. IC 31-34-4-2, AS AMENDED BY P.L.243-2019, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) If a child alleged to be a child in need of services is taken into custody under an order of the court under this chapter and the court orders out-of-home placement, the department is responsible for that placement and care and must consider placing the child with a:

- (1) suitable and willing relative; or
- (2) de facto custodian;

before considering any other out-of-home placement.

(b) The department shall consider placing a child described in subsection (a) with a relative related by blood, marriage, or adoption before considering any other placement of the child.

(c) Before the department places a child in need of services with a relative or a de facto custodian, the department shall complete an evaluation based on a home visit of the relative's home.

(d) Except as provided in subsection (f), before placing a child in need of services in an out-of-home placement, the department shall conduct a criminal history check of each person who is currently residing in the location designated as the out-of-home placement.

(e) Except as provided in subsection (g), the department may not make an out-of-home placement if a person described in subsection (d) has:

- (1) committed an act resulting in a substantiated report of child abuse or neglect; or
- (2) been convicted of a nonwaivable offense, as defined in IC 31-9-2-84.8 or had a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult.

(f) The department is not required to conduct a criminal history check under subsection (d) if the department makes an out-of-home placement to an entity or a facility that is not a residence (as defined in IC 3-5-2-42.5) or that is licensed by the state.

(g) A court may order or the department may approve an out-of-home placement if:

- (1) a person described in subsection (d) has:
 - (A) committed an act resulting in a substantiated report of child abuse or neglect;
 - (B) been convicted of:
 - (i) battery (IC 35-42-2-1);
 - (ii) criminal recklessness (IC

- 35-42-2-2) as a felony;
- (iii) criminal confinement (IC 35-42-3-3) as a felony;
- (iv) arson (IC 35-43-1-1) as a felony;
- (v) nonsupport of a dependent child (IC 35-46-1-5);
- (vi) operating a motorboat while intoxicated (IC 35-46-9-6) as a felony;
- (vii) a felony involving a weapon under IC 35-47;
- (viii) a felony relating to controlled substances under IC 35-48-4; or
- (ix) a felony under IC 9-30-5;
- ~~(x) attempt to commit a felony listed in items (i) through (ix); or~~
- ~~(xi) a felony that is substantially equivalent to a felony listed in this clause for which the conviction was entered in another jurisdiction;~~
- if the conviction did not occur within the past five (5) years; or
- (C) had a juvenile adjudication for a nonwaivable offense, as defined in IC 31-9-2-84.8 that, if committed by an adult, would be a felony; and

(2) the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and the placement is in the best interest of the child.

However, a court or the department may not make an out-of-home placement if the person has been convicted of a nonwaivable offense, as defined in IC 31-9-2-84.8 that is not specifically excluded under subdivision (1)(B).

(h) In considering the placement under subsection (g), the court or the department shall consider the following:

- (1) The length of time since the person committed the offense, delinquent act, or abuse or neglect.
- (2) The severity of the offense, delinquent act, or abuse or neglect.
- (3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 44. IC 31-34-20-1.5, AS AMENDED BY P.L.243-2019, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.5. (a) Except as provided in subsection (d), the juvenile court may not enter a dispositional decree approving or ordering placement of a child in another home under section 1(a)(3) of this chapter or awarding wardship to the department that will place the child in another home under section 1(a)(4) of this chapter if a person who is currently residing in the home in which the child would be placed under section 1(a)(3) or 1(a)(4) of this chapter has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8.

(b) The department or caseworker who prepared the predispositional report shall conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile

adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8. However, the department or caseworker is not required to conduct a criminal history check under this section if criminal history information under IC 31-34-4-2 or IC 31-34-18-6.1 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8.

(c) The department or caseworker is not required to conduct a criminal history check under this section if:

(1) the department or caseworker is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

(d) A juvenile court may enter a dispositional decree that approves placement of a child in another home or award wardship to the department that will place the child in a home with a person described in subsection (a) if:

(1) the person described in subsection (a) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect;

(B) been convicted of:

(i) battery (IC 35-42-2-1);

(ii) criminal recklessness (IC 35-42-2-2) as a felony;

(iii) criminal confinement (IC 35-42-3-3) as a felony;

(iv) arson (IC 35-43-1-1) as a felony;

(v) nonsupport of a dependent child (IC 35-46-1-5);

(vi) operating a motorboat while intoxicated (IC 35-46-9-6) as a felony;

(vii) a felony involving a weapon under IC 35-47;

(viii) a felony relating to controlled substances under IC 35-48-4; or

(ix) a felony under IC 9-30-5;

~~(x) attempt to commit a felony listed in items (i) through (ix); or~~

~~(xi) a felony that is substantially equivalent to a felony listed in this clause for which the conviction was entered in another jurisdiction;~~

~~if the conviction did not occur within the past five (5) years; or~~

(C) had a juvenile adjudication for a nonwaivable offense, as defined in IC 31-9-2-84.8 that, if committed by an adult, would be a felony; and

(2) the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and placing a child in another home or awarding wardship to the department is in the best interest of the child.

However, a court may not enter a dispositional decree that

approves placement of a child in another home or awards wardship to the department if the person has been convicted of a nonwaivable offense, as defined in IC 31-9-2-84.8 that is not specifically excluded under subdivision (1)(B).

(e) In considering the placement under subsection (d), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 45. IC 31-34-21-7.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7.5. (a) Except as provided in subsection (d), the juvenile court may not approve a permanency plan under subsection ~~(e)(1)(D)~~; ~~(c)(1)(C)~~, ~~(e)(1)(E)~~; ~~(c)(1)(D)~~, or ~~(e)(1)(F)~~ ~~(c)(1)(E)~~ if a person who is currently residing with a person described in subsection ~~(e)(1)(D)~~ ~~(c)(1)(C)~~ or ~~(e)(1)(E)~~ ~~(c)(1)(D)~~ or in a residence in which the child would be placed under subsection ~~(e)(1)(F)~~ ~~(c)(1)(E)~~ has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8.

(b) Before requesting juvenile court approval of a permanency plan, the department shall conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8. However, the department is not required to conduct a criminal history check under this section if criminal history information under IC 31-34-4-2, IC 31-34-18-6.1, or IC 31-34-20-1.5 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8.

(c) A permanency plan, or plans, if concurrent planning, under this chapter includes the following:

(1) The intended permanent or long term arrangements for care and custody of the child that may include any one (1), or two (2), if concurrent planning, of the following arrangements that the department or the court considers most appropriate and consistent with the best interests of the child:

(A) Return to or continuation of existing custodial care within the home of the child's parent, guardian, or custodian or placement of the child with the child's noncustodial parent.

(B) Placement of the child for adoption.

(C) Placement of the child with a responsible person, including:

(i) an adult sibling;

(ii) a grandparent;

(iii) an aunt;

(iv) an uncle;

(v) a custodial parent of a sibling of the child; or

(vi) another relative;

who is able and willing to act as the child's permanent custodian and carry out the responsibilities required by the permanency plan.

(D) Appointment of a legal guardian. The legal guardian appointed under this section is a caretaker in a judicially created relationship between the child and caretaker that is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of the following parental rights with respect to the child:

(i) Care, custody, and control of the child.

(ii) Decision making concerning the child's upbringing.

(E) A supervised independent living arrangement or foster care for the child with a permanency plan of another planned, permanent living arrangement. However, a child less than sixteen (16) years of age may not have another planned, permanent living arrangement as the child's permanency plan.

(2) A time schedule for implementing the applicable provisions of the permanency plan.

(3) Provisions for temporary or interim arrangements for care and custody of the child, pending completion of implementation of the permanency plan.

(4) Other items required to be included in a case plan under IC 31-34-15 or federal law, consistent with the permanent or long term arrangements described by the permanency plan.

(d) A juvenile court may approve a permanency plan if:

(1) a person described in subsection (a) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect;

(B) been convicted of:

(i) battery (IC 35-42-2-1);

(ii) criminal recklessness (IC 35-42-2-2) as a felony;

(iii) criminal confinement (IC 35-42-3-3) as a felony;

(iv) arson (IC 35-43-1-1) as a felony;

(v) nonsupport of a dependent child (IC 35-46-1-5);

(vi) operating a motorboat while intoxicated (IC 35-46-9-6) as a felony;

(vii) a felony involving a weapon under IC 35-47;

(viii) a felony relating to controlled substances under IC 35-48-4; or

(ix) a felony under IC 9-30-5;

~~(x) attempt to commit a felony listed in items (i) through (ix); or~~

~~(xi) a felony that is substantially equivalent to a felony listed in this clause for which the conviction was entered in another jurisdiction;~~

if the conviction did not occur

within the past five (5) years; or
(C) had a juvenile adjudication for a nonwaivable offense, as defined in IC 31-9-2-84.8 that, if committed by an adult, would be a felony; and

(2) the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and that approval of the permanency plan is in the best interest of the child.

However, a court may not approve a permanency plan if the person has been convicted of a nonwaivable offense, as defined in IC 31-9-2-84.8 that is not specifically excluded under subdivision (1)(B), or has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult that is not specifically excluded under subdivision (1)(B).

(e) In making its written finding under subsection (d), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 46. IC 31-37-13-5, AS AMENDED BY P.L.168-2014, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) If a finding of delinquency is based on a delinquent act that would be a felony if committed by an adult, the juvenile court shall state in the findings the following:

(1) The specific statute that was violated.

(2) The class or level of the felony had the violation been committed by an adult.

(b) If a finding of delinquency is based on a delinquent act that would be a serious violent felony (as defined in IC 35-47-4-5) if committed by an adult, the juvenile court shall, notwithstanding IC 31-39-1, transmit the finding to the office of judicial administration for transmission to NICS (as defined in IC 35-47-2.5-2.5) in accordance with IC 33-24-6-3.

SECTION 47. IC 31-37-19-6.5, AS AMENDED BY P.L.243-2019, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6.5. (a) Except as provided in subsection (d), the juvenile court may not enter a dispositional decree approving placement of a child in another home under section 1(a)(3) or 6(b)(2)(D) of this chapter or awarding wardship to a person or facility that results in a placement with a person under section 1(a)(4) or 6(b)(2)(E) of this chapter if a person who is currently residing in the home in which the child would be placed under section 1(a)(3), 1(a)(4), 6(b)(2)(D), or 6(b)(2)(E) of this chapter has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8.

(b) The juvenile probation officer who prepared the predispositional report shall conduct a criminal history check (as defined in IC 31-9-2-22.5) to determine if a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in

IC 31-9-2-84.8. However, the probation officer is not required to conduct a criminal history check under this section if criminal history information obtained under IC 31-37-17-6.1 establishes whether a person described in subsection (a) has committed an act resulting in a substantiated report of child abuse or neglect, has a juvenile adjudication for an act that would be a nonwaivable offense, as defined in IC 31-9-2-84.8 if committed by an adult, or has a conviction for a nonwaivable offense, as defined in IC 31-9-2-84.8.

(c) The juvenile probation officer is not required to conduct a criminal history check under this section if:

(1) the probation officer is considering only an out-of-home placement to an entity or a facility that:

(A) is not a residence (as defined in IC 3-5-2-42.5); or

(B) is licensed by the state; or

(2) placement under this section is undetermined at the time the predispositional report is prepared.

(d) The juvenile court may enter a dispositional decree approving placement of a child in another home under section 1(a)(3) or 6(b)(2)(D) of this chapter or awarding wardship to a person or facility that results in a placement with a person under section 1(a)(4) or 6(b)(2)(E) of this chapter if:

(1) a person described in subsection (a) has:

(A) committed an act resulting in a substantiated report of child abuse or neglect;

(B) been convicted of:

(i) a felony under IC 9-30-5;

(ii) battery (IC 35-42-2-1);

(iii) criminal recklessness (IC 35-42-2-2) as a felony;

(iv) criminal confinement (IC 35-42-3-3) as a felony;

(v) arson (IC 35-43-1-1) as a felony;

(vi) nonsupport of a dependent child (IC 35-46-1-5);

(vii) operating a motorboat while intoxicated (IC 35-46-9-6) as a felony;

(viii) a felony involving a weapon under IC 35-47; or

(ix) a felony relating to controlled substances under IC 35-48-4;

~~(x) attempt to commit a felony listed in items (i) through (ix); or~~
~~(xi) a felony that is substantially equivalent to a felony listed in this clause for which the conviction was entered in another jurisdiction;~~

if the conviction did not occur within the past five (5) years; or

(C) had a juvenile adjudication for a nonwaivable offense, as defined in IC 31-9-2-84.8 that, if committed by an adult, would be a felony; and

(2) the person's commission of the offense, delinquent act, or act of abuse or neglect described in subdivision (1) is not relevant to the person's present ability to care for a child, and placing the child in another home is in the best interest of the child.

However, a court may not enter a dispositional decree placing a child in another home under section 1(a)(3) or 6(b)(2)(D) of this chapter or awarding wardship to a person or facility under this subsection if a person with whom the child is or will be

placed has been convicted of a nonwaivable offense, as defined in IC 31-9-2-84.8 that is not specifically excluded under subdivision (1)(B).

(e) In considering the placement under subsection (d), the court shall consider the following:

(1) The length of time since the person committed the offense, delinquent act, or act that resulted in the substantiated report of abuse or neglect.

(2) The severity of the offense, delinquent act, or abuse or neglect.

(3) Evidence of the person's rehabilitation, including the person's cooperation with a treatment plan, if applicable.

SECTION 48. IC 31-37-22-11, AS ADDED BY P.L.86-2017, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) As used in this section, "trafficked child" means a child who was the victim of human trafficking (IC 35-42-3.5), ~~or a substantially similar human trafficking offense committed in another jurisdiction;~~ regardless of whether the person who committed the human trafficking offense was charged, tried, or convicted. The term includes a person who is now an adult.

(b) Upon the written motion of a trafficked child, or any person acting on behalf of a trafficked child, the court that adjudicated the trafficked child a delinquent child shall vacate the adjudication issued with respect to the trafficked child, if the movant proves by a preponderance of the evidence that:

(1) the child was a trafficked child at the time the child performed the delinquent act that resulted in the adjudication;

(2) the delinquent act did not result in bodily injury to another person; and

(3) at the time the child committed the delinquent act, the child was:

(A) coerced by; or

(B) under the control of;

another person.

(c) Before vacating an adjudication under subsection (b), the court shall:

(1) forward a copy of the motion to the prosecuting attorney; and

(2) conduct a hearing at which the prosecuting attorney and the movant are entitled to be heard.

SECTION 49. IC 31-39-8-3, AS AMENDED BY P.L.86-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) A person may initiate a petition for the expungement of records of a child alleged to be a delinquent child or a child in need of services by filing a verified petition in the juvenile court in the county of the original action. The petition must set forth the following:

(1) The allegations and date of adjudication, if applicable, of the juvenile delinquency or child in need of services adjudications.

(2) The court in which juvenile delinquency or child in need of services allegations or petitions were filed.

(3) The law enforcement agency that employs the charging officer, if known.

(4) The case number or court cause number.

(5) Date of birth of the petitioner.

(6) Petitioner's Social Security number.

(7) All juvenile delinquency or child in need of services adjudications and criminal convictions occurring after the adjudication of the action sought to be expunged.

(8) All pending actions under IC 31-34 or IC 31-37 or criminal charges.

(b) A petition described in subsection (a) shall be served on:

- (1) the prosecuting attorney; or
- (2) in the case of a child in need of services case, the department of child services.

(c) The prosecuting attorney or department of child services has thirty (30) days in which to reply or otherwise object to the petition. The court may reduce the time in which a response must be filed for a show of good cause or within its discretion after a hearing is held.

(d) If the prosecuting attorney or department of child services timely files an objection to the petition, the matter shall be set for a hearing. If no objection is filed, the court may set the petition for a hearing or rule on the petition without a hearing.

(e) In considering whether to grant the petition, the juvenile court may review:

- (1) the best interests of the child;
- (2) the age of the person during the person's contact with the juvenile court or law enforcement agency;
- (3) the nature of any allegations;
- (4) whether there was an informal adjustment or an adjudication;
- (5) the disposition of the case;
- (6) the manner in which the person participated in any court ordered or supervised services;
- (7) the time during which the person has been without contact with the juvenile court or with any law enforcement agency;
- (8) whether the person acquired a criminal record; ~~and~~
- (9) the person's current status;

(10) whether the person has been:

- (A) charged with; or**
- (B) convicted of;**

murder or another felony offense as an adult;
(11) whether the person was waived to an adult criminal court for a reason described in IC 31-30-3;

(12) whether an adult sentence for the person was not suspended for a reason described in IC 35-50-2-2.1; and
(13) whether:

- (A) the person has been adjudicated a delinquent child for committing an act that would be a serious violent felony (as defined in IC 35-47-4-5) if committed by an adult; and**
- (B) the:**
 - (i) person is currently suffering from a mental health issue;**
 - (ii) mental health issue described in item (i) is chronic or ongoing;**
 - (iii) person has received, or is receiving, treatment for a current or chronic mental health issue; or**
 - (iv) person is compliant with a treatment regimen recommended by a mental health professional, if applicable.**

SECTION 50. IC 32-30-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter, "nuisance" means

- ~~(1) the use of a property to commit an act constituting an offense under IC 35-48-4. or~~
- ~~(2) an attempt to commit or a conspiracy to commit an act described in subdivision (1).~~

SECTION 51. IC 33-23-6-2, AS AMENDED BY P.L.55-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) In each

county participating in the program under this chapter, there is established an alternative dispute resolution fund for each of the following:

- (1) The circuit court.
- (2) The superior court.
- (3) The probate court established by IC 33-31-1.

(b) Notwithstanding subsection (a), if more than one (1) court exercises jurisdiction over domestic relations and paternity cases in a county, one (1) alternative dispute resolution fund may be established to be used by all the courts to implement this chapter if:

- (1) the:
 - (A) county auditor; and
 - (B) judge of each court that exercises jurisdiction over domestic relations and paternity cases in the county;

agree to establish one (1) fund; and

- (2) the agreement to establish the fund is included in the plan adopted by the county under section 3 of this chapter.

(c) The sources of money for each fund established under subsection (a) or (b) are:

- (1) the alternative dispute resolution fee collected under section 1 of this chapter for the circuit court, superior court, or probate court, respectively; and
- (2) copayments collected under subsection (d) if:

- (A) a county chooses to deposit the copayments into the fund; and
- (B) the county specifies in the plan adopted by the county under section 3 of this chapter that the copayments will be deposited in the fund.

(d) The funds shall be used to foster domestic relations alternative dispute resolution, including:

- (1) mediation;
- (2) reconciliation;
- (3) nonbinding arbitration; and
- (4) parental counseling.

Litigants referred by the court to services covered by the fund shall make a copayment for the services in an amount determined by the court based on the litigants' ability to pay. The fund shall be administered by the circuit, superior, or probate court that exercises jurisdiction over domestic relations and paternity cases in the county. A fund used by multiple courts under subsection (b) shall be administered jointly by all the courts using the fund. Money in each fund at the end of a fiscal year does not revert to the county general fund but remains in the fund for the uses specified in this section.

(e) Each circuit, superior, or probate court that administers an alternative dispute resolution fund shall ensure that money in the fund is disbursed in a manner that primarily benefits those litigants who have the least ability to pay, in accordance with the plan adopted by the county under section 3 of this chapter.

(f) A court may not order parties into mediation or refer parties to mediation if a party is currently charged with or has been convicted of a crime

- ~~(1) under IC 35-42. or~~
- ~~(2) in another jurisdiction that is substantially similar to the elements of a crime described in IC 35-42.~~

SECTION 52. IC 33-23-8-4, AS AMENDED BY P.L.181-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. If a practitioner is convicted under IC 35-43-5-4.5 of

- (1) insurance fraud,
- (2) an attempt to commit insurance fraud; or
- (3) conspiracy to commit insurance fraud;

the sentencing court shall provide notice of the conviction to each governmental body that has issued a license to the practitioner.

SECTION 53. IC 33-24-6-3, AS AMENDED BY HEA 1313-2020, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) The office of judicial administration shall do the following:

- (1) Examine the administrative and business methods and systems employed in the offices of the clerks of court and other offices related to and serving the courts and make recommendations for necessary improvement.
- (2) Collect and compile statistical data and other information on the judicial work of the courts in Indiana. All justices of the supreme court, judges of the court of appeals, judges of all trial courts, and any city or town courts, whether having general or special jurisdiction, court clerks, court reporters, and other officers and employees of the courts shall, upon notice by the chief administrative officer and in compliance with procedures prescribed by the chief administrative officer, furnish the chief administrative officer the information as is requested concerning the nature and volume of judicial business. The information must include the following:
 - (A) The volume, condition, and type of business conducted by the courts.
 - (B) The methods of procedure in the courts.
 - (C) The work accomplished by the courts.
 - (D) The receipt and expenditure of public money by and for the operation of the courts.
 - (E) The methods of disposition or termination of cases.
- (3) Prepare and publish reports, not less than one (1) or more than two (2) times per year, on the nature and volume of judicial work performed by the courts as determined by the information required in subdivision (2).
- (4) Serve the judicial nominating commission and the judicial qualifications commission in the performance by the commissions of their statutory and constitutional functions.
- (5) Administer the civil legal aid fund as required by IC 33-24-12.
- (6) Administer the court technology fund established by section 12 of this chapter.
- (7) By December 31, 2013, develop and implement a standard protocol for sending and receiving court data:
 - (A) between the protective order registry, established by IC 5-2-9-5.5, and county court case management systems;
 - (B) at the option of the county prosecuting attorney, for:
 - (i) a prosecuting attorney's case management system;
 - (ii) a county court case management system; and
 - (iii) a county court case management system developed and

operated by the office of judicial administration;
 to interface with the electronic traffic tickets, as defined by IC 9-30-3-2.5; and
 (C) between county court case management systems and the case management system developed and operated by the office of judicial administration.

The standard protocol developed and implemented under this subdivision shall permit private sector vendors, including vendors providing service to a local system and vendors accessing the system for information, to send and receive court information on an equitable basis and at an equitable cost.

(8) Establish and administer an electronic system for receiving information that relates to certain individuals who may be prohibited from possessing a firearm **and for the purpose of:**

(A) transmitting this information to the Federal Bureau of Investigation for inclusion in the NICS; **and**

(B) beginning July 1, 2021, compiling and publishing certain statistics related to the confiscation and retention of firearms as described under section 14 of this chapter.

(9) Establish and administer an electronic system for receiving drug related felony conviction information from courts. The office of judicial administration shall notify NPLeX of each drug related felony entered after June 30, 2012, and do the following:

(A) Provide NPLeX with the following information:

- (i) The convicted individual's full name.
- (ii) The convicted individual's date of birth.
- (iii) The convicted individual's driver's license number, state personal identification number, or other unique number, if available.
- (iv) The date the individual was convicted of the felony.

Upon receipt of the information from the office of judicial administration, a stop sale alert must be generated through NPLeX for each individual reported under this clause.

(B) Notify NPLeX if the felony of an individual reported under clause (A) has been:

- (i) set aside;
- (ii) reversed;
- (iii) expunged; or
- (iv) vacated.

Upon receipt of information under this clause, NPLeX shall remove the stop sale alert issued under clause (A) for the individual.

(10) After July 1, 2018, establish and administer an electronic system for receiving from courts felony conviction information for each felony described in IC 20-28-5-8(c). The

office of judicial administration shall notify the department of education at least one (1) time each week of each felony described in IC 20-28-5-8(c) entered after July 1, 2018, and do the following:

(A) Provide the department of education with the following information:

(i) The convicted individual's full name.

(ii) The convicted individual's date of birth.

(iii) The convicted individual's driver's license number, state personal identification number, or other unique number, if available.

(iv) The date the individual was convicted of the felony.

(B) Notify the department of education if the felony of an individual reported under clause

(A) has been:

(i) set aside;

(ii) reversed; or

(iii) vacated.

(11) Perform legal and administrative duties for the justices as determined by the justices.

(12) Provide staff support for the judicial conference of Indiana established in IC 33-38-9.

(13) Work with the United States Department of Veterans Affairs to identify and address the needs of veterans in the court system.

(b) All forms to be used in gathering data must be approved by the supreme court and shall be distributed to all judges and clerks before the start of each period for which reports are required.

(c) The office of judicial administration may adopt rules to implement this section.

SECTION 54. IC 33-24-6-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 14. (a) The following definitions apply throughout this section:**

(1) "Dangerous" has the meaning set forth in IC 35-47-14-1.

(2) "Firearm" has the meaning set forth in IC 35-47-1-5.

(3) "Office" means the office of judicial administration created by section 1 of this chapter.

(b) Beginning July 1, 2021, the office shall collect and record the following information:

(1) The law enforcement agency responsible for each confiscation of a firearm under IC 35-47-14-2 and IC 35-47-14-3.

(2) The number of:

(A) warrant based firearm confiscations under IC 35-47-14-2; and

(B) warrantless firearm confiscations under IC 35-47-14-3;

for each county, as applicable, each year.

(3) The total number of:

(A) handguns; and

(B) long guns;

confiscated under IC 35-47-14 for each county, as applicable, each year.

(4) The county in which a court issues an order that finds or does not find an individual to be dangerous under

IC 35-47-14-6.

(c) The office shall, beginning July 1, 2021, not later than January 1 of each year, submit a report to the legislative council in an electronic format under IC 5-14-6 that consolidates and presents the information described in subsection (b).

(d) Notwithstanding subsections (b) and (c) and information provided to a law enforcement agency for the purposes of handgun licenses, the office shall not disclose, distribute, transfer, or provide the following information to any person, entity, agency, or department:

(1) The:

(A) name;

(B) date of birth;

(C) Social Security number;

(D) address; or

(E) other unique identifier;

belonging to or associated with an individual alleged to be dangerous by a law enforcement officer or found to be dangerous by a circuit or superior court.

(2) The make, model, or serial number of any handgun, long gun, or firearm seized, confiscated, retained, disposed of, or sold under IC 35-47-14.

(e) Information:

(1) collected by the office; or

(2) used by the office;

to prepare the report described in subsection (c) is confidential and not subject to public inspection or copying under IC 5-14-3-3.

(f) The office shall make the report described in subsection (c) available to the public.

(g) The office may adopt rules under IC 4-22-2 to implement this section.

SECTION 55. IC 34-24-1-1, AS AMENDED BY P.L.211-2019, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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).
- (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

(i) for operating a motor vehicle while intoxicated in violation of IC 9-30-5-1 through IC 9-30-5-5;

or

(ii) for an offense that is substantially similar to IC 9-30-5-1 through IC 9-30-5-5 in another jurisdiction; 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

(i) for operating a vehicle while intoxicated in violation of IC 9-30-5-1 through IC 9-30-5-5.

or

(ii) for an offense that is substantially similar to IC 9-30-5-1 through IC 9-30-5-5 in another jurisdiction.

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) 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 56. IC 35-31.5-2-91, AS AMENDED BY P.L.158-2013, SECTION 365, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 91. "Designated offense", for purposes of IC 35-33.5, means the following:

(1) A Class A, Class B, or Class C felony, for a crime committed before July 1, 2014, or a Level 1, Level 2, Level 3, Level 4, or Level 5 felony, for a crime committed after June 30, 2014, that is a controlled substance offense (IC 35-48-4).

- (2) Murder (IC 35-42-1-1).
- (3) Kidnapping (IC 35-42-3-2).
- (4) Criminal confinement (IC 35-42-3-3).
- (5) Robbery (IC 35-42-5-1).
- (6) Arson (IC 35-43-1-1).
- (7) Child solicitation (IC 35-42-4-6).
- (8) Human and sexual trafficking crimes under IC 35-42-3.5.
- (9) Escape as a Class B felony or Class C felony, for a crime committed before July 1, 2014, or a Level 4 felony or Level 5 felony, for a crime committed after June 30, 2014 (IC 35-44.1-3-4).
- (10) An offense that relates to a weapon of mass destruction (as defined in section 354 of this chapter).
- ~~(11) An attempt or conspiracy to commit an offense described in subdivisions (1) through (10).~~
- ~~(12) An offense under the law of the United States or in another state or country that is substantially similar to an offense described in subdivisions (1) through (11).~~

SECTION 57. IC 35-31.5-2-294, AS ADDED BY P.L.114-2012, SECTION 67, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 294. "Serious violent felony", for purposes of IC 35-47-4-5 and IC 35-47-4-9, has the meaning set forth in ~~IC 35-47-4-5(b)~~ IC 35-47-4-5.

SECTION 58. IC 35-37-4-6, AS AMENDED BY P.L.65-2016, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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).
- ~~(7) An attempt under IC 35-41-5-1 to commit an offense listed in this subsection.~~

(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).
- (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 59. IC 35-37-4-8, AS AMENDED BY P.L.65-2016, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) This section applies to a criminal action under the following:

(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).

~~(7) An attempt under IC 35-41-5-1 for an offense listed in subdivisions (1) through (6).~~

(b) As used in this section, "protected person" has the meaning set forth in section 6 of this chapter.

(c) On the motion of the prosecuting attorney, the court may order that the testimony of a protected person be taken in a room other than the courtroom, and that the questioning of the protected person by the prosecution and the defense be transmitted using a two-way closed circuit television arrangement that:

(1) allows the protected person to see the accused and the trier of fact; and

(2) allows the accused and the trier of fact to see and hear the protected person.

(d) On the motion of the prosecuting attorney or the defendant, the court may order that the testimony of a protected person be videotaped for use at trial. The videotaping of the testimony of a protected person under this subsection must meet

the requirements of subsection (c).

(e) The court may not make an order under subsection (c) or (d) unless:

(1) the testimony to be taken is the testimony of a protected person who:

(A) is the alleged victim of an offense listed in subsection (a) for which the defendant is being tried or is a witness in a trial for an offense listed in subsection (a); and

(B) is found by the court to be a protected person who should be permitted to testify outside the courtroom because:

(i) the court finds from the testimony of a psychiatrist, physician, or psychologist and any other evidence that the protected person's testifying in the physical presence of the defendant would cause the protected person to suffer serious emotional harm and the court finds that the protected person could not reasonably communicate in the physical presence of the defendant to the trier of fact;

(ii) a physician has certified that the protected person cannot be present in the courtroom for medical reasons; or

(iii) evidence has been introduced concerning the effect of the protected person's testifying in the physical presence of the defendant, and the court finds that it is more likely than not that the protected person's testifying in the physical presence of the defendant creates a substantial likelihood of emotional or mental harm to the protected person;

(2) the prosecuting attorney has informed the defendant and the defendant's attorney of the intention to have the protected person testify outside the courtroom; and

(3) the prosecuting attorney informed the defendant and the defendant's attorney under subdivision (2) at least ten (10) days before the trial of the prosecuting attorney's intention to have the protected person testify outside the courtroom.

(f) If the court makes an order under subsection (c), only the following persons may be in the same room as the protected person during the protected person's testimony:

(1) A defense attorney if:

(A) the defendant is represented by the defense attorney; and

(B) the prosecuting attorney is also in the same room.

(2) The prosecuting attorney if:

(A) the defendant is represented by a defense attorney; and

(B) the defense attorney is also in the same room.

(3) Persons necessary to operate the closed circuit television equipment.

(4) Persons whose presence the court finds will contribute to the protected person's well-being.

(5) A court bailiff or court representative.

(g) If the court makes an order under subsection (d), only the following persons may be in the same room as the protected person during the protected person's videotaped testimony:

- (1) The judge.
- (2) The prosecuting attorney.
- (3) The defendant's attorney (or the defendant, if the defendant is not represented by an attorney).
- (4) Persons necessary to operate the electronic equipment.
- (5) The court reporter.
- (6) Persons whose presence the court finds will contribute to the protected person's well-being.
- (7) The defendant, who can observe and hear the testimony of the protected person with the protected person being able to observe or hear the defendant. However, if the defendant is not represented by an attorney, the defendant may question the protected person.

(h) If the court makes an order under subsection (c) or (d), only the following persons may question the protected person:

- (1) The prosecuting attorney.
- (2) The defendant's attorney (or the defendant, if the defendant is not represented by an attorney).
- (3) The judge.

SECTION 60. IC 35-38-1-7.5, AS AMENDED BY P.L.86-2018, SECTION 332, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]; Sec. 7.5. (a) As used in this section, "sexually violent predator" means a person who suffers from a mental abnormality or personality disorder that makes the individual likely to repeatedly commit a sex offense (as defined in IC 11-8-8-5.2). The term includes a person convicted in another jurisdiction who is identified as a sexually violent predator under IC 11-8-8-20. The term does not include a person no longer considered a sexually violent predator under subsection (g).

(b) A person who:

- (1) being at least eighteen (18) years of age, commits an offense described in:
 - (A) IC 35-42-4-1;
 - (B) IC 35-42-4-2 (before its repeal);
 - (C) IC 35-42-4-3 as a Class A or Class B felony (for a crime committed before July 1, 2014) or a Level 1, Level 2, Level 3, or Level 4 felony (for a crime committed after June 30, 2014);
 - (D) IC 35-42-4-5(a)(1);
 - (E) IC 35-42-4-5(a)(2);
 - (F) IC 35-42-4-5(a)(3) (before that provision was redesignated by P.L.158-2013, SECTION 441);
 - (G) IC 35-42-4-5(b)(1) as a Class A or Class B felony (for a crime committed before July 1, 2014) or Level 2, Level 3, or Level 4 felony (for a crime committed after June 30, 2014);
 - (H) IC 35-42-4-5(b)(2); **or**
 - (I) IC 35-42-4-5(b)(3) as a Class A or Class B felony (for a crime committed before July 1, 2014) or a Level 2, Level 3, or Level 4 felony (for a crime committed after June 30, 2014);
 - ~~(J) an attempt or conspiracy to commit a crime listed in clauses (A) through (I); or~~
 - ~~(K) a crime under the laws of~~

~~another jurisdiction, including a military court, that is substantially equivalent to any of the offenses listed in clauses (A) through (J);~~

- (2) commits a sex offense (as defined in IC 11-8-8-5.2) while having a previous unrelated conviction for a sex offense for which the person is required to register as a sex or violent offender under IC 11-8-8;
- (3) commits a sex offense (as defined in IC 11-8-8-5.2) while having had a previous unrelated adjudication as a delinquent child for an act that would be a sex offense if committed by an adult, if, after considering expert testimony, a court finds by clear and convincing evidence that the person is likely to commit an additional sex offense; or
- (4) commits a sex offense (as defined in IC 11-8-8-5.2) while having had a previous unrelated adjudication as a delinquent child for an act that would be a sex offense if committed by an adult, if the person was required to register as a sex or violent offender under IC 11-8-8-5(b)(2);

is a sexually violent predator. Except as provided in subsection (g) or (h), a person is a sexually violent predator by operation of law if an offense committed by the person satisfies the conditions set forth in subdivision (1) or (2) and the person was released from incarceration, secure detention, probation, or parole for the offense after June 30, 1994.

(c) This section applies whenever a court sentences a person or a juvenile court issues a dispositional decree for a sex offense (as defined in IC 11-8-8-5.2) for which the person is required to register with the local law enforcement authority under IC 11-8-8.

(d) At the sentencing hearing, the court shall indicate on the record whether the person has been convicted of an offense that makes the person a sexually violent predator under subsection (b).

(e) If a person is not a sexually violent predator under subsection (b), the prosecuting attorney may request the court to conduct a hearing to determine whether the person (including a child adjudicated to be a delinquent child) is a sexually violent predator under subsection (a). If the court grants the motion, the court shall appoint two (2) psychologists or psychiatrists who have expertise in criminal behavioral disorders to evaluate the person and testify at the hearing. After conducting the hearing and considering the testimony of the two (2) psychologists or psychiatrists, the court shall determine whether the person is a sexually violent predator under subsection (a). A hearing conducted under this subsection may be combined with the person's sentencing hearing.

(f) If a person is a sexually violent predator:

- (1) the person is required to register with the local law enforcement authority as provided in IC 11-8-8; and
- (2) the court shall send notice to the department of correction.

(g) This subsection does not apply to a person who has two (2) or more unrelated convictions for an offense described in IC 11-8-8-4.5 for which the person is required to register under IC 11-8-8. A person who is a sexually violent predator may petition the court to consider whether the person should no longer be considered a sexually violent predator. The person may file a petition under this subsection not earlier than ten (10) years after:

- (1) the sentencing court or juvenile court makes its determination under subsection (e); or
- (2) the person is released from incarceration or secure detention.

A person may file a petition under this subsection not more than one (1) time per year. A court may dismiss a petition filed under this subsection or conduct a hearing to determine if the person should no longer be considered a sexually violent predator. If the court conducts a hearing, the court shall appoint two (2) psychologists or psychiatrists who have expertise in criminal behavioral disorders to evaluate the person and testify at the hearing. After conducting the hearing and considering the testimony of the two (2) psychologists or psychiatrists, the court shall determine whether the person should no longer be considered a sexually violent predator under subsection (a). If a court finds that the person should no longer be considered a sexually violent predator, the court shall send notice to the department of correction that the person is no longer considered a sexually violent predator or an offender against children. Notwithstanding any other law, a condition imposed on a person due to the person's status as a sexually violent predator, including lifetime parole or GPS monitoring, does not apply to a person no longer considered a sexually violent predator.

(h) A person is not a sexually violent predator by operation of law under subsection (b)(1) if all of the following conditions are met:

- (1) The victim was not less than twelve (12) years of age at the time the offense was committed.
- (2) The person is not more than four (4) years older than the victim.
- (3) The relationship between the person and the victim was a dating relationship or an ongoing personal relationship. The term "ongoing personal relationship" does not include a family relationship.
- (4) The offense committed by the person was not any of the following:
 - (A) Rape (IC 35-42-4-1).
 - (B) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).
 - (C) An offense committed by using or threatening the use of deadly force or while armed with a deadly weapon.
 - (D) An offense that results in serious bodily injury.
 - (E) An offense that is facilitated by furnishing the victim, without the victim's knowledge, with a drug (as defined in IC 16-42-19-2(1)) or a controlled substance (as defined in IC 35-48-1-9) or knowing that the victim was furnished with the drug or controlled substance without the victim's knowledge.
- (5) The person has not committed another sex offense (as defined in IC 11-8-8-5.2) (including a delinquent act that would be a sex offense if committed by an adult) against any other person.
- (6) The person did not have a position of authority or substantial influence over the victim.
- (7) The court finds that the person should not be considered a sexually violent predator.

SECTION 61. IC 35-38-10-1, AS ADDED BY P.L.86-2017, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. As used in this chapter, "trafficked person" means a person who was the victim of human trafficking (IC 35-42-3.5), ~~or a substantially similar human trafficking offense committed in another jurisdiction;~~ regardless of whether the person who committed the human trafficking offense was charged, tried, or convicted.

SECTION 62. IC 35-40-14-1, AS ADDED BY

P.L.137-2009, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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). **or**
- ~~(3) a substantially similar crime committed in another jurisdiction.~~

SECTION 63. IC 35-42-2-1, AS AMENDED BY P.L.80-2018, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) As used in this section, "public safety official" means:

- (1) a law enforcement officer, including an alcoholic beverage enforcement officer;
- (2) an employee of a penal facility or a juvenile detention facility (as defined in IC 31-9-2-71);
- (3) an employee of the department of correction;
- (4) a probation officer;
- (5) a parole officer;
- (6) a community corrections worker;
- (7) a home detention officer;
- (8) a department of child services employee;
- (9) a firefighter;
- (10) an emergency medical services provider;
- (11) a judicial officer;
- (12) a bailiff of any court; or
- (13) a special deputy (as described in

IC 36-8-10-10.6).

(b) As used in this section, "relative" means an individual related by blood, half-blood, adoption, marriage, or remarriage, including:

- (1) a spouse;
- (2) a parent or stepparent;
- (3) a child or stepchild;
- (4) a grandchild or stepgrandchild;
- (5) a grandparent or stepgrandparent;
- (6) a brother, sister, stepbrother, or stepsister;
- (7) a niece or nephew;
- (8) an aunt or uncle;
- (9) a daughter-in-law or son-in-law;
- (10) a mother-in-law or father-in-law; or
- (11) a first cousin.

(c) Except as provided in subsections (d) through (k), a person who knowingly or intentionally:

- (1) touches another person in a rude, insolent, or angry manner; or
- (2) in a rude, insolent, or angry manner places any bodily fluid or waste on another person;

commits battery, a Class B misdemeanor.

(d) The offense described in subsection (c)(1) or (c)(2) is a Class A misdemeanor if it:

- (1) results in bodily injury to any other person; or
- (2) is committed against a member of a foster family home (as defined in IC 35-31.5-2-139.3) by a person who is not a resident of the foster family home if the person who committed the offense is a relative of a person who lived in the foster family home at the time of the offense.

(e) The offense described in subsection (c)(1) or (c)(2) is a Level 6 felony if one (1) or more of the following apply:

- (1) The offense results in moderate bodily injury to any other person.
- (2) The offense is committed against a public safety official while the official is engaged in the official's official duty.
- (3) The offense is committed against a person less than fourteen (14) years of age and is committed by a person at least eighteen (18)

years of age.

(4) The offense is committed against a person of any age who has a mental or physical disability and is committed by a person having the care of the person with the mental or physical disability, whether the care is assumed voluntarily or because of a legal obligation.

(5) The offense is committed against an endangered adult (as defined in IC 12-10-3-2).

(6) The offense:

(A) is committed against a member of a foster family home (as defined in IC 35-31.5-2-139.3) by a person who is not a resident of the foster family home if the person who committed the offense is a relative of a person who lived in the foster family home at the time of the offense; and

(B) results in bodily injury to the member of the foster family.

(f) The offense described in subsection (c)(2) is a Level 6 felony if the person knew or recklessly failed to know that the bodily fluid or waste placed on another person was infected with hepatitis, tuberculosis, or human immunodeficiency virus.

(g) The offense described in subsection (c)(1) or (c)(2) is a Level 5 felony if one (1) or more of the following apply:

(1) The offense results in serious bodily injury to another person.

(2) The offense is committed with a deadly weapon.

(3) The offense results in bodily injury to a pregnant woman if the person knew of the pregnancy.

(4) The person has a previous conviction for a battery offense

~~(A) included in this chapter against the same victim. or~~

~~(B) against the same victim in any other jurisdiction, including a military court, in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a battery offense included in this chapter.~~

(5) The offense results in bodily injury to one (1) or more of the following:

(A) A public safety official while the official is engaged in the official's official duties.

(B) A person less than fourteen (14) years of age if the offense is committed by a person at least eighteen (18) years of age.

(C) A person who has a mental or physical disability if the offense is committed by an individual having care of the person with the disability, regardless of whether the care is assumed voluntarily or because of a legal obligation.

(D) An endangered adult (as defined in IC 12-10-3-2).

(h) The offense described in subsection (c)(2) is a Level 5 felony if:

(1) the person knew or recklessly failed to know that the bodily fluid or waste placed on another person was infected with hepatitis, tuberculosis, or human immunodeficiency virus; and

(2) the person placed the bodily fluid or waste on a public safety official.

(i) The offense described in subsection (c)(1) or (c)(2) is a Level 4 felony if it results in serious bodily injury to an endangered adult (as defined in IC 12-10-3-2).

(j) The offense described in subsection (c)(1) or (c)(2) is a Level 3 felony if it results in serious bodily injury to a person less than fourteen (14) years of age if the offense is committed by a person at least eighteen (18) years of age.

(k) The offense described in subsection (c)(1) or (c)(2) is a Level 2 felony if it results in the death of one (1) or more of the following:

(1) A person less than fourteen (14) years of age if the offense is committed by a person at least eighteen (18) years of age.

(2) An endangered adult (as defined in IC 12-10-3-2).

SECTION 64. IC 35-42-2-1.3, AS AMENDED BY P.L.40-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1.3. (a) Except as provided in subsections (b) through (f), a person who knowingly or intentionally:

(1) touches a family or household member in a rude, insolent, or angry manner; or

(2) in a rude, insolent, or angry manner places any bodily fluid or waste on a family or household member;

commits domestic battery, a Class A misdemeanor.

(b) The offense under subsection (a)(1) or (a)(2) is a Level 6 felony if one (1) or more of the following apply:

(1) The person who committed the offense has a previous, unrelated conviction:

(A) for a battery offense included in this chapter; or

(B) for a strangulation offense under IC 35-42-2-9. or

~~(C) in any other jurisdiction, including a military court, in which the elements of the crime for which the conviction was entered are substantially similar to the elements of:~~

~~(i) a battery offense included in this chapter; or~~

~~(ii) a strangulation offense under IC 35-42-2-9.~~

(2) The person who committed the offense is at least eighteen (18) years of age and committed the offense against a family or household member in the physical presence of a child less than sixteen (16) years of age, knowing that the child was present and might be able to see or hear the offense.

(3) The offense results in moderate bodily injury to a family or household member.

(4) The offense is committed against a family or household member who is less than fourteen (14) years of age and is committed by a person at least eighteen (18) years of age.

(5) The offense is committed against a family or household member of any age who has a mental or physical disability and is committed by a person having the care of the family or household member with the mental or physical disability, whether the care is assumed voluntarily or because of a legal obligation.

(6) The offense is committed against a family or household member who is an endangered adult (as defined in IC 12-10-3-2).

(c) The offense described in subsection (a)(1) or (a)(2) is a

Level 5 felony if one (1) or more of the following apply:

- (1) The offense results in serious bodily injury to a family or household member.
- (2) The offense is committed with a deadly weapon against a family or household member.
- (3) The offense results in bodily injury to a pregnant family or household member if the person knew of the pregnancy.
- (4) The person has a previous conviction for a battery offense

~~(A) included in this chapter against the same family or household member. or~~

~~(B) against the same family or household member in any other jurisdiction, including a military court, in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a battery offense included in this chapter.~~

- (5) The offense results in bodily injury to one (1) or more of the following:

(A) A family or household member who is less than fourteen (14) years of age if the offense is committed by a person at least eighteen (18) years of age.

(B) A family or household member who has a mental or physical disability if the offense is committed by an individual having care of the family or household member with the disability, regardless of whether the care is assumed voluntarily or because of a legal obligation.

(C) A family or household member who is an endangered adult (as defined in IC 12-10-3-2).

(d) The offense described in subsection (a)(1) or (a)(2) is a Level 4 felony if it results in serious bodily injury to a family or household member who is an endangered adult (as defined in IC 12-10-3-2).

(e) The offense described in subsection (a)(1) or (a)(2) is a Level 3 felony if it results in serious bodily injury to a family or household member who is less than fourteen (14) years of age if the offense is committed by a person at least eighteen (18) years of age.

(f) The offense described in subsection (a)(1) or (a)(2) is a Level 2 felony if it results in the death of one (1) or more of the following:

(1) A family or household member who is less than fourteen (14) years of age if the offense is committed by a person at least eighteen (18) years of age.

(2) A family or household member who is an endangered adult (as defined in IC 12-10-3-2).

SECTION 65. IC 35-42-2-9, AS AMENDED BY P.L.40-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) This section does not apply to a medical procedure.

(b) As used in this section, "torso" means any part of the upper body from the collarbone to the hips.

(c) A person who, in a rude, angry, or insolent manner, knowingly or intentionally:

(1) applies pressure to the throat or neck of another person;

(2) obstructs the nose or mouth of the another person; or

(3) applies pressure to the torso of another person;

in a manner that impedes the normal breathing or the blood circulation of the other person commits strangulation, a Level 6 felony.

(d) However, the offense under subsection (c) is a Level 5 felony if:

(1) the offense is committed by a person:

(A) against a pregnant woman; and
(B) who knew the victim was pregnant at the time of the offense;

or

(2) the person has a prior unrelated conviction under this section. **or**

~~(3) the person has a prior unrelated conviction in any jurisdiction, including a military court, in which the elements of the crime for which the conviction was entered are substantially similar to the elements set forth in this section.~~

SECTION 66. IC 35-42-4-11, AS AMENDED BY P.L.220-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. (a) As used in this section, and except as provided in subsection (d), "offender against children" means a person required to register as a sex or violent offender under IC 11-8-8 who has been:

(1) found to be a sexually violent predator under IC 35-38-1-7.5; or

(2) convicted of one (1) or more of the following offenses:

(A) Child molesting (IC 35-42-4-3).

(B) Child exploitation (IC 35-42-4-4(b) or IC 35-42-4-4(c)).

(C) Child solicitation (IC 35-42-4-6).

(D) Child seduction (IC 35-42-4-7).

(E) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age, and the person is not the child's parent or guardian.

~~(F) Attempt to commit or conspiracy to commit an offense listed in clauses (A) through (E).~~

~~(G) An offense in another jurisdiction that is substantially similar to an offense described in clauses (A) through (F).~~

A person is an offender against children by operation of law if the person meets the conditions described in subdivision (1) or (2) at any time.

(b) As used in this section, "reside" means to spend more than three (3) nights in:

(1) a residence; or

(2) if the person does not reside in a residence, a particular location;

in any thirty (30) day period.

(c) An offender against children who knowingly or intentionally:

(1) resides within one thousand (1,000) feet of:
(A) school property, not including property of an institution providing post-secondary education;

(B) a youth program center;

(C) a public park; or

(D) a day care center licensed under IC 12-17.2;

(2) establishes a residence within one (1) mile of the residence of the victim of the offender's

- sex offense; or
- (3) resides in a residence where a child care provider (as defined by IC 31-33-26-1) provides child care services;

commits a sex offender residency offense, a Level 6 felony.

(d) This subsection does not apply to an offender against children who has two (2) or more unrelated convictions for an offense described in subsection (a). A person who is an offender against children may petition the court to consider whether the person should no longer be considered an offender against children. The person may file a petition under this subsection not earlier than ten (10) years after the person is released from incarceration or parole, whichever occurs last (or, if the person is not incarcerated, not earlier than ten (10) years after the person is released from probation). A person may file a petition under this subsection not more than one (1) time per year. A court may dismiss a petition filed under this subsection or conduct a hearing to determine if the person should no longer be considered an offender against children. If the court conducts a hearing, the court shall appoint two (2) psychologists or psychiatrists who have expertise in criminal behavioral disorders to evaluate the person and testify at the hearing. After conducting the hearing and considering the testimony of the two (2) psychologists or psychiatrists, the court shall determine whether the person should no longer be considered an offender against children. If a court finds that the person should no longer be considered an offender against children, the court shall send notice to the department of correction that the person is no longer considered an offender against children.

SECTION 67. IC 35-42-4-14, AS AMENDED BY P.L.87-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14. (a) As used in this section, "serious sex offender" means a person required to register as a sex offender under IC 11-8-8 who is:

- (1) found to be a sexually violent predator under IC 35-38-1-7.5; or
- (2) convicted of one (1) or more of the following offenses:

- (A) Child molesting (IC 35-42-4-3).
- (B) Child exploitation (IC 35-42-4-4(b) or IC 35-42-4-4(c)).
- (C) Possession of child pornography (IC 35-42-4-4(d) or IC 35-42-4-4(e)).
- (D) Vicarious sexual gratification (IC 35-42-4-5 (a) and IC 35-42-4-5(b)).
- (E) Performing sexual conduct in the presence of a minor (IC 35-42-4-5(c)).
- (F) Child solicitation (IC 35-42-4-6).
- (G) Child seduction (IC 35-42-4-7).
- (H) Sexual misconduct with a minor (IC 35-42-4-9).
- (I) A conspiracy or an attempt to commit an offense described in clauses (A) through (H).
- (J) An offense in another jurisdiction that is substantially similar to an offense described in clauses (A) through (I).

(b) A serious sex offender who knowingly or intentionally enters school property commits unlawful entry by a serious sex offender, a Level 6 felony.

- (c) It is a defense to a prosecution under subsection (b) that:
 - (1) a religious institution or house of worship is located on the school property; and

(2) the person:

(A) enters the school property or other entity described in IC 35-31.5-2-285(1)(A) through IC 35-31.5-2-285(1)(D) when classes, extracurricular activities, or any other school activities are not being held:

- (i) for the sole purpose of attending worship services or receiving religious instruction; and
- (ii) not earlier than thirty (30) minutes before the beginning of the worship services or religious instruction; and

(B) leaves the school property not later than thirty (30) minutes after the conclusion of the worship services or religious instruction.

SECTION 68. IC 35-43-2-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2.1. (a) A person who, with the intent to commit theft under section 2 of this chapter:

- (1) agrees with at least two (2) other persons to commit theft; and
- (2) performs an overt act in furtherance of the agreement;

commits organized theft, a Level 6 felony.

(b) It is not a defense to a prosecution under this section that one (1) or more persons with whom the accused person is alleged to have agreed:

- (1) has not been prosecuted;
- (2) has not been convicted;
- (3) has been acquitted;
- (4) has been convicted of a different crime;
- (5) cannot be prosecuted for any reason; or
- (6) lacked the capacity to commit the crime.

(c) A person may not be convicted of an offense under this section and:

- (1) an attempt to commit theft; or
- (2) a conspiracy to commit theft;

with respect to the same underlying theft.

SECTION 69. IC 35-43-6-13, AS AMENDED BY P.L.238-2015, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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; or in another jurisdiction for an offense that is substantially similar to another offense described in 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 70. IC 35-44.1-2-3, AS AMENDED BY P.L.107-2016, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: 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 false report of the commission of a crime or gives false information in the official investigation of 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 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; or

(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 71. IC 35-45-4-1, AS AMENDED BY P.L.158-2013, SECTION 524, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) A person who knowingly or intentionally, in a public place:

(1) engages in sexual intercourse;

(2) engages in other sexual conduct (as defined in IC 35-31.5-2-221.5);

(3) appears in a state of nudity with the intent to arouse the sexual desires of the person or another person; or

(4) fondles the person's genitals or the genitals of another person;

commits public indecency, a Class A misdemeanor.

(b) A person at least eighteen (18) years of age who knowingly or intentionally, in a public place, appears in a state of nudity with the intent to be seen by a child less than sixteen (16) years of age commits public indecency, a Class A misdemeanor.

(c) However, the offense under subsection (a) or (b) is a Level 6 felony if the person who commits the offense has a prior unrelated conviction

~~(1) under subsection (a) or (b), or~~

~~(2) in another jurisdiction, including a military court, that is substantially equivalent to an offense described in subsection (a) or (b).~~

(d) As used in this section, "nudity" means the showing of the human male or female genitals, pubic area, or buttocks with less than a fully opaque covering, the showing of the female breast with less than a fully opaque covering of any part of the

nipple, or the showing of covered male genitals in a discernibly turgid state.

(e) A person who, in a place other than a public place, with the intent to be seen by persons other than invitees and occupants of that place:

- (1) engages in sexual intercourse;
- (2) engages in other sexual conduct (as defined in IC 35-31.5-2-221.5);
- (3) fondles the person's genitals or the genitals of another person; or
- (4) appears in a state of nudity;

where the person can be seen by persons other than invitees and occupants of that place commits indecent exposure, a Class C misdemeanor.

SECTION 72. IC 35-45-4-5, AS AMENDED BY P.L.107-2017, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) The following definitions apply throughout this section:

- (1) "Camera" means a camera, a video camera, a device that captures a digital image, or any other type of video recording device.
- (2) "Peep" means any looking of a clandestine, surreptitious, prying, or secretive nature.
- (3) "Private area" means the naked or undergarment clad genitals, pubic area, or buttocks of an individual.

(b) A person:

- (1) who knowingly or intentionally:
 - (A) peeps; or
 - (B) goes upon the land of another with the intent to peep;
 into an occupied dwelling of another person; or
- (2) who knowingly or intentionally peeps into an area where an occupant of the area reasonably can be expected to disrobe, including:
 - (A) restrooms;
 - (B) baths;
 - (C) showers; and
 - (D) dressing rooms;

without the consent of the other person, commits voyeurism, a Class B misdemeanor.

(c) However, the offense under subsection (b) is a Level 6 felony if:

- (1) it is knowingly or intentionally committed by means of a camera; or
- (2) the person who commits the offense has a prior unrelated conviction
 - ~~(A) under this section. or~~
 - ~~(B) in another jurisdiction, including a military court, for an offense that is substantially similar to an offense described in this section.~~

(d) A person who:

- (1) without the consent of the individual; and
- (2) with intent to peep at the private area of an individual;

peeps at the private area of an individual and records an image by means of a camera commits public voyeurism, a Class A misdemeanor.

(e) The offense under subsection (d) is a Level 6 felony if the person has a prior unrelated conviction under this section ~~or in another jurisdiction, including a military court, for an offense that is substantially similar to an offense described in this section;~~ or if the person:

- (1) publishes the image;
- (2) makes the image available on the Internet; or
- (3) transmits or disseminates the image to another person.

(f) It is a defense to a prosecution under subsection (d) that

the individual deliberately exposed the individual's private area.

(g) A person who, with the intent to peep, operates an unmanned aerial vehicle in a manner that is intended to cause the unmanned aerial vehicle to enter the space above or surrounding another person's occupied dwelling for the purpose of capturing images, photographs, video recordings, or audio recordings of the other person while the other person is:

- (1) within the other person's occupied dwelling; or
- (2) on the land or premises:
 - (A) on which the other person's occupied dwelling is located; and
 - (B) in a location that is not visible from an area:
 - (i) open to the general public; or
 - (ii) where a member of the general public has the right to be;

commits remote aerial voyeurism, a Class A misdemeanor.

(h) The offense under subsection (g) is a Level 6 felony if the person has a prior unrelated conviction under this section ~~or in another jurisdiction, including a military court, for an offense that is substantially similar to an offense described in this section;~~ or if the person:

- (1) publishes the images, photographs, or recordings captured;
- (2) makes the images, photographs, or recordings captured available on the Internet; or
- (3) transmits or disseminates the images, photographs, or recordings captured to another person.

SECTION 73. IC 35-47-2-18, AS AMENDED BY P.L.158-2013, SECTION 582, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 18. (a) No person shall:

- ~~(1) change, alter, remove, or obliterate the name of the maker, model, manufacturer's serial number, or other mark of identification on any handgun; or~~
- ~~(2) possess any handgun on which the name of the maker, model, manufacturer's serial number, or other mark of identification has been changed, altered, removed, or obliterated;~~

except as provided by applicable United States statute:

- ~~(1) remove, obliterate, or alter the importer or manufacturer's serial number on any firearm; or~~
- ~~(2) possess any firearm on which the importer or manufacturer's serial number has been removed, obliterated, or altered.~~

(b) A person who knowingly or intentionally violates this section commits a Level 5 felony.

SECTION 74. IC 35-47-4-5, AS AMENDED BY P.L.198-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. (a) As used in this section, "serious violent felon" means a person who has been convicted of

- ~~(1) committing a serious violent felony. in:~~
 - ~~(A) Indiana; or~~
 - ~~(B) any other jurisdiction in which the elements of the crime for which the conviction was entered are substantially similar to the elements of a serious violent felony; or~~
- ~~(2) attempting to commit or conspiring to commit a serious violent felony in:~~
 - ~~(A) Indiana as provided under IC 35-41-5-1 or IC 35-41-5-2; or~~
 - ~~(B) any other jurisdiction in which the elements of the crime for~~

~~which the conviction was entered are substantially similar to the elements of attempting to commit or conspiring to commit a serious violent felony.~~

(b) As used in this section, "serious violent felony" means:

- (1) murder (IC 35-42-1-1);
- (2) voluntary manslaughter (IC 35-42-1-3);
- (3) reckless homicide not committed by means of a vehicle (IC 35-42-1-5);
- (4) battery (IC 35-42-2-1) as a:
 - (A) Class A felony, Class B felony, or Class C felony, for a crime committed before July 1, 2014; or
 - (B) Level 2 felony, Level 3 felony, Level 4 felony, or Level 5 felony, for a crime committed after June 30, 2014;
- (5) domestic battery (IC 35-42-2-1.3) as a Level 2 felony, Level 3 felony, Level 4 felony, or Level 5 felony;
- (6) aggravated battery (IC 35-42-2-1.5);
- (7) kidnapping (IC 35-42-3-2);
- (8) criminal confinement (IC 35-42-3-3);
- (9) rape (IC 35-42-4-1);
- (10) criminal deviate conduct (IC 35-42-4-2) (before its repeal);
- (11) child molesting (IC 35-42-4-3);
- (12) sexual battery (IC 35-42-4-8) as a:
 - (A) Class C felony, for a crime committed before July 1, 2014; or
 - (B) Level 5 felony, for a crime committed after June 30, 2014;
- (13) robbery (IC 35-42-5-1);
- (14) carjacking (IC 35-42-5-2) (before its repeal);
- (15) arson (IC 35-43-1-1(a)) as a:
 - (A) Class A felony or Class B felony, for a crime committed before July 1, 2014; or
 - (B) Level 2 felony, Level 3 felony, or Level 4 felony, for a crime committed after June 30, 2014;
- (16) burglary (IC 35-43-2-1) as a:
 - (A) Class A felony or Class B felony, for a crime committed before July 1, 2014; or
 - (B) Level 1 felony, Level 2 felony, Level 3 felony, or Level 4 felony, for a crime committed after June 30, 2014;
- (17) assisting a criminal (IC 35-44.1-2-5) as a:
 - (A) Class C felony, for a crime committed before July 1, 2014; or
 - (B) Level 5 felony, for a crime committed after June 30, 2014;
- (18) resisting law enforcement (IC 35-44.1-3-1) as a:
 - (A) Class B felony or Class C felony, for a crime committed before July 1, 2014; or
 - (B) Level 2 felony, Level 3 felony, or Level 5 felony, for a crime committed after June 30, 2014;
- (19) escape (IC 35-44.1-3-4) as a:
 - (A) Class B felony or Class C felony, for a crime committed before July 1, 2014; or
 - (B) Level 4 felony or Level 5 felony, for a crime committed after June 30, 2014;

(20) trafficking with an inmate (IC 35-44.1-3-5) as a:

- (A) Class C felony, for a crime committed before July 1, 2014; or
- (B) Level 5 felony, for a crime committed after June 30, 2014;

(21) criminal organization intimidation (IC 35-45-9-4);

(22) stalking (IC 35-45-10-5) as a:

- (A) Class B felony or Class C felony, for a crime committed before July 1, 2014; or
- (B) Level 4 felony or Level 5 felony, for a crime committed after June 30, 2014;

(23) incest (IC 35-46-1-3);

(24) dealing in or manufacturing cocaine or a narcotic drug (IC 35-48-4-1);

(25) dealing in methamphetamine (IC 35-48-4-1.1) or manufacturing methamphetamine (IC 35-48-4-1.2);

(26) dealing in a schedule I, II, or III controlled substance (IC 35-48-4-2);

(27) dealing in a schedule IV controlled substance (IC 35-48-4-3);

(28) dealing in a schedule V controlled substance (IC 35-48-4-4); or

(29) dealing in a controlled substance resulting in death (IC 35-42-1-1.5).

(c) A serious violent felon who knowingly or intentionally possesses a firearm commits unlawful possession of a firearm by a serious violent felon, a Level 4 felony.

SECTION 75. IC 35-47-4-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 9. (a) As used in this section, "serious violent felony" has the meaning set forth in section 5 of this chapter.**

(b) A person who:

- (1) has been adjudicated a delinquent child for committing an act while armed with a firearm that would be a serious violent felony if committed by an adult;**
- (2) is less than:**

(A) twenty-six (26) years of age, if the delinquent act, if committed by an adult, would have been a:

(i) Level 6 felony;

(ii) Level 5 felony;

(iii) Level 4 felony; or

(iv) Level 3 felony; or

(B) twenty-eight (28) years of age, if the delinquent act, if committed by an adult, would have been:

(i) a Level 2 felony;

(ii) a Level 1 felony; or

(iii) murder; and

(3) knowingly or intentionally possesses a firearm;

commits unlawful possession of a firearm by a dangerous person, a Level 6 felony. However, the offense is a Level 5 felony if the person has a prior unrelated conviction under this section.

SECTION 76. IC 35-47-14-2, AS AMENDED BY P.L.289-2019, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 2. (a)** A circuit or superior court may issue a warrant to search for and seize a firearm in the possession of an individual who is dangerous if:

- (1) a law enforcement officer provides the court

a sworn affidavit that:

(A) states why the law enforcement officer believes that the individual is dangerous and in possession of a firearm; and

(B) describes the law enforcement officer's interactions and conversations with:

(i) the individual who is alleged to be dangerous; or

(ii) another individual, if the law enforcement officer believes that information obtained from this individual is credible and reliable; that have led the law enforcement officer to believe that the individual is dangerous and in possession of a firearm;

(2) the affidavit specifically describes the location of the firearm; and

(3) the circuit or superior court determines that probable cause exists to believe that the individual is:

(A) dangerous; and

(B) in possession of a firearm.

(b) A law enforcement agency responsible for the seizure of the firearm under this section shall file a search warrant return with the court setting forth the:

(1) quantity; and

(2) type;

of each firearm seized from an individual under this section. **Beginning July 1, 2021, the court shall provide information described under this subsection to the office of judicial administration in a manner required by the office.**

SECTION 77. IC 35-47-14-3, AS AMENDED BY P.L.289-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3. (a) If a law enforcement officer seizes a firearm from an individual whom the law enforcement officer believes to be dangerous without obtaining a warrant, the law enforcement officer shall submit to the circuit or superior court having jurisdiction over the individual believed to be dangerous an affidavit describing the basis for the law enforcement officer's belief that the individual is dangerous.

(b) An affidavit described in subsection (a) shall:

(1) set forth the quantity and type of each firearm seized from the individual under this section; and

(2) be submitted to a circuit or superior court having jurisdiction over the individual believed to be dangerous not later than forty-eight (48) hours after the seizure of the firearm.

(c) The court shall review the affidavit described in subsection (a) as soon as possible.

(d) If the court finds that probable cause exists to believe that the individual is dangerous, the court shall order the law enforcement agency having custody of the firearm to retain the firearm. **Beginning July 1, 2021, the court shall provide information described under this subsection and subsection (b)(1) to the office of judicial administration in a manner required by the office.**

(e) A law enforcement agency responsible for the seizure of the firearm under this section shall file a search warrant return with the court setting forth the:

(1) quantity; and

(2) type;

of each firearm seized from an individual under this section.

(f) (e) If the court finds that there is no probable cause to believe that the individual is dangerous, the court shall order the law enforcement agency having custody of the firearm to return

the firearm to the individual as quickly as practicable, but not later than five (5) days after the date of the order.

SECTION 78. IC 35-47-14-6, AS AMENDED BY P.L.289-2019, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) The court shall conduct a hearing as required under this chapter.

(b) The state has the burden of proving all material facts by clear and convincing evidence.

(c) If the court determines that the state has proved by clear and convincing evidence that the individual is dangerous, the court shall issue a written order:

(1) finding the individual is dangerous (as defined in section 1 of this chapter);

(2) ordering the law enforcement agency having custody of the seized firearm to retain the firearm;

(3) ordering the individual's license to carry a handgun, if applicable, suspended; and

(4) enjoining the individual from:

(A) renting;

(B) receiving transfer of;

(C) owning; or

(D) possessing;

a firearm; and

determine whether the individual should be referred to further proceedings to consider whether the individual should be involuntarily detained or committed under IC 12-26-6-2(a)(2)(B).

(d) If the court finds that the individual is dangerous under subsection (c), the clerk shall transmit the order of the court to the office of judicial administration:

(1) for transmission to NICS (as defined in IC 35-47-2.5-2.5); and

(2) beginning July 1, 2021, for the collection of certain data related to the confiscation and retention of firearms taken from dangerous individuals;

in accordance with IC 33-24-6-3.

(e) If the court orders a law enforcement agency to retain a firearm, the law enforcement agency shall retain the firearm until the court orders the firearm returned or otherwise disposed of.

(f) If the court determines that the state has failed to prove by clear and convincing evidence that the individual is dangerous, the court shall issue a written order that:

(1) the individual is not dangerous (as defined in section 1 of this chapter); and

(2) the law enforcement agency having custody of the firearm shall return the firearm as quickly as practicable, but not later than five (5) days after the date of the order, to the individual from whom it was seized.

SECTION 79. IC 35-47-14-8, AS AMENDED BY P.L.289-2019, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. (a) At least one hundred eighty (180) days after the date on which a court orders a law enforcement agency to retain an individual's firearm under section 6(c) of this chapter, the individual may petition the court for a finding that the individual is no longer dangerous.

(b) Upon receipt of a petition described in subsection (a), the court shall:

(1) enter an order setting a date for a hearing on the petition; and

(2) inform the prosecuting attorney of the date, time, and location of the hearing.

(c) The prosecuting attorney shall represent the state at the hearing on a petition under this section.

(d) In a hearing on a petition under this section, the individual may be represented by an attorney.

(e) In a hearing on a petition under this section filed:

- (1) not later than one (1) year after the date of the order issued under section 6(c) of this chapter, the individual must prove by a preponderance of the evidence that the individual is no longer dangerous; and
- (2) later than one (1) year after the date of the order issued under section 6(c) of this chapter, the state must prove by clear and convincing evidence that the individual is still dangerous.

(f) If, upon the completion of the hearing and consideration of the record, the court finds that the individual is no longer dangerous, the court shall:

- (1) issue a court order that finds that the individual is no longer dangerous;
- (2) order the law enforcement agency having custody of any firearm to return the firearm as quickly as practicable, but not later than five (5) days after the date of the order, to the individual;
- (3) terminate any injunction issued under section 6 of this chapter; and
- (4) terminate the suspension of the individual's license to carry a handgun so that the individual may reapply for a license.

(g) If the court denies an individual's petition under this section, the individual may not file a subsequent petition until at least one hundred eighty (180) days after the date on which the court denied the petition.

(h) If a court issues an order described under subsection (f), the court's order shall be transmitted, as soon as practicable, to the office of judicial administration for transmission to the NICS (as defined in IC 35-47-2.5-2.5) **and, beginning July 1, 2021, for the collection of certain data related to the confiscation and retention of firearms taken from dangerous individuals** in accordance with IC 33-24-6-3.

SECTION 80. IC 35-48-1-16.5, AS AMENDED BY P.L.182-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16.5. "Enhancing circumstance" means one (1) or more of the following:

- (1) The person has a prior conviction ~~in any jurisdiction~~, for dealing in a controlled substance that is not marijuana, hashish, hash oil, or salvia divinorum. ~~including an attempt or conspiracy to commit the offense.~~
- (2) The person committed the offense while in possession of a firearm.
- (3) The person committed the offense:
 - (A) on a school bus; or
 - (B) in, on, or within five hundred (500) feet of:
 - (i) school property while a person under eighteen (18) years of age was reasonably expected to be present; or
 - (ii) a public park while a person under eighteen (18) years of age was reasonably expected to be present.
- (4) The person delivered or financed the delivery of the drug to a person under eighteen (18) years of age at least three (3) years junior to the person.
- (5) The person manufactured or financed the manufacture of the drug.
- (6) The person committed the offense in the physical presence of a child less than eighteen (18) years of age, knowing that the child was present and might be able to see or hear the offense.

(7) The person committed the offense on the property of a:

- (A) penal facility; or
- (B) juvenile facility (as defined in IC 35-44.1-3-5).

(8) The person knowingly committed the offense in, on, or within one hundred (100) feet of a facility. For purposes of this subdivision, "facility" means a place that is:

- (A) created and funded under IC 12-23-14 or IC 33-23-16;
- (B) certified under IC 12-23-1-6; or
- (C) used for the purpose of conducting a recovery or support group meeting;

and at which a drug abuser (as defined in IC 12-7-2-73) may be provided with treatment, care, or rehabilitation.

SECTION 81. IC 35-48-4-10.1, AS ADDED BY P.L.190-2019, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 10.1. (a) A person who:

- (1) knowingly or intentionally:
 - (A) manufactures;
 - (B) finances the manufacture of;
 - (C) delivers;
 - (D) finances the delivery of; or
 - (E) possesses;

smokable hemp; or

(2) possesses smokable hemp with intent to:

- (A) manufacture;
- (B) finance the manufacture of;
- (C) deliver; or
- (D) finance the delivery of;

smokable hemp;

commits dealing in smokable hemp, a Class A misdemeanor.

(b) Subsection (a)(1)(B), (a)(1)(D), (a)(2)(B), and (a)(2)(D) do not apply to:

- (1) a financial institution organized or reorganized under the laws of Indiana, any other state, or the United States; or
- (2) any agency or instrumentality of the state or the United States.

(c) Subsection (a)(1)(C), (a)(1)(D), (a)(1)(E), (a)(2)(C), and (a)(2)(D) do not apply to the shipment of smokable hemp from a licensed producer in another state in continuous transit through Indiana to a licensed handler in any state.

SECTION 82. IC 35-48-4-12, AS AMENDED BY P.L.80-2019, SECTION 31, AND AS AMENDED BY P.L.190-2019, SECTION 32, AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2020 GENERAL ASSEMBLY, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. If a person who has no prior conviction of an offense under this article ~~or under a law of another jurisdiction~~ relating to controlled substances pleads guilty to possession of marijuana, hashish, ~~or salvia~~, ~~or smokable hemp or a synthetic drug or a synthetic drug lookalike substance~~ as a misdemeanor, the court, without entering a judgment of conviction and with the consent of the person, may defer further proceedings and place the person in the custody of the court under conditions determined by the court. Upon violation of a condition of the custody, the court may enter a judgment of conviction. However, if the person fulfills the conditions of the custody, the court shall dismiss the charges against the person. There may be only one (1) dismissal under this section with respect to a person.

SECTION 83. IC 35-50-1-2, AS AMENDED BY P.L.184-2019, SECTION 15, IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) As used in this section, "crime of violence" means the following:

- (1) Murder (IC 35-42-1-1).
- (2) Attempted murder (IC 35-41-5-1).
- (3) Voluntary manslaughter (IC 35-42-1-3).
- (4) Involuntary manslaughter (IC 35-42-1-4).
- (5) Reckless homicide (IC 35-42-1-5).
- (6) Battery (IC 35-42-2-1) as a:
 - (A) Level 2 felony;
 - (B) Level 3 felony;
 - (C) Level 4 felony; or
 - (D) Level 5 felony.
- (7) Domestic battery (IC 35-42-2-1.3) as a:**
 - (A) Level 2 felony;**
 - (B) Level 3 felony;**
 - (C) Level 4 felony; or**
 - (D) Level 5 felony.**
- ~~(7)~~ **(8) Aggravated battery (IC 35-42-2-1.5).**
- ~~(8)~~ **(9) Kidnapping (IC 35-42-3-2).**
- ~~(9)~~ **(10) Rape (IC 35-42-4-1).**
- ~~(10)~~ **(11) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).**
- ~~(11)~~ **(12) Child molesting (IC 35-42-4-3).**
- ~~(12)~~ **(13) Sexual misconduct with a minor as a Level 1 felony under IC 35-42-4-9(a)(2) or a Level 2 felony under IC 35-42-4-9(b)(2).**
- ~~(13)~~ **(14) Robbery as a Level 2 felony or a Level 3 felony (IC 35-42-5-1).**
- ~~(14)~~ **(15) Burglary as a Level 1 felony, Level 2 felony, Level 3 felony, or Level 4 felony (IC 35-43-2-1).**
- ~~(15)~~ **(16) Operating a vehicle while intoxicated causing death or catastrophic injury (IC 9-30-5-5).**
- ~~(16)~~ **(17) Operating a vehicle while intoxicated causing serious bodily injury to another person (IC 9-30-5-4).**
- ~~(17)~~ **(18) Child exploitation as a Level 5 felony under IC 35-42-4-4(b) or a Level 4 felony under IC 35-42-4-4(c).**
- ~~(18)~~ **(19) Resisting law enforcement as a felony (IC 35-44.1-3-1).**
- ~~(19)~~ **(20) Unlawful possession of a firearm by a serious violent felon (IC 35-47-4-5).**
- (21) Strangulation (IC 35-42-2-9) as a Level 5 felony.**

(b) As used in this section, "episode of criminal conduct" means offenses or a connected series of offenses that are closely related in time, place, and circumstance.

(c) Except as provided in subsection (e) or (f) the court shall determine whether terms of imprisonment shall be served concurrently or consecutively. The court may consider the:

- (1) aggravating circumstances in IC 35-38-1-7.1(a); and
- (2) mitigating circumstances in IC 35-38-1-7.1(b);

in making a determination under this subsection. The court may order terms of imprisonment to be served consecutively even if the sentences are not imposed at the same time. However, except for crimes of violence, the total of the consecutive terms of imprisonment, exclusive of terms of imprisonment under IC 35-50-2-8 and IC 35-50-2-10 (before its repeal) to which the defendant is sentenced for felony convictions arising out of an episode of criminal conduct shall not exceed the period described in subsection (d).

(d) Except as provided in subsection (c), the total of the consecutive terms of imprisonment to which the defendant is sentenced for felony convictions arising out of an episode of criminal conduct may not exceed the following:

- (1) If the most serious crime for which the

defendant is sentenced is a Level 6 felony, the total of the consecutive terms of imprisonment may not exceed four (4) years.

(2) If the most serious crime for which the defendant is sentenced is a Level 5 felony, the total of the consecutive terms of imprisonment may not exceed seven (7) years.

(3) If the most serious crime for which the defendant is sentenced is a Level 4 felony, the total of the consecutive terms of imprisonment may not exceed fifteen (15) years.

(4) If the most serious crime for which the defendant is sentenced is a Level 3 felony, the total of the consecutive terms of imprisonment may not exceed twenty (20) years.

(5) If the most serious crime for which the defendant is sentenced is a Level 2 felony, the total of the consecutive terms of imprisonment may not exceed thirty-two (32) years.

(6) If the most serious crime for which the defendant is sentenced is a Level 1 felony, the total of the consecutive terms of imprisonment may not exceed forty-two (42) years.

(e) If, after being arrested for one (1) crime, a person commits another crime:

- (1) before the date the person is discharged from probation, parole, or a term of imprisonment imposed for the first crime; or
- (2) while the person is released:

- (A) upon the person's own recognizance; or
- (B) on bond;

the terms of imprisonment for the crimes shall be served consecutively, regardless of the order in which the crimes are tried and sentences are imposed.

(f) If the factfinder determines under IC 35-50-2-11 that a person used a firearm in the commission of the offense for which the person was convicted, the term of imprisonment for the underlying offense and the additional term of imprisonment imposed under IC 35-50-2-11 must be served consecutively.

SECTION 84. IC 35-50-2-1, AS AMENDED BY P.L.20-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) As used in this chapter, "Level 6 felony conviction" means:

- (1) a conviction in Indiana for:
 - (A) a Class D felony, for a crime committed before July 1, 2014; or
 - (B) a Level 6 felony, for a crime committed after June 30, 2014; and
- (2) a conviction, in any other jurisdiction at any time, with respect to which the convicted person might have been imprisoned for more than one (1) year but less than two and one-half (2 1/2) years.

However, the term does not include a conviction with respect to which the person has been pardoned, or a conviction of a Class A misdemeanor entered under IC 35-38-1-1.5 or section 7(c) or 7(d) of this chapter.

(b) As used in this chapter, "felony conviction" means a conviction, in any jurisdiction at any time, with respect to which the convicted person might have been imprisoned for more than one (1) year. However, it does not include a conviction with respect to which the person has been pardoned, or a conviction of a Class A misdemeanor under section 7(c) of this chapter.

(c) As used in this chapter, "minimum sentence" means:

- (1) for murder, forty-five (45) years;
- (2) for a Class A felony, for a crime committed before July 1, 2014, twenty (20) years;
- (3) for a Class B felony, for a crime committed

- before July 1, 2014, six (6) years;
 (4) for a Class C felony, for a crime committed before July 1, 2014, two (2) years;
 (5) for a Class D felony, for a crime committed before July 1, 2014, one-half (1/2) year;
 (6) for a Level 1 felony, for a crime committed after June 30, 2014, twenty (20) years;
 (7) for a Level 2 felony, for a crime committed after June 30, 2014, ten (10) years;
 (8) for a Level 3 felony, for a crime committed after June 30, 2014, three (3) years;
 (9) for a Level 4 felony, for a crime committed after June 30, 2014, two (2) years;
 (10) for a Level 5 felony, for a crime committed after June 30, 2014, one (1) year; and
 (11) for a Level 6 felony, for a crime committed after June 30, 2014, one-half (1/2) year.

SECTION 85. IC 35-50-2-2.2, AS AMENDED BY P.L.252-2017, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2.2. (a) Except as provided in subsection (b), (c), (d), or (e), the court may suspend any part of a sentence for a felony.

(b) Except as provided in subsection (d), if a person is convicted of a Level 2 felony or a Level 3 felony, except a Level 2 felony or a Level 3 felony concerning a controlled substance under IC 35-48-4, and has any prior unrelated felony conviction, the court may suspend only that part of a sentence that is in excess of the minimum sentence for the:

- (1) Level 2 felony; or
- (2) Level 3 felony.

(c) If:

- (1) a person has a prior unrelated felony conviction ~~in any jurisdiction~~ for dealing in a controlled substance that is not marijuana, hashish, hash oil, or salvia divinorum; ~~or a synthetic drug; including an attempt or conspiracy to commit the offense;~~ and
- (2) the person is convicted of a Level 2 felony under IC 35-48-4-1.1 or IC 35-48-4-1.2;

the court may suspend only that part of a sentence that is in excess of the minimum sentence for the Level 2 felony.

(d) If a person:

- (1) is convicted of dealing in heroin as a Level 2 or Level 3 felony under IC 35-48-4-1 or IC 35-48-4-2; and
- (2) has a prior unrelated felony conviction;

the court may suspend only that part of a sentence that is in excess of the minimum sentence for the Level 2 or Level 3 felony.

(e) The court may suspend only that part of a sentence for murder or a Level 1 felony conviction that is in excess of the minimum sentence for murder or the Level 1 felony conviction.

SECTION 86. IC 35-50-2-14, AS AMENDED BY P.L.125-2009, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 14. (a) As used in this section, "sex offense" means a felony conviction

- ~~(1) under IC 35-42-4-1 through IC 35-42-4-9 or under IC 35-46-1-3.~~
- ~~(2) for an attempt or conspiracy to commit an offense described in subdivision (1); or~~
- ~~(3) for an offense under the laws of another jurisdiction, including a military court, that is substantially similar to an offense described in subdivision (1).~~

(b) The state may seek to have a person sentenced as a repeat sexual offender for a sex offense described in subsection ~~(a)(1)~~ or ~~(a)(2)~~ (a) by alleging, on a page separate from the rest of the charging instrument, that the person has accumulated one (1) prior unrelated felony conviction for a sex offense described in subsection (a).

(c) After a person has been convicted and sentenced for a felony described in subsection ~~(a)(1)~~ or ~~(a)(2)~~ (a) after having been sentenced for a prior unrelated sex offense described in subsection (a), the person has accumulated one (1) prior unrelated felony sex offense conviction. However, a conviction does not count for purposes of this subsection, if:

- (1) it has been set aside; or
- (2) it is a conviction for which the person has been pardoned.

(d) If the person was convicted of the sex offense in a jury trial, the jury shall reconvene to hear evidence in the enhancement hearing. If the trial was to the court, or the judgment was entered on a guilty plea, the court alone shall hear evidence in the enhancement hearing.

(e) A person is a repeat sexual offender 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 had accumulated one (1) prior unrelated felony sex offense conviction.

(f) The court may sentence a person found to be a repeat sexual offender to an additional fixed term that is the advisory sentence for the underlying offense. However, the additional sentence may not exceed ten (10) years.

SECTION 87. IC 35-50-6-3.1, AS AMENDED BY P.L.44-2016, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.1. (a) This section applies to a person who commits an offense after June 30, 2014.

(b) A person assigned to Class A earns one (1) day of good time credit for each day the person is imprisoned for a crime or confined awaiting trial or sentencing.

(c) A person assigned to Class B earns one (1) day of good time credit for every three (3) days the person is imprisoned for a crime or confined awaiting trial or sentencing.

(d) A person assigned to Class C earns one (1) day of good time credit for every six (6) days the person is imprisoned for a crime or confined awaiting trial or sentencing.

(e) A person assigned to Class D earns no good time credit.

(f) A person assigned to Class P earns one (1) day of good time credit for every four (4) days the person serves on pretrial home detention awaiting trial. **A person assigned to Class P does not earn accrued time for time served on pretrial home detention awaiting trial.**

SECTION 88. IC 35-50-6-3.3, AS AMENDED BY HEA 1120-2020, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.3. (a) In addition to any educational credit a person earns under subsection (b), or good time credit a person earns under section 3 or 3.1 of this chapter, a person earns educational credit if the person:

- (1) is in credit Class I, Class A, or Class B;
- (2) has demonstrated a pattern consistent with rehabilitation; and
- (3) successfully completes requirements to obtain one (1) of the following:

(A) A general educational development (GED) diploma under IC 20-20-6 (before its repeal) or IC 22-4.1-18, if the person has not previously obtained a high school diploma.

(B) Except as provided in subsection (o), a high school diploma, if the person has not previously obtained a general educational development (GED) diploma.

(C) An associate degree from an approved postsecondary educational institution (as defined

under IC 21-7-13-6(a)) earned during the person's incarceration.

(D) A bachelor degree from an approved postsecondary educational institution (as defined under IC 21-7-13-6(a)) earned during the person's incarceration.

(b) In addition to any educational credit that a person earns under subsection (a), or good time credit a person earns under section 3 or 3.1 of this chapter, a person may earn educational credit if, while confined by the department of correction, the person:

- (1) is in credit Class I, Class A, or Class B;
- (2) demonstrates a pattern consistent with rehabilitation; and
- (3) successfully completes requirements for at least one (1) of the following:

(A) To obtain a certificate of completion of a career and technical or vocational education program approved by the department of correction.

(B) To obtain a certificate of completion of a substance abuse program approved by the department of correction.

(C) To obtain a certificate of completion of a literacy and basic life skills program approved by the department of correction.

(D) To obtain a certificate of completion of a reformatory program approved by the department of correction.

(E) An individualized case management plan approved by the department of correction.

(c) The department of correction shall establish admissions criteria and other requirements for programs available for earning educational credit under subsection (b). A person may not earn educational credit under this section for the same program of study. The department of correction, in consultation with the department of workforce development, shall approve a program only if the program is likely to lead to an employable occupation.

(d) The amount of educational credit a person may earn under this section is the following:

(1) Six (6) months for completion of a state of Indiana general educational development (GED) diploma under IC 20-20-6 (before its repeal) or IC 22-4.1-18.

(2) One (1) year for graduation from high school.

(3) Not more than one (1) year for completion of an associate degree.

(4) Not more than two (2) years for completion of a bachelor degree.

(5) Not more than a total of one (1) year, as determined by the department of correction, for the completion of one (1) or more career and technical or vocational education programs approved by the department of correction.

(6) Not more than a total of six (6) months, as determined by the department of correction, for the completion of one (1) or more substance abuse programs approved by the department of correction.

(7) Not more than a total of six (6) months, as determined by the department of correction, for the completion of one (1) or more literacy and

basic life skills programs approved by the department of correction.

(8) Not more than a total of six (6) months, as determined by the department of correction, for completion of one (1) or more reformatory programs approved by the department of correction. However, a person who is serving a sentence for an offense listed under IC 11-8-8-4.5 may not earn educational credit under this subdivision.

(9) An amount determined by the department of correction under a policy adopted by the department of correction concerning the individualized case management plan, not to exceed the maximum amount described in subsection (j).

However, a person who does not have a substance abuse problem that qualifies the person to earn educational credit in a substance abuse program may earn not more than a total of twelve (12) months of educational credit, as determined by the department of correction, for the completion of one (1) or more career and technical or vocational education programs approved by the department of correction. If a person earns more than six (6) months of educational credit for the completion of one (1) or more career and technical or vocational education programs, the person is ineligible to earn educational credit for the completion of one (1) or more substance abuse programs.

(e) Educational credit earned under this section must be directly proportional to the time served and course work completed while incarcerated. The department of correction shall adopt rules under IC 4-22-2 necessary to implement this subsection.

(f) Educational credit earned by a person under this section is subtracted from the release date that would otherwise apply to the person by the sentencing court after subtracting all other credit time earned by the person.

(g) A person does not earn educational credit under subsection (a) unless the person completes at least a portion of the degree requirements after June 30, 1993.

(h) A person does not earn educational credit under subsection (b) unless the person completes at least a portion of the program requirements after June 30, 1999.

(i) Educational credit earned by a person under subsection (a) for a diploma or degree completed before July 1, 1999, shall be subtracted from:

(1) the release date that would otherwise apply to the person after subtracting all other credit time earned by the person, if the person has not been convicted of an offense described in subdivision (2); or

(2) the period of imprisonment imposed on the person by the sentencing court, if the person has been convicted of one (1) of the following crimes:

(A) Rape (IC 35-42-4-1).

(B) Criminal deviate conduct (IC 35-42-4-2) (before its repeal).

(C) Child molesting (IC 35-42-4-3).

(D) Child exploitation (IC 35-42-4-4(b) or IC 35-42-4-4(c)).

(E) Vicarious sexual gratification (IC 35-42-4-5).

(F) Child solicitation (IC 35-42-4-6).

(G) Child seduction (IC 35-42-4-7).

(H) Sexual misconduct with a minor (IC 35-42-4-9) as a:

(i) Class A felony, Class B felony,

or Class C felony for a crime committed before July 1, 2014; or
(ii) Level 1, Level 2, or Level 4 felony, for a crime committed after June 30, 2014.

(I) Incest (IC 35-46-1-3).

(J) Sexual battery (IC 35-42-4-8).

(K) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.

(L) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age.

~~(M) An attempt or a conspiracy to commit a crime listed in clauses (A) through (L):~~

(j) The maximum amount of educational credit a person may earn under this section is the lesser of:

- (1) two (2) years; or
- (2) one-third (1/3) of the person's total applicable credit time.

(k) Educational credit earned under this section by an offender serving a sentence for stalking (IC 35-45-10-5), a felony against a person under IC 35-42, or for a crime listed in IC 11-8-8-5, shall be reduced to the extent that application of the educational credit would otherwise result in:

- (1) postconviction release (as defined in IC 35-40-4-6); or
- (2) assignment of the person to a community transition program;

in less than forty-five (45) days after the person earns the educational credit.

(l) A person may earn educational credit for multiple degrees at the same education level under subsection (d) only in accordance with guidelines approved by the department of correction. The department of correction may approve guidelines for proper sequence of education degrees under subsection (d).

(m) A person may not earn educational credit:

- (1) for a general educational development (GED) diploma if the person has previously earned a high school diploma; or
- (2) for a high school diploma if the person has previously earned a general educational development (GED) diploma.

(n) A person may not earn educational credit under this section if the person:

- (1) commits an offense listed in IC 11-8-8-4.5 while the person is required to register as a sex or violent offender under IC 11-8-8-7; and
- (2) is committed to the department of correction after being convicted of the offense listed in IC 11-8-8-4.5.

(o) For a person to earn educational credit under subsection (a)(3)(B) for successfully completing the requirements for a high school diploma through correspondence courses, each correspondence course must be approved by the department before the person begins the correspondence course. The department may approve a correspondence course only if the entity administering the course is recognized and accredited by the department of education in the state where the entity is located.

(p) The department of correction shall, before May 1, 2023, submit a report to the legislative council, in an electronic format under IC 5-14-6, concerning the implementation of the individualized case management plan. The report must include the following:

(1) The ratio of case management staff to offenders participating in the individualized case management plan as of January 1, 2023.

(2) The average number of days awarded to offenders participating in the individualized case management plan from January 1, 2022, through December 31, 2022.

(3) The percentage of the prison population currently participating in an individualized case management plan as of January 1, 2023.

(4) Any other data points or information related to the status of the implementation of the individualized case management plan.

This subsection expires June 30, 2023.

SECTION 89. IC 36-1-9.5-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 48. (a) An entity may revoke a certificate of qualification only if the entity determines that the contractor or subcontractor has done at least one (1) of the following:

(1) Fails to timely pay or satisfactorily settle any bills due for labor and material on former or existing contracts.

(2) Violates:

- (A) a state or federal statute; or
- (B) a rule or regulation of a state or federal department, board, bureau, agency, or commission.

(3) Defaults on a contract.

(4) Fails to enter into a contract with the entity.

(5) Falsifies any document required by the entity, the state board of accounts, or any other agency.

(6) Is convicted of a bidding crime. ~~in any jurisdiction:~~

(7) Enters a plea of guilty or nolo contendere to a bidding crime in any state.

(8) Does any of the following:

(A) Makes a public admission concerning a bidding crime in any state.

(B) Makes a presentation as an undicted co-conspirator in a bidding crime in any state.

(C) Gives testimony that is protected by a grant of immunity in a trial for a bidding crime in any jurisdiction.

(9) Fails to perform any part of an existing or previous contract.

(10) Fails to submit in a timely manner information, documented explanations, or evidence required in the contract documents or proposal.

(11) Has been debarred by a federal agency.

(12) Failed to comply with any proposal requirements established by the entity concerning disadvantaged business enterprise goals or women business enterprise goals.

(b) An entity shall provide notification of a pending action for revocation in writing, setting forth the grounds for the proposed certificate revocation. The revocation becomes effective on the date determined by the entity.

(c) A period of disqualification under this chapter may not exceed two (2) years.

SECTION 90. [EFFECTIVE JULY 1, 2020] (a) **The legislative services agency shall prepare legislation for introduction in the 2021 regular session of the general assembly to make appropriate amendments to the Indiana Code necessary to conform with this act.**

(b) This SECTION expires June 30, 2021.
 (Reference is to ESB 335 as reprinted March 3, 2020.)
 YOUNG, M. MCNAMARA
 FREEMAN PIERCE
 Senate Conferees House Conferees

Roll Call 394: yeas 89, nays 2. Report adopted.

Representative Porter, who had been excused, is now present.

Representative Shackelford, who had been present, is now excused.

CONFERENCE COMMITTEE REPORT
EHB 1235-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1235 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-8-4-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) This section applies to the appointment of a police chief or deputy police chief in all cities.

(b) An applicant must meet the following requirements:

- (1) Have five (5) years of service as:
 - (A) a police officer with a full-time, paid police department or agency; **or**
 - (B) a federal enforcement officer (as defined in IC 35-31.5-2-129) with a full-time, paid federal law enforcement agency.
- (2) Be a citizen of the United States.
- (3) Be a high school graduate or equivalent.
- (4) Be at least twenty-one (21) years of age.
- (5) Be free of mental illness.
- (6) Be physically fit.
- (7) Have successfully completed:
 - (A) the minimum basic training requirements established by the law enforcement training board under IC 5-2-1, or have continuous service with the same department to which the applicant was appointed as a law enforcement officer before July 6, 1972; **or**
 - (B) the minimum basic federal law enforcement training requirements that are substantially equivalent to the training requirements as described in clause (A).

(c) In addition to the requirements of subsection (b), an applicant for appointment as police chief or deputy police chief must have at least five (5) years of continuous service with the police department of that city **or with the same federal law enforcement agency** immediately before the appointment. This requirement may be waived by the city executive.

SECTION 2. IC 36-8-16.6-11, AS AMENDED BY P.L.36-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The board shall impose an enhanced prepaid wireless charge on each retail transaction. The charge is not required to be paid by an eligible telecommunications carrier that is required to pay the

monthly statewide 911 fee under IC 36-8-16.7-32 for the same transaction. The amount of the charge is one dollar (\$1). The board may increase the enhanced prepaid wireless charge to ensure adequate revenue for the board to fulfill its duties and obligations under this chapter and IC 36-8-16.7. The following apply to an increase in the enhanced prepaid wireless charge:

- (1) The board may increase the charge only one (1) time ~~after June 30, 2015, and before July 1, 2020.~~ **after April 1, 2020, and before July 1, 2023, in an amount not to exceed ten cents (\$0.10).**
- (2) The board may increase the charge only after review by the budget committee.
- ~~(3) If the board increases the charge, the amount of the increase must be ten cents (\$0.10).~~

(b) A consumer that is the federal government or an agency of the federal government is exempt from the enhanced prepaid wireless charge imposed under this section.

(c) This subsection applies to an eligible telecommunications carrier for purposes of receiving Lifeline reimbursement from the universal service fund through the administrator designated by the Federal Communications Commission. An eligible telecommunications carrier:

- (1) is not considered an agency of the federal government for purposes of the exemption set forth in subsection (b); and
- (2) with respect to prepaid wireless telecommunications service provided to end users by the eligible telecommunications carrier in its capacity as an eligible telecommunications carrier, is liable for the charge imposed under subsection (d).

(d) Beginning September 1, 2015, and on the first day of each month thereafter, an eligible telecommunications carrier described in subsection (c) shall pay to the board a charge equal to the product of the following factors:

- (1) The enhanced prepaid wireless charge established under subsection (a).
- (2) The number of unique end users for which the eligible telecommunications carrier received reimbursement from the universal service fund during the immediately preceding month.

The eligible telecommunications carrier may bill and collect from each end user the charges calculated under this subsection with respect to the end user. The eligible telecommunications carrier shall determine the manner in which the eligible telecommunications carrier bills and collects the charges. Except as provided in section 15 of this chapter, an eligible telecommunications carrier may not bill and collect from an end user an amount greater than the charges paid by the eligible telecommunications carrier to the board with respect to the end user.

(e) If the board increases the enhanced prepaid wireless charge under subsection (a), the board shall provide written notice to the department of state revenue not later than sixty (60) days before the date the increase takes effect that includes:

- (1) the effective date for the increase; and**
- (2) the amount of the charge as increased by the board.**

SECTION 3. IC 36-8-16.7-22, AS ADDED BY P.L.132-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. ~~(a)~~ As used in this chapter, "statewide 911 system" means a communications system that uses the three (3) digit number 911 to send:

- (1) an emergency call for assistance from the public by voice, text message, or other communication method or a functional**

equivalent or successor;

~~(1)~~ (2) automatic number identification or its functional equivalent or successor; and

~~(2)~~ (3) automatic location information or its functional equivalent or successor;

for reporting police, fire, medical, or other emergency situations.

(b) The term includes the following:

~~(1) A wireless 911 emergency telephone system funded under IC 36-8-16.5 (before its repeal on July 1, 2012):~~

~~(2) An emergency notification system:~~

~~(c) The term does not include a wireline enhanced emergency telephone system funded under IC 36-8-16 (before its repeal on July 1, 2012):~~

SECTION 4. IC 36-8-16.7-32, AS AMENDED BY P.L.85-2017, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 32. (a) Except as provided in subsections (b) and (d), and subject to section 48(e) of this chapter, the board shall assess a monthly statewide 911 fee on each standard user that is a customer having a place of primary use in Indiana at a rate that ensures full recovery of the amount needed for the board to make distributions to county treasurers consistent with this chapter and that provides for the proper development, operation, and maintenance of a statewide 911 system. The amount of the fee assessed under this subsection is one dollar (\$1). The board may adjust the statewide 911 fee to ensure adequate revenue for the board to fulfill the board's duties and obligations under this chapter, subject to the following:

(1) The following apply to an increase in the fee:

(A) The board may increase the fee only one (1) time ~~after June 30, 2015, and before July 1, 2020:~~ **after April 1, 2020, and before July 1, 2023, in an amount not to exceed ten cents (\$0.10).**

(B) The board may increase the fee only after review by the budget committee.

~~(C) If the board increases the fee, the amount of the increase must be ten cents (\$0.10):~~

(2) The fee may not be lowered more than one (1) time in a calendar year.

(3) The fee may not be lowered by an amount that is more than ten cents (\$0.10) without legislative approval.

(b) The fee assessed under this section does not apply to a prepaid user in a retail transaction under IC 36-8-16.6.

(c) An additional fee relating to the provision of 911 service may not be levied by a state agency or local unit of government. An enhanced prepaid wireless charge (as defined in IC 36-8-16.6-4) is not considered an additional fee relating to the provision of wireless 911 service for purposes of this section.

(d) A user is exempt from the fee if the user is any of the following:

(1) The federal government or an agency of the federal government.

(2) The state or an agency or instrumentality of the state.

(3) A political subdivision (as defined in IC 36-1-2-13) or an agency of a political subdivision.

(4) A user that accesses communications service solely through a wireless data only service plan.

(e) This subsection applies to an eligible telecommunications carrier for purposes of receiving Lifeline reimbursement from the universal service fund through the administrator designated

by the Federal Communications Commission. An eligible telecommunications carrier:

(1) is not considered an agency of the federal government for purposes of the exemption set forth in subsection (d); and

(2) with respect to communications service provided to end users by the eligible telecommunications carrier in its capacity as an eligible telecommunications carrier, is liable for the fee assessed under subsection (f).

(f) Beginning September 1, 2015, and on the first day of each month thereafter, an eligible telecommunications carrier described in subsection (e) shall pay to the board a fee equal to the product of the following factors:

(1) The monthly statewide 911 fee established under subsection (a).

(2) The number of unique end users for which the eligible telecommunications carrier received reimbursement from the universal service fund during the immediately preceding month.

The eligible telecommunications carrier may bill and collect from each end user the fees calculated under this subsection with respect to the end user. The eligible telecommunications carrier shall determine the manner in which the eligible telecommunications carrier bills and collects the fees. Except as provided in section 33(c) of this chapter, an eligible telecommunications carrier may not bill and collect from an end user an amount greater than the fees paid by the eligible telecommunications carrier to the board with respect to the end user.

(g) If the board increases the statewide 911 fee under subsection (a), the board shall provide written notice to the department of state revenue not later than sixty (60) days before the date the increase takes effect that includes:

**(1) the effective date for the increase; and
(2) the amount of the charge as increased by the board.**

SECTION 5. An emergency is declared for this act.

(Reference is to EHB 1235 as printed February 26, 2020.)

KARICKHOFF

CRIDER

PORTER

MESSMER

House Conferees

Senate Conferees

Roll Call 395: yeas 79, nays 12. Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 11:26 p.m. with the Speaker in the Chair.

Upon request of Representative GiaQuinta, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 396: 72 present. The Speaker declared a quorum present.

ACTION ON RULES SUSPENSIONS AND CONFERENCE COMMITTEE REPORTS

COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures has had under consideration House Rule 161.2 and recommends that it be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020; we further recommend that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1004 and 1207

Engrossed Senate Bills 241 and 367

LEONARD, Chair

Report adopted.

HOUSE MOTION

Mr. Speaker: I move House Rule 161.2 be suspended so that the following conference committee reports are eligible for consideration after March 3, 2020, and that House Rule 163.3 be suspended so that the following conference committee reports may be laid over on the members' desks for 1 hour, so that they may be eligible to be placed before the House for action:

Engrossed House Bills 1004 and 1207

Engrossed Senate Bills 241 and 367

LEONARD, Chair

Motion prevailed.

Representative Cherry, who had been present, is now excused.

Representative Shackelford, who had been excused, is now present.

CONFERENCE COMMITTEE REPORT

EHB 1004-1

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

that the 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 12-15-11-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) After a provider signs a provider agreement under this chapter, the office may not exclude the provider from participating in the Medicaid program by entering into an exclusive contract with another provider or group of providers, except as provided under section 7 of this chapter.

(b) The office or a managed care organization contracting with the office may not prohibit a provider from participating in a network of another insurer, managed care organization, or health maintenance organization.

SECTION 2. IC 16-18-2-375.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 375.5. "Weighted average negotiated charge", for purposes of IC 16-21-17 and IC 16-21-24.5, has the meaning set forth in IC 16-21-17-0.5.**

SECTION 3. IC 16-21-17-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 0.5. As used in this chapter, "weighted average negotiated charge" means the amount determined in STEP SIX of the following formula with respect to a particular procedure:**

STEP ONE: For each insurer with whom the hospital or an ambulatory outpatient surgical center negotiates a charge for a particular procedure, determine the percentage of the hospital's patients or the ambulatory outpatient surgical center's patients insured by the insurer in the previous calendar year rounded to a whole percentage.

STEP TWO: Multiply each percentage determined under STEP ONE by one

hundred (100) and express the results as whole numbers so that the sum of the percentage points determined under STEP ONE is one hundred (100).

STEP THREE: For a particular procedure, determine the amount of the negotiated charge for the procedure for each insurer described in STEP ONE.

STEP FOUR: For each insurer described in STEP ONE, multiply the STEP THREE amount determined for a particular procedure by the result determined under STEP TWO for that insurer.

STEP FIVE: For a particular procedure, determine the sum of the amounts determined under STEP FOUR for all of the insurers described in STEP ONE with respect to that procedure.

STEP SIX: For a particular procedure, determine the quotient of:

(A) the sum determined under STEP FIVE for that procedure; divided by

(B) one hundred (100).

SECTION 4. IC 16-21-17-1, AS ADDED BY SEA 5-2020, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. (a) Not later than March 31, 2021, a hospital and an ambulatory outpatient surgical center shall post on the Internet web site of the hospital or ambulatory outpatient surgical center pricing and other information specified in this chapter for the following:

(1) For as many of the seventy (70) shoppable services specified in the final rule of the Centers for Medicare and Medicaid Services published in 84 FR 65524 that are provided by the hospital or ambulatory outpatient surgical center.

(2) In addition to the services specified in subdivision (1), the thirty (30) most common services that are provided by the hospital or ambulatory outpatient surgical center not included in subdivision (1).

(b) The following information, to the extent applicable, must be included on the Internet web site by a hospital and an ambulatory outpatient surgical center for the shoppable and common services described in subsection (a):

(1) A description of the shoppable and common service.

(2) The weighted average negotiated charge per service per provider type for each of the following categories:

(A) Any nongovernment sponsored health benefit plan or insurance plan provided by a health carrier in which the provider is in the network.

(B) Medicare, including fee for service and Medicare Advantage.

(C) Self-pay without charitable assistance from the hospital or ambulatory outpatient surgical center.

(D) Self-pay with charitable assistance from the hospital or ambulatory outpatient surgical center.

(E) Medicaid, including fee for service and risk based managed care.

SECTION 5. IC 16-21-24.5-2, AS ADDED BY SEA 5-2020, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2. (a) Not later than March 31, 2021, an urgent care facility shall post on the Internet web site of the urgent care facility pricing and other information specified in this chapter for the fifteen (15) most common services that are provided by the urgent care facility.

(b) The following information, to the extent applicable, must be included on the Internet web site by an urgent care facility for the fifteen (15) most common services described in subsection (a):

- (1) The number of times each service is provided by the urgent care facility.
- (2) A description of the service.
- (3) The weighted average negotiated charge per service per provider type for each of the following categories:
 - (A) Any nongovernment sponsored health benefit plan or insurance provided by a health carrier in which the provider is in the network.
 - (B) Medicare, including fee for service and Medicare Advantage.
 - (C) Self-pay without charitable assistance from the urgent care facility.
 - (D) Self-pay with charitable assistance from the urgent care facility.
 - (E) Medicaid, including fee for service and risk based managed care.

SECTION 6. IC 25-1-9-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 23. (a) This section does not apply to emergency services.

(b) As used in this section, "covered individual" means an individual who is entitled to be provided health care services at a cost established according to a network plan.

(c) As used in this section, "emergency services" means services that are:

- (1) furnished by a provider qualified to furnish emergency services; and
- (2) needed to evaluate or stabilize an emergency medical condition.

(d) As used in this section, "in network practitioner" means a practitioner who is required under a network plan to provide health care services to covered individuals at not more than a preestablished rate or amount of compensation.

(e) As used in this section, "network plan" means a plan under which facilities and practitioners are required by contract to provide health care services to covered individuals at not more than a preestablished rate or amount of compensation.

(f) As used in this section, "practitioner" means the following:

- (1) An individual licensed under IC 25 who provides professional health care services to individuals in a facility.
- (2) An organization:
 - (A) that consists of practitioners described in subdivision (1); and
 - (B) through which practitioners described in subdivision (1) provide health care services.
- (3) An entity that:
 - (A) is not a facility; and
 - (B) employs practitioners described in subdivision (1) to

provide health care services.

(g) An in network practitioner who provides covered health care services to a covered individual may not charge more for the covered health care services than allowed according to the rate or amount of compensation established by the individual's network plan.

(h) This subsection is effective beginning July 1, 2021. Except as provided in subsection (l), a practitioner shall provide to a covered individual, at least five (5) days before the health care service is scheduled to be provided to the covered individual, a good faith estimate of the amount that the practitioner intends to charge the covered individual for the health care service and in compliance with IC 25-1-9.8-14(a).

(i) An out of network practitioner who provides health care services at an in network facility to a covered individual may not be reimbursed more for the health care services than allowed according to the rate or amount of compensation established by the covered individual's network plan unless all of the following conditions are met:

(1) At least five (5) days before the health care services are scheduled to be provided to the covered individual, the practitioner provides to the covered individual, on a form separate from any other form provided to the covered individual by the practitioner, a statement in conspicuous type at least as large as 14 point type that meets the following requirements:

(A) Includes a notice reading substantially as follows: "[Name of practitioner] intends to charge you more for [name or description of health care services] than allowed according to the rate or amount of compensation established by the network plan applying to your coverage. [Name of practitioner] is not entitled to charge this much for [name or description of health care services] unless you give your written consent to the charge."

(B) Sets forth the practitioner's good faith estimate of the amount that the practitioner intends to charge for the health care services provided to the covered individual.

(C) Includes a notice reading substantially as follows concerning the good faith estimate set forth under clause (B): "The estimate of our intended charge for [name or description of health care services] set forth in this statement is provided in good faith and is our best estimate of the amount we will charge. If our actual charge for [name or description of health care services] exceeds our estimate, we will explain to you why the charge exceeds the estimate."

(2) The covered individual signs the statement provided under subdivision (1), signifying the covered individual's consent to the charge for the health care services being greater than allowed according to the rate or

amount of compensation established by the network plan.

(j) If an out of network practitioner does not meet the requirements of subsection (i), the out of network practitioner shall include on any bill remitted to a covered individual a written statement in 14 point type stating that the covered individual is not responsible for more than the rate or amount of compensation established by the covered individual's network plan plus any required copayment, deductible, or coinsurance.

(k) If a covered individual's network plan remits reimbursement to the covered individual for health care services subject to the reimbursement limitation of subsection (i), the network plan shall provide with the reimbursement a written statement in 14 point type that states that the covered individual is not responsible for more than the rate or amount of compensation established by the covered individual's network plan and that is included in the reimbursement plus any required copayment, deductible, or coinsurance.

(l) If the charge of a practitioner for health care services provided to a covered individual exceeds the estimate provided to the covered individual under subsection (i)(1)(B), the facility or practitioner shall explain in a writing provided to the covered individual why the charge exceeds the estimate.

(m) An in network practitioner is not required to provide a covered individual with the good faith estimate required under subsection (h) if the nonemergency health care service is scheduled to be performed by the practitioner within five (5) business days after the health care service is ordered.

(n) The department of insurance shall adopt emergency rules under IC 4-22-2-37.1 to specify the requirements of the notifications set forth in subsections (j) and (k).

SECTION 7. IC 25-1-9.8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 9.8. Practitioner Good Faith Estimates

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to be provided health care services according to a health carrier's network plan.

Sec. 1.5. As used in this chapter, "episode of care" means the medical care ordered to be provided for a specific medical procedure, condition, or illness.

Sec. 2. As used in this chapter, "good faith estimate" means a reasonable estimate of the price a practitioner anticipates charging for an episode of care for nonemergency health care services that:

- (1) is made by a practitioner under this chapter upon the request of:
 - (A) the individual for whom the nonemergency health care service has been ordered; or
 - (B) the provider facility in which the nonemergency health care service will be provided; and
- (2) is not binding upon the practitioner.

Sec. 3. (a) As used in this chapter, "health carrier" means an entity:

- (1) that is subject to IC 27 and the administrative rules adopted under IC 27; and
- (2) that enters into a contract to:
 - (A) provide health care services;
 - (B) deliver health care services;
 - (C) arrange for health care services; or
 - (D) pay for or reimburse any of the costs of health care services.

(b) The term includes the following:

(1) An insurer, as defined in IC 27-1-2-3(x), that issues a policy of accident and sickness insurance, as defined in IC 27-8-5-1(a).

(2) A health maintenance organization, as defined in IC 27-13-1-19.

(3) An administrator (as defined in IC 27-1-25-1(a)) that is licensed under IC 27-1-25.

(4) A state employee health plan offered under IC 5-10-8.

(5) A short term insurance plan (as defined by IC 27-8-5.9-3).

(6) Any other entity that provides a plan of health insurance, health benefits, or health care services.

(c) The term does not include:

(1) an insurer that issues a policy of accident and sickness insurance;

(2) a limited service health maintenance organization (as defined in IC 27-13-34-4); or

(3) an administrator;

that only provides coverage for, or processes claims for, dental or vision care services.

Sec. 4. As used in this chapter, "in network", when used in reference to a practitioner, means that the health care services provided by the practitioner are subject to a health carrier's network plan.

Sec. 5. (a) As used in this chapter, "network" means a group of provider facilities and practitioners that:

(1) provide health care services to covered individuals; and

(2) have agreed to, or are otherwise subject to, maximum limits on the prices for the health care services to be provided to the covered individuals.

(b) The term includes the following:

(1) A network described in subsection (a) that is established pursuant to a contract between an insurer providing coverage under a group health policy and:

(A) individual provider facilities and practitioners;

(B) a preferred provider organization; or

(C) an entity that employs or represents providers, including:

(i) an independent practice association; and

(ii) a physician-hospital organization.

(2) A health maintenance organization, as defined in IC 27-13-1-19.

Sec. 6. As used in this chapter, "network plan" means a plan of a health carrier that:

(1) requires a covered individual to receive; or

(2) creates incentives, including financial incentives, for a covered individual to receive;

health care services from one (1) or more providers that are under contract with, managed by, or owned by the health carrier.

Sec. 7. As used in this chapter, "nonemergency health care service" means a discrete service or series of services ordered by a practitioner for an episode of care for the:

(1) diagnosis;

(2) prevention;

(3) treatment;

(4) cure; or

(5) relief;

of a physical, mental, or behavioral health condition, illness, injury, or disease that is not provided on an emergency or urgent care basis.

Sec. 8. (a) As used in this chapter, "practitioner" means an individual or entity duly licensed or legally authorized to provide health care services.

(b) The term does not include the following:

- (1) A dentist licensed under IC 25-14.
- (2) An optometrist licensed under IC 25-24.

Sec. 8.5. As used in this chapter, "price" means the negotiated rate between the:

- (1) provider facility and practitioner; and
- (2) covered individual's primary health carrier.

Sec. 9. As used in this chapter, "provider" means:

- (1) a provider facility; or
- (2) a practitioner.

Sec. 10. (a) As used in this chapter, "provider facility" means any of the following:

- (1) A hospital licensed under IC 16-21-2.
- (2) An ambulatory outpatient surgery center licensed under IC 16-21-2.
- (3) An abortion clinic licensed under IC 16-21-2.
- (4) A birthing center licensed under IC 16-21-2.
- (5) Except for an urgent care facility (as defined by IC 27-1-46-10.5), a facility that provides diagnostic services to the medical profession or the general public.
- (6) A laboratory where clinical pathology tests are carried out on specimens to obtain information about the health of a patient.
- (7) A facility where radiologic and electromagnetic images are made to obtain information about the health of a patient.
- (8) An infusion center that administers intravenous medications.

(b) The term does not include the following:

- (1) A private mental health institution licensed under IC 12-25.
- (2) A Medicare certified, freestanding rehabilitation hospital.

Sec. 11. (a) This section does not apply to an individual who is a Medicaid recipient.

(b) An individual for whom a nonemergency health care service has been ordered, scheduled, or referred may request from the practitioner who may provide the nonemergency health care service a good faith estimate of the total price the practitioner will charge for providing the nonemergency health care service.

(c) A practitioner who receives a request from a patient under subsection (b) shall, not more than five (5) business days after receiving relevant information from the individual, provide to the individual a good faith estimate of the price that the practitioner will charge for providing the nonemergency health care service.

(d) A practitioner must ensure that a good faith estimate provided to an individual under this section is accompanied by a notice stating that:

- (1) an estimate provided under this section is not binding on the practitioner;
- (2) the price the practitioner charges the individual may vary from the estimate based on the individual's medical needs; and
- (3) the estimate provided under this section is only valid for thirty (30) days.

(e) A practitioner may not charge an individual for information provided under this section.

Sec. 12. (a) If:

(1) the individual who requests a good faith estimate from a practitioner under this chapter is a covered individual with respect to a network plan; and

(2) the practitioner from which the individual requests the good faith estimate is in network with respect to the same network plan;

the good faith estimate that the practitioner provides to the individual under this chapter must be based on the negotiated price to which the practitioner has agreed as an in network provider.

(b) If the individual who requests a good faith estimate from a practitioner under this chapter:

(1) is not a covered individual with respect to any network plan; or

(2) is not a covered individual with respect to a network plan with respect to which the practitioner is in network;

the good faith estimate that the practitioner provides to the individual under this chapter must be based on the price that the practitioner charges for the nonemergency health care service in the absence of any network plan.

Sec. 13. A practitioner may provide a good faith estimate to an individual under this chapter:

- (1) in a writing delivered to the individual;
- (2) by electronic mail; or
- (3) through a mobile application or other Internet web based method, if available;

according to the preference expressed by the individual.

Sec. 14. (a) A good faith estimate provided by a practitioner to an individual under this chapter must meet the following requirements:

- (1) Provide a summary of the services and material items that the good faith estimate is based on.
- (2) Include:

(A) the price charged for the services and material items that the practitioner will provide and charge the individual; and

(B) the price that the provider facility in which the health care service will be performed charged for:

(i) the use of the provider facility to care for the individual for the nonemergency health care service;

(ii) the services rendered by the staff of the provider facility in connection with the nonemergency health care service; and

(iii) medication, supplies, equipment, and material items to be provided to or used by the individual while the individual is present in the provider facility in connection with the nonemergency health care service;

for imaging, laboratory services, diagnostic services, therapy, observation services, and other services expected to be provided to the individual for the episode of care.

(3) Include a total figure that is a sum of the estimated prices referred to in subdivisions (1) and (2).

(b) Subsection (a) does not prohibit a practitioner from providing to an individual a good faith estimate that

indicates how much of the total figure stated under subsection (a)(2) will be the individual's out-of-pocket expense after the health carrier's payment of charges.

(c) A health carrier and a provider facility must provide a practitioner with the information needed by the practitioner to comply with the requirements under this chapter not more than two (2) business days after receiving the request. The provider facility shall provide the practitioner with all relevant information for services and costs for the good faith estimate that are to be provided by the provider facility for inclusion in a good faith estimate by the practitioner.

(d) A practitioner is not subject to the penalties under section 19 of this chapter if:

- (1) a health carrier or provider facility fails to provide the practitioner with the information as required under subsection (c);
- (2) the practitioner provides the individual with a good faith estimate based on any information that the practitioner has; and
- (3) the practitioner provides the individual with an updated good faith estimate after the health carrier or provider facility has provided the information required under subsection (c).

Sec. 15. If:

- (1) a practitioner is expected to provide a nonemergency health care service to an individual in a provider facility; and
- (2) the provider facility receives a request from an individual for a good faith estimate under IC 27-1-46;

the practitioner, upon request from the provider facility, shall provide to the provider facility a good faith estimate of the practitioner's price for providing the nonemergency health care service to enable the provider facility to comply with IC 27-1-46-11.

Sec. 16. (a) A practitioner that has ordered the individual for a nonemergency health care service shall provide to the individual an electronic or paper copy of a written notice that states the following, or words to the same effect: "A patient may at any time ask a health care provider for an estimate of the price the health care providers and health facility will charge for providing a nonemergency medical service. The law requires that the estimate be provided within 5 business days."

(b) The appropriate board (as defined in IC 25-1-9-1) may adopt rules under IC 4-22-2 to establish requirements for practitioners to provide additional charging information under this section.

Sec. 17. If:

- (1) a practitioner receives a request for a good faith estimate under this chapter; and
- (2) the patient is eligible for Medicare coverage;

the practitioner shall provide a good faith estimate to the patient within five (5) business days based on available Medicare rates.

Sec. 18. (a) As used in this section, "waiting room" means a space in a building used by a practitioner in which people check in or register to:

- (1) be seen by practitioners; or
- (2) meet with members of the staff of a practitioner's office.

(b) A practitioner shall ensure that each waiting room of the practitioner's office includes at least one (1) printed notice that:

- (1) is designed, lettered, and positioned within the waiting room so as to be conspicuous to and readable by any

individual with normal vision who visits the waiting room; and

(2) states the following, or words to the same effect: "A patient may ask for an estimate of the amount the patient will be charged for a nonemergency medical service provided in this practitioner office. The law requires that an estimate be provided within 5 business days."

(c) If a practitioner maintains an Internet web site, the practitioner shall ensure that the Internet web site includes at least one (1) printed notice that:

- (1) 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; and
- (2) states the following, or words to the same effect: "A patient may ask for an estimate of the amount the patient will be charged for a nonemergency medical service provided in our office. The law requires that an estimate be provided within 5 business days."

Sec. 19. The appropriate board (as defined in IC 25-1-9-1) may take action against a practitioner:

- (1) under IC 25-1-9-9(a)(3) or IC 25-1-9-9(a)(4) for an initial violation or isolated violations of this chapter; or
- (2) under IC 25-1-9-9(a)(6) for repeated or persistent violations of this chapter;

concerning the providing of a good faith estimate to an individual for whom a nonemergency health care service has been ordered or the providing of notice in the practitioner's waiting room or on the practitioner's Internet web site that a patient may at any time ask for an estimate of the price that the patient will be charged for a medical service.

SECTION 8. IC 25-22.5-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 5.5. Physician Noncompete Agreements

Sec. 1. This chapter applies to physician noncompete agreements originally entered into on or after July 1, 2020.

Sec. 2. To be enforceable, a physician noncompete agreement must include all of the following provisions:

(1) A provision that requires the employer of the physician to provide the physician with a copy of any notice that:

- (A) concerns the physician's departure from the employer; and
- (B) was sent to any patient seen or treated by the physician during the two (2) year period preceding the termination of the physician's employment or the expiration of the physician's contract. Provided, however, the patient names and contact information be redacted from the copy of the notice provided from the employer of the physician to the physician.

(2) A provision that requires the physician's employer to, in good faith, provide the physician's last known or current contact and location information to a patient who:

- (A) requests updated contact and location information for the physician; and
- (B) was seen or treated by the physician during the two (2)

year period preceding the termination of the physician's employment or the expiration of the physician's contract.

(3) A provision that provides the physician with:

- (A) access to; or
- (B) copies of;

any medical record associated with a patient described in subdivision (1) or (2) upon receipt of the patient's consent.

(4) A provision that provides the physician whose employment has terminated or whose contract has expired with the option to purchase a complete and final release from the terms of the enforceable physician noncompete agreement at a reasonable price. However, in the event the physician elects not to exercise the purchase option, then the option to purchase provision may not be used in any manner to restrict, bar, or otherwise limit the employer's equitable remedies, including the employer's enforcement of the physician noncompete agreement.

(5) A provision that prohibits the providing of patient medical records to a requesting physician in a format that materially differs from the format used to create or store the medical record during the routine or ordinary course of business, unless a different format is mutually agreed upon by the parties. Paper or portable document format copies of the medical records satisfy the formatting provisions of this chapter.

Sec. 3. A person or entity required to create, copy, or transfer a patient medical record for a reason specified in this chapter may charge a reasonable fee for the service as permitted under applicable state or federal law.

Sec. 4. Nothing in this chapter shall be construed to prohibit, limit, impair, or abrogate:

- (1) the ability of the parties to negotiate any other term not specified under this chapter; or
- (2) any other right, remedy, or relief permitted by law or in equity.

SECTION 9. IC 25-22.5-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 17. Physician's Patient Information

Sec. 1. If a physician licensed under this article leaves the employment of an employer, the following apply:

(1) The employer of the physician must provide the physician with a copy of any notice that:

(A) concerns the physician's departure from the employer; and

(B) was sent to any patient seen or treated by the physician during the two (2) year period preceding the termination of the physician's employment or the expiration of the physician's contract. However, the patient names and contact information must be redacted from the copy of the notice provided from the employer of the physician to the physician.

(2) The physician's employer must, in good faith, provide the physician's last known or

current contact and location information to a patient who:

(A) requests updated contact and location information for the physician; and

(B) was seen or treated by the physician during the two (2) year period preceding the termination of the physician's employment or the expiration of the physician's contract.

(3) The physician's employer must provide the physician with:

- (A) access to; or
- (B) copies of;

any medical record associated with a patient described in subdivision (1) or (2) upon receipt of the patient's consent.

(4) The physician's employer may not provide patient medical records to a requesting physician in a format that materially differs from the format used to create or store the medical record during the routine or ordinary course of business, unless a different format is mutually agreed upon by the parties. Paper or portable document format copies of the medical records satisfy the formatting provisions of this chapter.

Sec. 2. A person or entity required to create, copy, or transfer a patient medical record for a reason specified in this chapter may charge a reasonable fee for the service as permitted under applicable state or federal law.

SECTION 10. IC 27-1-37-7, AS ADDED BY SEA 5-2020, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 7. (a) This section applies to health provider contracts ~~beginning July 1, 2020~~ entered into or renewed after June 30, 2020.

(b) A health provider contract, including a contract with a pharmacy benefit manager or a health facility, may not contain a provision that prohibits the disclosure of health care service claims data to employers providing the coverage. However, any disclosure of claims data must comply with health privacy laws, including the federal Health Insurance Portability and Accountability Act (HIPAA) (P.L. 104-191).

(c) A violation of this section constitutes an unfair or deceptive act or practice in the business of insurance under IC 27-4-1-4.

SECTION 11. IC 27-1-45 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 45. Health Facility Compensation

Sec. 0.5. This chapter does not apply to emergency services.

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to be provided health care services at a cost established according to a network plan.

Sec. 1.5. As used in this chapter, "emergency services" means services that are:

- (1) furnished by a provider qualified to furnish emergency services; and
- (2) needed to evaluate or stabilize an emergency medical condition.

Sec. 2. (a) As used in this chapter, "facility" means an institution in which health care services are provided to individuals. The term includes:

- (1) hospitals and other licensed ambulatory surgical centers; and
- (2) ambulatory outpatient surgical centers.

(b) The term does not include the following:

(1) A private mental health institution licensed under IC 12-25.

(2) A Medicare certified, freestanding rehabilitation hospital.

Sec. 3. As used in this chapter, "in network provider" means a provider that is required under a network plan to provide health care services to covered individuals at not more than a preestablished rate or amount of compensation.

Sec. 4. As used in this chapter, "network plan" means a plan under which providers are required by contract to provide health care services to covered individuals at not more than a preestablished rate or amount of compensation.

Sec. 5. As used in this chapter, "practitioner" means the following:

(1) An individual licensed under IC 25 who provides professional health care services to individuals in a facility.

(2) An organization:
(A) that consists of practitioners described in subdivision (1); and
(B) through which practitioners described in subdivision (1) provide health care services.

(3) An entity that:
(A) is not a facility; and
(B) employs practitioners described in subdivision (1) to provide health care services.

Sec. 6. As used in this chapter, "provider" means:

- (1) a facility; or
- (2) a practitioner.

Sec. 7. (a) This section is effective beginning July 1, 2021.

(b) Except as provided in subsection (c), a:

- (1) facility; and
- (2) practitioner;

shall provide to a covered individual, at least five (5) days before a health care service is scheduled to be provided by the facility or practitioner to the covered individual, a good faith estimate of the amount that the facility or practitioner intends to charge for each health care service to be provided to the covered individual and in compliance with IC 27-1-46-11(c).

(c) A facility or a practitioner is not required to provide the good faith estimate required in subsection (b) if the health care service to be provided to the covered individual is scheduled to be performed within five (5) business days after the health care service is ordered.

Sec. 8. (a) An out of network practitioner who provides health care services at an in network facility to a covered individual may not be reimbursed more for the health care services than allowed according to the rate or amount of compensation established by the covered individual's network plan as described in subsection (b) unless all of the following conditions are met:

(1) At least five (5) days before the health care services are scheduled to be provided to the covered individual, the facility or practitioner provides to the covered individual, on a form separate from any other form provided to the covered individual by the facility or practitioner, a statement in conspicuous type at least as large as 14 point type that meets the following requirements:

(A) Includes a notice reading substantially as follows: "[Name of facility or practitioner] intends to charge you more for [name or description of health care services] than allowed according to the rate or amount of compensation established by the

network plan applying to your coverage. [Name of facility or practitioner] is not entitled to charge this much for [name or description of health care services] unless you give your written consent to the charge." (B) Sets forth the facility's or practitioner's good faith estimate of the amount that the facility or practitioner intends to charge for the health care services provided to the covered individual.

(C) Includes a notice reading substantially as follows concerning the good faith estimate set forth under clause (B): "The estimate of our intended charge for [name or description of health care services] set forth in this statement is provided in good faith and is our best estimate of the amount we will charge. If our actual charge for [name or description of health care services] exceeds our estimate, we will explain to you why the charge exceeds the estimate."

(2) The covered individual signs the statement provided under subdivision (1), signifying the covered individual's consent to the charge for the health care services being greater than allowed according to the rate or amount of compensation established by the network plan.

(b) If an out of network practitioner does not meet the requirements of subsection (a), the out of network practitioner shall include on any bill remitted to a covered individual a written statement in 14 point type stating that the covered individual is not responsible for more than the rate or amount of compensation established by the covered individual's network plan plus any required copayment, deductible, or coinsurance.

(c) If a covered individual's network plan remits reimbursement to the covered individual for health care services subject to the reimbursement limitation of subsection (a), the network plan shall provide with the reimbursement a written statement in 14 point type that states that the covered individual is not responsible for more than the rate or amount of compensation established by the covered individual's network plan and that is included in the reimbursement plus any required copayment, deductible, or coinsurance.

(d) If the charge of a facility or practitioner for health care services provided to a covered individual exceeds the estimate provided to the covered individual under subsection (a)(1)(B), the facility or practitioner shall explain in a writing provided to the covered individual why the charge exceeds the estimate.

(e) The department shall adopt emergency rules under IC 4-22-2-37.1 to specify the requirements of the notifications set forth in:

- (1) subsections (b) and (c); and
- (2) IC 25-1-9-23(j) and IC 25-1-9-23(k).

Sec. 9. (a) The insurance commissioner may, after notice and hearing under IC 4-21.5, impose on the provider facility a civil penalty of not more than one thousand dollars (\$1,000) for each violation of this chapter.

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

SECTION 12. IC 27-1-46 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 46. Provider Facility Good Faith Estimates

Sec. 0.5. Nothing in this chapter prohibits:

- (1) a self-funded health benefit plan that complies with the federal Employee Retirement Income Security Act (ERISA) of 1974 (29 U.S.C. 1001 et seq.); or

(2) a:

(A) self-insurance program established to provide group health coverage as described in IC 5-10-8-7(b); or

(B) a contract for health services as described in IC 5-10-8-7(c);

from providing information requested by a practitioner or provider facility under this chapter.

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to be provided health care services according to a health carrier's network plan.

Sec. 1.5. As used in this chapter, "episode of care" means the medical care ordered to be provided for a specific medical procedure, condition, or illness.

Sec. 2. As used in this chapter, "good faith estimate" means a reasonable estimate of the price a provider anticipates charging for an episode of care for nonemergency health care services that:

- (1) is made by a provider under this chapter upon the request of the individual for whom the nonemergency health care service has been ordered; and
- (2) is not binding upon the provider.

Sec. 3. (a) As used in this chapter, "health carrier" means an entity:

- (1) that is subject to IC 27 and the administrative rules adopted under IC 27; and
- (2) that enters into a contract to:

- (A) provide health care services;
- (B) deliver health care services;
- (C) arrange for health care services; or
- (D) pay for or reimburse any of the costs of health care services.

(b) The term includes the following:

- (1) An insurer, as defined in IC 27-1-2-3(x), that issues a policy of accident and sickness insurance, as defined in IC 27-8-5-1(a).
- (2) A health maintenance organization, as defined in IC 27-13-1-19.
- (3) An administrator (as defined in IC 27-1-25-1(a)) that is licensed under IC 27-1-25.
- (4) A state employee health plan offered under IC 5-10-8.
- (5) A short term insurance plan (as defined by IC 27-8-5.9-3).
- (6) Any other entity that provides a plan of health insurance, health benefits, or health care services.

(c) The term does not include:

- (1) an insurer that issues a policy of accident and sickness insurance;
- (2) a limited service health maintenance organization (as defined in IC 27-13-34-4); or
- (3) an administrator;

that only provides coverage for, or processes claims for, dental or vision care services.

Sec. 4. As used in this chapter, "in network", when used in reference to a provider, means that the health care services provided by the provider are subject to a health carrier's network plan.

Sec. 5. (a) As used in this chapter, "network" means a group of provider facilities and practitioners that:

- (1) provide health care services to covered individuals; and
- (2) have agreed to, or are otherwise subject to, maximum limits on the prices for the health care services to be provided to the covered individuals.

(b) The term includes the following:

- (1) A network described in subsection (a) that is established pursuant to a contract between an insurer providing coverage under a group health policy and:

(A) individual provider facilities and practitioners;

(B) a preferred provider organization; or

(C) an entity that employs or represents providers, including:

(i) an independent practice association; and

(ii) a physician-hospital organization.

- (2) A health maintenance organization, as defined in IC 27-13-1-19.

Sec. 6. As used in this chapter, "network plan" means a plan of a health carrier that:

- (1) requires a covered individual to receive; or

- (2) creates incentives, including financial incentives, for a covered individual to receive;

health care services from one (1) or more providers that are under contract with, managed by, or owned by the health carrier.

Sec. 7. As used in this chapter, "nonemergency health care service" means a discrete service or series of services ordered by a practitioner for an episode of care for the purpose of:

- (1) diagnosis;
- (2) prevention;
- (3) treatment;
- (4) cure; or
- (5) relief;

of a physical, mental, or behavioral health condition, illness, injury, or disease that is not provided on an emergency or urgent care basis.

Sec. 8. (a) As used in this chapter, "practitioner" means an individual or entity duly licensed or legally authorized to provide health care services.

(b) The term does not include the following:

- (1) A dentist licensed under IC 25-14.

- (2) An optometrist licensed under IC 25-24.

Sec. 8.5. As used in this chapter, "price" means the negotiated rate between the:

- (1) provider facility and practitioner; and
- (2) covered individual's primary health carrier.

Sec. 9. As used in this chapter, "provider" means:

- (1) a provider facility; or
- (2) a practitioner.

Sec. 10. (a) As used in this chapter, "provider facility" means any of the following:

- (1) A hospital licensed under IC 16-21-2.

- (2) An ambulatory outpatient surgery center licensed under IC 16-21-2.
- (3) An abortion clinic licensed under IC 16-21-2.
- (4) A birthing center licensed under IC 16-21-2.
- (5) Except for an urgent care facility, a facility that provides diagnostic services to the medical profession or the general public, including outpatient facilities.
- (6) A laboratory where clinical pathology tests are carried out on specimens to obtain information about the health of a patient.
- (7) A facility where radiologic and electromagnetic images are made to obtain information about the health of a patient.
- (8) An infusion center that administers intravenous medications.

(b) The term does not include the following:

- (1) A private mental health institution licensed under IC 12-25.
- (2) A Medicare certified, freestanding rehabilitation hospital.

Sec. 10.5. (a) As used in this chapter, "urgent care facility" means a freestanding health care facility that offers episodic, walk-in care for the treatment of acute, but not life threatening, health conditions.

(b) The term does not include an emergency department of a hospital or a nonprofit or government operated health clinic.

Sec. 11. (a) This section does not:

- (1) apply to a individual who is a Medicaid recipient; or
- (2) limit the authority of a legal representative of the patient.

(b) An individual for whom a nonemergency health care service has been ordered, scheduled, or referred may request from the provider facility in which the nonemergency health care service will be provided a good faith estimate of the price that will be charged for the nonemergency health care service.

(c) A provider facility that receives a request from an individual under subsection (b) shall, not more than five (5) business days after receiving relevant information from the individual, provide to the individual a good faith estimate of:

(1) the price that the provider facility in which the health care service will be performed will charge for:

- (A) the use of the provider facility to care for the individual for the nonemergency health care service;
- (B) the services rendered by the staff of the provider facility in connection with the nonemergency health care service; and
- (C) medication, supplies, equipment, and material items to be provided to or used by the individual while the individual is present in the provider facility in connection with the nonemergency health care service; and

(2) the price charged for the services of all practitioners, support staff, and other persons who provide professional health services:

- (A) who may provide services to or for the individual during the

individual's presence in the provider facility for the nonemergency health care service; and

(B) for whose services the individual will be charged separately from the charge of the provider facility.

(d) The price that must be included in a good faith estimate under this section includes all services under subsection (c)(1) or (c)(2) for imaging, laboratory services, diagnostic services, therapy, observation services, and other services expected to be provided to the individual for the episode of care.

(e) A provider facility shall ensure that a good faith estimate states that:

- (1) an estimate provided under this section is not binding on the provider facility;
- (2) the price the provider facility charges the individual may vary from the estimate based on the individual's medical needs; and
- (3) the estimate provided under this section is only valid for thirty (30) days.

(f) A provider facility may not charge a patient for information provided under this section.

Sec. 12. (a) If:

- (1) the individual who requests a good faith estimate from a provider facility under this chapter and has been verified as a covered individual with respect to a network plan; and
- (2) the provider facility from which the individual requests the good faith estimate is in network with respect to the same network plan;

the good faith estimate that the provider facility provides to the individual under this chapter must be based on the price to which the provider facility and any practitioners referred to in section 11(c)(2) of this chapter have agreed as in network providers.

(b) If the individual who requests a good faith estimate from a provider facility under this chapter:

- (1) is not a covered individual with respect to any network plan; or
- (2) is not a covered individual with respect to a network plan with respect to which the provider facility is in network;

the good faith estimate that the provider facility provides to the individual under this chapter must be based on the price that the provider facility and any practitioners referred to in section 11(c)(2) of this chapter charge for the nonemergency health care services in the absence of any network plan.

Sec. 13. A provider facility may provide a good faith estimate to an individual under this chapter:

- (1) in a writing delivered to the individual;
- (2) by electronic mail; or
- (3) through a mobile application or other Internet web based method, if available;

according to the preference expressed by the individual.

Sec. 14. (a) A good faith estimate provided by a provider facility to an individual under this chapter must:

- (1) provide a summary of the services and material items that the good faith estimate is based on; and
- (2) include a total figure that is a sum of the estimated prices referred to in subdivision (1).

(b) Subsection (a) does not prohibit a provider facility from providing to an individual a good faith estimate that indicates how much of the total figure stated under

subsection (a)(2) will be the individual's out-of-pocket expense after the health carrier's payment of charges.

(c) A health carrier or practitioner must provide a provider facility with the information needed by the provider facility to comply with the requirements under this chapter not more than two (2) business days after receiving the request.

(d) A provider facility is not subject to the penalties under section 17 of this chapter if:

- (1) a health carrier or practitioner fails to provide the provider facility with the information as required under subsection (c);
- (2) the provider facility provides the individual with a good faith estimate based on any information that the provider facility has; and
- (3) the provider facility provides the individual with an updated good faith estimate after the health carrier or practitioner has provided the information required under subsection (c).

Sec. 15. (a) As used in this section, "waiting room" means a space in a building used by a provider facility in which people check in or register to:

- (1) be seen by practitioners; or
- (2) meet with members of the staff of the provider facility.

(b) A provider facility shall ensure that each waiting room of the provider facility includes at least one (1) printed notice that:

- (1) is designed, lettered, and positioned within the waiting room so as to be conspicuous to and readable by any individual with normal vision who visits the waiting room; and
- (2) states the following, or words to the same effect: "A patient may ask for an estimate of the amount the patient will be charged for a nonemergency medical service provided in this facility. The law requires that an estimate be provided within 5 business days."

(c) If a provider facility maintains an Internet web site, the provider facility shall ensure that the Internet web site includes at least one (1) printed notice that:

- (1) 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; and
- (2) states the following, or words to the same effect: "A patient may ask for an estimate of the amount the patient will be charged for a nonemergency medical service provided in our facility. The law requires that an estimate be provided within 5 business days."

Sec. 16. If:

- (1) a provider facility receives a request for a good faith estimate under this chapter; and
- (2) the patient is eligible for Medicare coverage;

the provider facility shall provide a good faith estimate to the patient within five (5) business days based on available Medicare rates.

Sec. 17. (a) If a provider facility fails or refuses:

- (1) to provide a good faith estimate as required by this chapter; or
- (2) to provide notice on the provider facility's Internet web site as required under this chapter;

the insurance commissioner may, after notice and hearing under IC 4-21.5, impose on the provider facility a civil

penalty of not more than one thousand dollars (\$1,000) for each violation.

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

SECTION 13. IC 27-2-25 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 25. Health Carrier Good Faith Estimates

Sec. 0.5. Nothing in this chapter prohibits:

- (1) a self-funded health benefit plan that complies with the federal Employee Retirement Income Security Act (ERISA) of 1974 (29 U.S.C. 1001 et seq.); or
- (2) a:
 - (A) self-insurance program established to provide group health coverage as described in IC 5-10-8-7(b); or
 - (B) contract for health services, as described in IC 5-10-8-7(c);

from providing information requested by a practitioner or provider facility under this chapter.

Sec. 1. As used in this chapter, "coverage" means the right of an individual to receive:

- (1) health care services; or
- (2) payment or reimbursement for health care services;

from a health carrier.

Sec. 2. As used in this chapter, "covered individual" means an individual who is entitled to coverage from a health carrier.

Sec. 2.5. As used in this chapter, "episode of care" means the medical care ordered to be provided for a specific medical procedure, condition, or illness.

Sec. 3. As used in this chapter, "good faith estimate" means a health carrier's reasonable estimate of:

- (1) the amount of the cost of a nonemergency health care service that the health carrier will:

- (A) pay for; or
- (B) reimburse to;

a covered individual; or

- (2) the applicable benefit limitations of the nonemergency health care service a covered individual is entitled to receive;

that a health carrier provides upon request to a covered individual for whom a nonemergency health care service has been ordered.

Sec. 4. (a) As used in this chapter, "health carrier" means an entity:

- (1) that is subject to this title and the administrative rules adopted under this title; and
- (2) that enters into a contract to:

- (A) provide health care services;
- (B) deliver health care services;
- (C) arrange for health care services; or
- (D) pay for or reimburse any of the costs of health care services.

(b) The term includes the following:

- (1) An insurer, as defined in IC 27-1-2-3(x), that issues a policy of accident and sickness insurance, as defined in IC 27-8-5-1(a).
- (2) A health maintenance organization, as defined in IC 27-13-1-19.
- (3) An administrator (as defined in IC 27-1-25-1(a)) that is licensed under IC 27-1-25.

- (4) A state employee health plan offered under IC 5-10-8.
- (5) A short term insurance plan (as defined by IC 27-8-5.9-3).
- (6) Any other entity that provides a plan of health insurance, health benefits, or health care services.

(c) The term does not include:

- (1) an insurer that issues a policy of accident and sickness insurance;
- (2) a limited service health maintenance organization (as defined in IC 27-13-34-4); or
- (3) an administrator;

that only provides coverage for, or processes claims for, dental or vision care services.

Sec. 5. As used in this chapter, "in network", when used in reference to a practitioner, means that the health care services provided by the practitioner are subject to a health carrier's network plan.

Sec. 6. (a) As used in this chapter, "network" means a group of provider facilities and practitioners that:

- (1) provide health care services to covered individuals; and
- (2) have agreed to, or are otherwise subject to, maximum limits on the prices for the health care services to be provided to the covered individuals.

(b) The term includes the following:

(1) A network described in subsection (a) that is established pursuant to a contract between an insurer providing coverage under a group health policy and:

- (A) individual provider facilities and practitioners;
- (B) a preferred provider organization; or
- (C) an entity that employs or represents providers, including:
 - (i) an independent practice association; and
 - (ii) a physician-hospital organization.

(2) A health maintenance organization, as defined in IC 27-13-1-19.

Sec. 7. As used in this chapter, "network plan" means a plan of a health carrier that:

- (1) requires a covered individual to receive; or
- (2) creates incentives, including financial incentives, for a covered individual to receive;

health care services from one (1) or more providers that are under contract with, managed by, or owned by the health carrier.

Sec. 8. As used in this chapter, "nonemergency health care service" means a discrete service or series of services ordered by a practitioner for an episode of care for the:

- (1) diagnosis;
- (2) prevention;
- (3) treatment;
- (4) cure; or
- (5) relief;

of a physical, mental, or behavioral health condition, illness, injury, or disease that is not provided on an emergency or urgent care basis.

Sec. 9. (a) As used in this chapter, "practitioner" means an individual or entity duly licensed or legally authorized to provide health care services.

(b) The term does not include the following:

- (1) A dentist licensed under IC 25-14.
- (2) An optometrist licensed under IC 25-24.

Sec. 9.5. As used in this chapter, "price" means the negotiated rate between the:

- (1) provider facility and practitioner; and
- (2) covered individual's primary health carrier;

minus the amount that the health carrier will pay.

Sec. 10. As used in this chapter, "provider" means:

- (1) a provider facility; or
- (2) a practitioner.

Sec. 11. As used in this chapter, "provider facility" means any of the following:

- (1) A hospital licensed under IC 16-21-2.
- (2) An ambulatory outpatient surgery center licensed under IC 16-21-2.
- (3) An abortion clinic licensed under IC 16-21-2.
- (4) A birthing center licensed under IC 16-21-2.
- (5) Except for an urgent care facility (as defined by IC 27-1-46-10.5), a facility that provides diagnostic services to the medical profession or the general public.
- (6) A laboratory where clinical pathology tests are carried out on specimens to obtain information about the health of a patient.
- (7) A facility where radiologic and electromagnetic images are made to obtain information about the health of a patient.
- (8) An infusion center that administers intravenous medications.

Sec. 12. (a) A covered individual may request from the health carrier a good faith estimate of:

- (1) the amount of the cost of the nonemergency health care service that the health carrier will:
 - (A) pay for; or
 - (B) reimburse to;

the covered individual; or
(2) the applicable benefit limitations of the ordered nonemergency health care service a covered individual is entitled to receive from the health carrier.

(b) If:

- (1) a health carrier provides coverage to a covered individual through a network plan; and
- (2) the health carrier receives a request for a good faith estimate from a covered individual for whom a nonemergency health care service has been ordered;

the health carrier shall inform the covered individual whether the provider facility in which the nonemergency health care service will be provided is in network and whether each scheduled practitioner who may provide the nonemergency health care service is in network.

(c) A health carrier that receives a request from a covered individual patient under subsection (b) shall, not more than five (5) business days after receiving relevant information, provide to the individual a good faith estimate as described in section 14 of this chapter.

(d) A health carrier must ensure that a good faith estimate states that the estimate provided under this section is only valid for thirty (30) days and that:

- (1) the amount that the health carrier will:
 - (A) pay; or
 - (B) reimburse;

for or to the covered individual for the nonemergency health care services the individual receives; and

(2) the applicable benefit limitations of the nonemergency health care services the individual will receive;

may vary from the health carrier's good faith estimate based on the individual's medical needs.

(e) A health carrier may not charge an individual for information provided under this section.

(f) A practitioner and provider facility shall provide a health carrier with the information needed by the health carrier to comply with the requirements under this chapter not more than two (2) business days after receiving the request.

Sec. 13. A health carrier may provide a good faith estimate to an individual under this chapter:

- (1) in a writing delivered to the individual;
- (2) by electronic mail; or
- (3) through a mobile application or other Internet web based method, if available;

according to the preference expressed by the individual.

Sec. 14. (a) A good faith estimate provided by a health carrier to an individual under this chapter must:

(1) in the case of an insurer or another health carrier that pays or reimburses the cost of health care services:

(A) provide a summary of the services and material items that the good faith estimate is based on;

(B) include a total figure that is a sum of the amounts referred to in clause (A); and

(C) state the out-of-pocket costs the covered individual will incur, if any, beyond the amount that the health carrier will pay or reimburse; and

(2) in the case of a health maintenance organization or another health carrier that provides health care services:

(A) provide a summary of the applicable benefit limitations of the health care services to which the covered individual is entitled; and

(B) state the out-of-pocket costs the covered individual will incur, if any, beyond being provided the health care services referred to in clause (A).

(b) A practitioner and provider facility shall provide a health carrier with the information needed by the health carrier to comply with the requirements under this chapter not more than two (2) business days after receiving the request.

(c) A health carrier is not subject to the penalties under section 16 of this chapter if:

- (1) a provider facility or practitioner fails to provide the health carrier with the information as required under subsection (b);
- (2) the health carrier provides the individual with a good faith estimate based on any information that the health carrier has; and
- (3) the health carrier provides the individual with an updated good faith estimate after the provider facility or practitioner has provided the information required under subsection (b).

Sec. 15. A health carrier that provides an Internet web site for the use of its covered individuals shall ensure that the Internet web site includes a printed notice that:

(1) 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; and (2) states the following, or words to the same effect: "A covered individual may at any time ask the health carrier for an estimate of the amount the health carrier will pay for or reimburse to a covered individual for nonemergency health care services that have been ordered for the covered individual or the applicable benefit limitations of the ordered nonemergency health care services a covered individual is entitled to receive from the health carrier. The law requires that an estimate be provided within 5 business days."

Sec. 16. (a) If a health carrier fails or refuses:

(1) to provide a good faith estimate as required by this chapter; or

(2) to provide notice on the health carrier's Internet web site as required by section 15 of this chapter;

the insurance commissioner may, after notice and hearing under IC 4-21.5, impose on the health carrier a civil penalty of not more than one thousand dollars (\$1,000) for each day of noncompliance.

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

(Reference is to EHB 1004 as reprinted March 3, 2020.)

SMALTZ CHARBONNEAU

SCHAIBLEY BREAUX

House Conferees Senate Conferees

Roll Call 397: yeas 59, nays 32. Report adopted.

CONFERENCE COMMITTEE REPORT EHB 1207-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill 1207 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 5-10-8-20, AS ADDED BY P.L.209-2018, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 20. (a) As used in this section, "covered individual" means an individual entitled to coverage under a state employee plan.

(b) As used in this section, "drug" means a prescription drug.

(c) As used in this section, "pharmacy" refers to a pharmacist or pharmacy that has entered into an agreement with a state employee plan to provide drugs to individuals covered under a state employee plan.

(d) As used in this section, "state employee plan" refers to the following that provide coverage for drugs:

(1) A self-insurance program established under section 7(b) of this chapter to provide group health coverage.

(2) A contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

The term includes a person that administers drug benefits on behalf of a state employee plan.

(e) A pharmacy or pharmacist shall have the right to provide a covered individual with information concerning the amount of the covered individual's cost share for a prescription drug. Neither a pharmacy nor a pharmacist shall be proscribed by a pharmacy benefits manager from discussing this information or from selling to the covered individual a more affordable alternative if an affordable alternative is available.

(f) A pharmacy benefits manager that covers prescription drugs may not include a provision that requires a covered individual to make payment for a prescription drug at the point of sale in an amount that exceeds the lesser of:

- (1) the contracted copayment amount; or
- (2) the amount of total approved charges by the pharmacy benefits manager at the point of sale.

This subsection does not prohibit the adjudication of claims in accordance with the state employee plan administered by a pharmacy benefits manager. The covered individual is not liable for any additional charges or entitled to any credits as a result of the adjudicated claim.

(g) The state employee plan or a pharmacy benefits manager may not require a pharmacy or pharmacist to collect a higher copayment for a prescription drug from a covered individual than the state employee plan or pharmacy benefits manager allows the pharmacy or pharmacist to retain.

SECTION 2. IC 5-10-8-22.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]: **Sec. 22.5. (a) As used in this section, "covered individual" means an individual who is entitled to coverage under a state employee health plan.**

(b) As used in this section, "state employee health plan" means the following:

- (1) A self-insurance program established under section 7(b) of this chapter.
- (2) A contract for prepaid health services under section 7(c) of this chapter.

(c) A state employee health plan shall implement a procedure to allow a covered individual to submit a claim to offset the covered individual's deductible for the cost of a purchase by the covered individual of a prescription drug that:

- (1) is covered under the state employee health plan; and
- (2) was purchased by the covered individual without submitting at the point of purchase the claim through the state employee health plan.

(d) If a covered individual submits a claim to the state employee health plan in accordance with the procedure established under subsection (c), the state employee health plan shall verify the purchase described under subsection (c) and count the amount paid by the covered individual for the purchased covered prescription drug against the covered individual's deductible.

SECTION 3. IC 16-18-2-338.3, AS ADDED BY P.L.32-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 338.3. (a) "Standing order", for purposes of IC 16-31 and IC 16-42-27, means:**

- (1) a written order; or
- (2) an order transmitted by other means of communication;

that is prepared by a person authorized to write a prescription for the distribution and administration of an overdose intervention drug, including any actions and interventions to be used in order to ensure timely access to treatment.

(b) "Standing order", for purposes of IC 16-41-43, means:

- (1) a written order; or

(2) an order transmitted by other means of communication;

that is prepared by a person authorized to write a prescription for the distribution and administration of auto-injectable epinephrine, including any actions and interventions to be used in order to ensure timely access to treatment.

SECTION 4. IC 16-41-43-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 2.3. (a) A pharmacist may, by standing order, dispense auto-injectable epinephrine without examining the individual to whom it may be administered if all of the following conditions are met:**

(1) The auto-injectable epinephrine is dispensed to a person who:

- (A) presents a certificate of completion issued under section 2.5(c) of this chapter to the pharmacist before the auto-injectable epinephrine is dispensed; and
- (B) is an individual who is or may be in a position to assist an individual who is at risk of experiencing anaphylaxis.

(2) The pharmacist provides instruction concerning how to properly administer auto-injectable epinephrine from the specific device being dispensed at the time of the device's dispensing.

(3) The pharmacist instructs the individual receiving the auto-injectable epinephrine to summon emergency medical services either immediately before or immediately after administering the auto-injectable epinephrine to an individual experiencing anaphylaxis.

(b) A person wishing to receive auto-injectable epinephrine by standing order must do the following:

- (1) Successfully complete the course described in section 2.5(a) of this chapter.
- (2) Present a certificate of completion issued under section 2.5(c) of this chapter to a pharmacist at the time the auto-injectable epinephrine is requested.

(c) An individual described in subsection (a)(1) may administer auto-injectable epinephrine to an individual that the person reasonably believes is experiencing anaphylaxis.

(d) An individual described in subsection (a)(1) may not be considered to be practicing medicine without a license in violation of IC 25-22.5-8-2 if the individual, acting in good faith:

- (1) obtains auto-injectable epinephrine from a pharmacist by standing order;
- (2) administers auto-injectable epinephrine to an individual that the person reasonably believes is experiencing anaphylaxis in a manner that is consistent with:

- (A) the training provided during the course described in section 2.5(a) of this chapter; or
- (B) the instruction provided to the person by a pharmacist at the time the auto-injectable epinephrine was dispensed; and

(3) attempts to summon emergency medical services either immediately before or immediately after administering the auto-injectable epinephrine.

(e) The state department shall ensure that a statewide standing order for the dispensing of auto-injectable epinephrine in Indiana is issued under this section. The state health commissioner may, as part of the individual's official capacity, issue a statewide standing order that may be used for the dispensing of auto-injectable epinephrine under this section. The immunity provided in IC 34-13-3-3 applies to an individual described in this subsection.

SECTION 5. IC 16-41-43-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 2.5. (a) The state department shall approve courses concerning allergies and the administration of auto-injectable epinephrine that are offered by an approved organization (as defined in IC 25-1-4-0.2).

(b) The state department shall do the following:

- (1) Maintain, on its Internet web site, a list of all approved courses.
- (2) Prescribe the certification process for the course described in subsection (a).
- (3) Revoke the certification of an organization that fails to comply with any certification prerequisite specified by the state department.

(c) A person who successfully completes a certified course shall receive a certificate of completion. The state department may contract with a third party for the purpose of creating or manufacturing the certificate of completion, which must meet the requirements set forth in subsection (d).

(d) A certificate of completion issued under subsection (c) must:

- (1) have dimensions that permit the certificate of completion to be carried in a wallet; and
- (2) display the following information:
 - (A) The first and last name of the person.
 - (B) The first and last name of the course instructor.
 - (C) The name of the entity responsible for providing the course, if applicable.
 - (D) The date the course described in subsection (a) was completed.
 - (E) Any other information required by the state department.

(e) The state department may adopt rules under IC 4-22-2, including emergency rules under IC 4-22-2-37.1, to implement this section.

SECTION 6. IC 16-41-43-3.5, AS ADDED BY P.L.117-2017, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 3.5. Injectable epinephrine that is filled and used in accordance with this chapter must have an expiration date of not less than twelve (12) months from the date that the pharmacy dispenses the injectable epinephrine to the entity or person, as applicable.

SECTION 7. IC 16-41-43-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5.5. (a) This chapter does not apply to a person who is eligible for immunity specified in one (1) or more of the following sections:

- (1) Section 6 of this chapter.
- (2) IC 20-34-4.5-4.
- (3) IC 21-44.5-2-6.

(b) Except as provided in subsection (d), a person who meets all of the following criteria is not liable for civil

damages for any act or omission related to the administration of auto-injectable epinephrine:

(1) The person has successfully completed a course described in section 2.5(a) of this chapter before administering auto-injectable epinephrine to a person.

(2) The person administered the auto-injectable epinephrine in a manner that was consistent with:

(A) the training provided during the course described in section 2.5(a) of this chapter; or

(B) the instruction provided to the person by the pharmacist at the time the auto-injectable epinephrine was dispensed to the person.

(3) The person reasonably believed that the recipient of the auto-injectable epinephrine was suffering from anaphylaxis at the time the auto-injectable epinephrine was administered.

(c) A pharmacist who complies with section 2.3(a) of this chapter is not liable for civil damages resulting from the administration of auto-injectable epinephrine.

(d) The immunity described in subsection (b) or (c) does not apply to any act or omission that constitutes gross negligence or willful and wanton misconduct.

SECTION 8. IC 25-1-9.3-8, AS ADDED BY P.L.28-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 8. A prescriber may issue a prescription for a controlled substance in a written format, a faxed format, or an oral order if any of the following apply:

(1) The prescriber cannot transmit an electronically transmitted prescription due to:

(A) temporary technological or electrical failure; or

(B) the technological inability to issue a prescription electronically, including but not limited to failure to possess the requisite technology.

(2) The prescriber issues a prescription to be dispensed by a pharmacy located outside Indiana.

(3) The prescriber and the pharmacist are the same entity.

(4) The prescriber issues a prescription that meets any of the following:

(A) The prescription contains elements that are not supported by the technical standards developed by the National Council for Prescription Drug Programs for electronically transmitted prescriptions (NCPDP SCRIPT).

(B) The federal Food and Drug Administration requires the prescription to contain certain elements that cannot be supported in an electronically transmitted prescription.

(C) The prescription is a non-patient specific prescription in response to a public health emergency or another instance allowable under state law and that requires a non-patient specific prescription under:

(i) a standing order;

- (ii) approved protocol for drug therapy;
- (iii) collaborative drug management; or
- (iv) comprehensive medication management.

(D) The prescription is issued under a research protocol.

(5) The prescriber has received a waiver or a renewal of a previously received waiver from the board in accordance with rules adopted under section 9 of this chapter.

(6) The board, in accordance with rules adopted under section 9 of this chapter, has determined that issuing an electronically transmitted prescription would be impractical and cause delay, adversely impacting the patient's medical condition.

(7) The prescriber reasonably determines that it would be impractical for the patient to obtain an electronic prescription in a timely manner and the delay would adversely affect the patient's medical condition.

SECTION 9. IC 25-1-9.3-9, AS ADDED BY P.L.28-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 9. (a) The board shall, in consultation with the medical licensing board, adopt rules under IC 4-22-2 to implement this chapter, including:

(1) a process to grant or deny waivers or renewals of waivers from the requirement to issue electronically transmitted prescriptions for controlled substances due to:

- (A) economic hardship;
- (B) technological limitations outside the control of the prescriber; or
- (C) other circumstances determined by the board; and

(2) a list of circumstances in which issuing an electronically transmitted prescription would be impractical and cause delay that would adversely impact the user's medical condition.

(b) Any rules adopted under this chapter must be substantially similar to the requirements and exceptions under 42 U.S.C. 1395w-104.

(c) The board, in consultation with the medical licensing board, may adopt emergency rules in the manner provided in IC 4-22-2-37.1. A rule adopted under this section expires on the earlier of the following:

(1) The date that the rule is superseded, amended, or repealed by a permanent rule adopted under IC 4-22-2.

(2) July 1, 2023.

SECTION 10. IC 25-26-13-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) A pharmacist shall exercise ~~his~~ **the pharmacist's** professional judgment in the best interest of the patient's health when engaging in the practice of pharmacy.

(b) A pharmacist has a duty to honor all prescriptions from a practitioner or from a physician, podiatrist, dentist, **advanced practice registered nurse, physician assistant,** or veterinarian licensed under the laws of another state. Before honoring a prescription, the pharmacist shall take reasonable steps to determine whether the prescription has been issued in compliance with the laws of the state where it originated. The pharmacist is immune from criminal prosecution or civil liability if ~~he, the pharmacist,~~ in good faith, refuses to honor a prescription because, in ~~his~~ **the pharmacist's** professional judgment, the honoring of the prescription would:

(1) be contrary to law;

- (2) be against the best interest of the patient;
- (3) aid or abet an addiction or habit; or
- (4) be contrary to the health and safety of the patient.

SECTION 11. IC 25-26-13-24.8, AS ADDED BY P.L.28-2019, SECTION 16, AND P.L.246-2019, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 24.8. (a) Upon request of a patient, a pharmacy shall transfer to another pharmacy a prescription for the patient that the pharmacy has received but not filled unless:

- (1) prohibited in writing on the prescription by the prescriber; or
- (2) otherwise prohibited by federal law.

(b) Unless prohibited by federal law, a prescription for a patient may be transferred electronically or by facsimile by a pharmacy to another pharmacy if the pharmacies do not share a common data base.

(c) A licensed pharmacy technician may transfer a prescription under subsection (b).

SECTION 12. IC 25-26-13-25.3, AS ADDED BY P.L.246-2019, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 25.3. (a) ~~Beginning January 1, 2020,~~ A pharmacy may not dispense injectable epinephrine or glucagon to a person unless:

- (1) the injectable epinephrine or glucagon has an expiration date of not less than twelve (12) months from the date that the drug is dispensed; or
- (2) the person consents to the injectable epinephrine or glucagon having an expiration date of less than twelve (12) months from the date that the drug is dispensed.

(b) Except as provided in IC 25-26-16.5, a pharmacist may substitute a therapeutic alternative (as defined in IC 25-26-16.5-4) for epinephrine products for a patient.

SECTION 13. IC 25-26-13-31, AS AMENDED BY P.L.247-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 31. (a) A pharmacist may do the following:

- (1) Obtain and maintain patient drug histories and other pharmacy records that are related to drug or device therapies.
- (2) Perform drug evaluation, drug utilization review, and drug regimen review.
- (3) Participate in the selection, storage, and distribution of drugs, dietary supplements, and devices. However, drug selection must comply with IC 16-42-19 and IC 16-42-22.
- (4) Participate in drug or drug-related research.
- (5) Prescribe any of the following devices or supplies approved by the federal Food and Drug Administration:

- (A) Inhalation spacer.
- (B) Nebulizer.
- (C) Supplies for medical devices, including but not limited to, continuous positive airway pressure (CPAP) machine supplies and insulin pump supplies.
- (D) Normal saline and sterile water for irrigation for wound care **or for injection with a prescription drug or device.**
- (E) Diabetes blood sugar testing supplies.
- (F) Pen needles.
- (G) Syringes for medication use.

However, the pharmacist must provide the patient with a written advance beneficiary notice that is signed by the patient and that

states that the patient may not be eligible for reimbursement for the device or supply. The pharmacy must keep a copy of the patient's advance beneficiary notice on file for seven (7) years.

(b) A pharmacist who participates in an activity allowed under subsection (a) is required to follow the standards for the competent practice of pharmacy adopted by the board.

(c) A pharmacist may issue a prescription for purposes of subsection (a)(5).

SECTION 14. IC 25-26-13-31.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 31.7. (a) Subject to rules adopted under subsection (c), a pharmacy technician may administer an influenza immunization to an individual under a drug order or prescription.**

(b) Subject to rules adopted under subsection (c), a pharmacy technician may administer an influenza immunization to an individual or a group of individuals under a drug order, under a prescription, or according to a protocol approved by a physician.

(c) The board shall adopt rules under IC 4-22-2 to establish requirements applying to a pharmacy technician who administers an influenza immunization to an individual or group of individuals. The rules adopted under this section must provide for the direct supervision of the pharmacy technician by a pharmacist, a physician, a physician assistant, or an advanced practice registered nurse.

(d) The board must approve all programs that provide training to pharmacy technicians to administer influenza immunizations as permitted by this section.

SECTION 15. IC 27-1-24.5-22.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 22.5. Aggregated information compiled from reports submitted by pharmacy benefit managers to the insurance commissioner under section 22 of this chapter is not confidential except for information that would reveal a specific pharmacy benefit manager's proprietary information.**

SECTION 16. IC 27-1-24.5-27.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 27.5. A pharmacy benefits manager may not require a pharmacy or pharmacist to collect a higher copayment for a prescription drug from a customer than the pharmacy benefits manager allows the pharmacy or pharmacist to retain.**

SECTION 17. IC 27-2-9.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2021]:

Chapter 9.1. Prescription Drug Purchases

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to coverage under a health plan.

Sec. 2. As used in this chapter, "health plan" means a plan that is compliant with the PPACA and offered by an insurer to provide, deliver, arrange for, pay for, or reimburse the cost of health care items or services. The term includes the following:

- (1) A policy of accident and sickness insurance (as defined in IC 27-8-5-1).**
- (2) An individual contract (as defined by IC 27-13-1-21) and a group contract (as defined by IC 27-13-1-16).**

Sec. 3. As used in this chapter, "insurer" means an entity licensed in Indiana to issue a health plan.

Sec. 4. As used in this chapter, "PPACA" refers to the federal Patient Protection and Affordable Care Act (P.L. 111-148), as amended thereafter, including by the federal Health Care and Education Reconciliation Act of 2010 (P.L. 111-152).

Sec. 5. (a) A health plan shall implement a procedure to allow a covered individual to submit a claim to offset the covered individual's deductible for the cost of a purchase by the covered individual of a prescription drug that:

- (1) is covered under the covered individual's health plan; and**
- (2) was purchased by the covered individual without submitting at the point of purchase the claim through the health plan.**

(b) If a covered individual submits a claim to the health plan in accordance with the procedure established under subsection (a), the health plan shall verify the purchase described under subsection (a) and count the amount paid by the covered individual for the purchased covered prescription drug against the covered individual's deductible.

SECTION 18. IC 27-8-5-31 IS REPEALED [EFFECTIVE JULY 1, 2020]. **Sec. 31. (a) The definitions in section 30 of this chapter apply throughout this section:**

(b) This section applies to an insurer that uses a formulary, cost sharing, or utilization review for prescription drug coverage:

(c) An insurer shall not remove a prescription drug from the insurer's formulary, change the cost sharing requirements that apply to a prescription drug, or change the utilization review requirements that apply to a prescription drug unless the insurer does at least one (1) of the following:

- (1) At least sixty (60) days before the removal or change is effective, send written notice of the removal or change to each insured for whom the prescription drug has been prescribed during the preceding twelve (12) month period;**
- (2) At the time an insured for whom the prescription drug has been prescribed during the preceding twelve (12) month period requests a refill of the prescription drug, provide to the insured:**

- (A) written notice of the removal or change; and**
- (B) a sixty (60) day supply of the prescription drug under the terms that applied before the removal or change.**

SECTION 19. IC 27-8-5-31.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 31.5. (a) This section applies to a policy of accident and sickness insurance that is issued, entered into, amended, or renewed after June 30, 2020.**

(b) The definitions in section 30 of this chapter apply throughout this section.

(c) This section applies to an insurer that uses a formulary or cost sharing review for prescription drug coverage.

(d) An insurer shall not remove a prescription drug from the insurer's formulary or change the cost sharing requirements that apply to a prescription drug unless the insurer does the following:

- (1) At least sixty (60) days before the removal or change is effective, sends written notice of the removal or change to each insured for whom the prescription drug has been prescribed during the plan year.**
- (2) Provides a timely appeal process through which an insured may request an extension of coverage for the prescription drug through the end of the plan year. The appeal process must consider the following:**
 - (A) Clinical appropriateness that is evidence based.**

(B) Whether the insured has been adherent to the prescription drug regimen long enough that discontinuation of the prescription drug would cause a significant barrier to the insured's adherence to or compliance with the insured's plan of care.

(C) Whether discontinuation of the prescription drug would worsen a comorbid condition of the insured.

(D) Whether discontinuation of the prescription drug would decrease the insured's ability to achieve or maintain reasonable functional ability to perform daily activities.

(e) If the request for an extension made by an insured under subsection (d) is supported by documentation from the prescribing health care provider, the insurer shall make a determination concerning the insured's request:

- (1) in an urgent care situation, not more than one (1) business day after receiving the request; or**
- (2) in a non-urgent situation, not more than three (3) business days after receiving the request.**

(f) If an appeal under subsection (d)(2) is granted, the insurer shall notify the insured and the insured's health care provider of the authorization for coverage of the prescription drug that was the subject of the appeal.

(g) An extension of coverage of a prescription drug through the end of the plan year under this section is permitted only once and may not be repeated unless otherwise provided by the insurer.

(h) Nothing under this section prohibits an insurer from removing a prescription drug from its formulary or denying an insured coverage if:

- (1) the federal Food and Drug Administration has issued a statement about the prescription drug that calls into question the clinical safety of the prescription drug;**
- (2) the manufacturer of the prescription drug has notified the federal Food and Drug Administration of a manufacturing discontinuance or potential discontinuance of the prescription drug as required by 21 U.S.C. 356c of the federal Food, Drug, and Cosmetic Act; or**
- (3) the manufacturer of the prescription drug has removed the prescription drug from the market.**

(i) This chapter does not prohibit a pharmacist from substituting:

- (1) a generically equivalent drug product for a brand name drug under IC 16-42-22; or**
- (2) a biosimilar biological product for a prescribed biological product under 16-42-25.**

SECTION 20. IC 27-8-11-12, AS ADDED BY P.L.209-2018, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 12. (a) As used in this section, "drug" means a prescription drug.

(b) As used in this section, "insurer" refers to an insurer that provides coverage for drugs. The term includes a person that administers drug benefits on behalf of an insurer.

(c) As used in this section, "pharmacy" refers to a pharmacist or pharmacy that has entered into an agreement with an insurer under section 3 of this chapter.

(d) A pharmacy or pharmacist shall have the right to provide an insured with information concerning the amount of the insured's cost share for a prescription drug. Neither a pharmacy nor a pharmacist shall be proscribed by an insurer from discussing this information or from selling to the insured a more affordable alternative if an affordable alternative is available.

(e) An insurer that covers prescription drugs may not include a provision that requires an insured to make payment for a prescription drug at the point of sale in an amount that exceeds the lesser of:

- (1) the contracted copayment amount; or
- (2) the amount of total approved charges by the insurer at the point of sale.

This subsection does not prohibit the adjudication of claims in accordance with an accident and sickness insurance policy issued or administered by an insurer. The insured is not liable for any additional charges or entitled to any credits as a result of the adjudicated claim.

(f) The insurer or a pharmacy benefits manager may not require a pharmacy or pharmacist to collect a higher copayment for a prescription drug from an insured than the insurer or pharmacy benefits manager allows the pharmacy or pharmacist to retain.

SECTION 21. IC 27-13-15-6, AS ADDED BY P.L.209-2018, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) As used in this section, "drug" means a prescription drug.

(b) As used in this section, "health maintenance organization" refers to a health maintenance organization that provides coverage for drugs. The term includes the following:

- (1) A limited service health maintenance organization.
- (2) A person that administers drug benefits on behalf of a health maintenance organization or a limited service health maintenance organization.

(c) As used in this section, "pharmacy" refers to a pharmacist or pharmacy that is a participating provider.

(d) A pharmacy or pharmacist shall have the right to provide an enrollee with information concerning the amount of the enrollee's cost share for a prescription drug. Neither a pharmacy nor a pharmacist shall be proscribed by a health maintenance organization from discussing this information or from selling to the enrollee a more affordable alternative if an affordable alternative is available.

(e) A health maintenance organization that covers prescription drugs may not include a provision that requires an enrollee to make payment for a prescription drug at the point of sale in an amount that exceeds the lesser of:

- (1) the contracted copayment amount; or
- (2) the amount of total approved charges by the health maintenance organization at the point of sale.

This subsection does not prohibit the adjudication of claims in accordance with an individual contract or group contract issued or administered by a health maintenance organization. The enrollee is not liable for any additional charges or entitled to any credits as a result of the adjudicated claim.

(f) The health maintenance organization or a pharmacy benefits manager may not require a pharmacy or pharmacist to collect a higher copayment for a prescription drug from an enrollee than the health maintenance organization or pharmacy benefits manager allows the pharmacy or pharmacist to retain.

SECTION 22. IC 34-30-2-83.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 83.6. IC 16-41-43-5.5 (Concerning the administration of auto-injectable epinephrine by laypersons and the dispensing of auto-injectable epinephrine by pharmacists).**

SECTION 23. [EFFECTIVE JULY 1, 2020] (a) **IC 5-10-8-22.5, as added by this act, applies to a state employee health plan that is established, entered into, amended, or renewed after December 31, 2020.**

(b) **IC 27-2-9.1, as added by this act, applies to a health plan that is issued, entered into, delivered, amended, or renewed after December 31, 2020.**

(c) **This SECTION expires June 30, 2023.**

SECTION 24. **An emergency is declared for this act.**

(Reference is to EHB 1207 as reprinted March 3, 2020.)

CLERE

BOHACEK

HATFIELD

MRVAN

House ConfereesSenate Conferees

Roll Call 398: yeas 91, nays 0. Report adopted.

Representatives Jackson and Leonard, who had been present, are now excused.

CONFERENCE COMMITTEE REPORT
ESB 367-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 367 respectfully reports that said two committees have conferred and agreed as follows to wit:

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

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 36-7.5-2-3, AS AMENDED BY P.L.248-2017, SECTION 4, 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 (e), (f), and (h), the development board is composed of the following ~~seven (7)~~ **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 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.

(B) One (1) member appointed by the mayor 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.

(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).

(4) The following three (3) members appointed under subsection (j):

(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) 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 ~~nine (9)~~ **twelve (12)** members rather than ~~seven (7)~~ **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.

(f) This subsection applies only if the county described in subsection (e) is an eligible county participating in the development authority. The mayor of the largest city in the county described in subsection (e) shall nominate three (3) residents of the county for appointment to the development board. The governor's initial appointment under subsection (e)(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) shall nominate three (3) residents of the county for appointment to the development board. The governor's second appointment under subsection (e)(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 (e)(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) 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) Subsection (i) 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) 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) 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 2. IC 36-7.5-2-4, AS AMENDED BY P.L.47-2006, SECTION 56, 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(e)(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(e)(2)(B) of this chapter, the initial member appointed under that provision shall serve a term of three (3) years.

(c) **Subject to section 3(j) 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) 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) 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 3. IC 36-7.5-2-6, AS AMENDED BY P.L.192-2015, SECTION 10, 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.**

(a) (b) The development board shall meet at least quarterly.

(b) (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.

(c) (d) Five (5) members of the development board constitute a quorum. However, if the county described in section 3(e) of this chapter is an eligible county participating in the development authority, six (6) members of the development board constitute a quorum.

(d) (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(e) 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.

(e) (f) Notwithstanding any other provision of this article, the minimum number of affirmative votes required under subsection (d) (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:

- (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.

(f) (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 are necessary to authorize any action of the development authority.

SECTION 4. IC 36-7.6-2-11, AS ADDED BY P.L.232-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 11. **(a) A development authority is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. A development board is a governing body for purposes of IC 5-14-1.5.**

(a) (b) A development board shall meet at least quarterly.

(b) (c) The chair of a development board or any two (2) members of a development board may call a special meeting of the development board.

(c) (d) A majority of the appointed members of a development board constitutes a quorum.

(d) (e) The affirmative votes of at least a majority of the appointed members of a development board are necessary to authorize any action of the development authority.

SECTION 5. **An emergency is declared for this act.**

(Reference is to ESB 367 as reprinted March 3, 2020.)

NIEMEYER	AYLESWORTH
BOHACEK	PRESSEL
Senate Conferees	House Conferees

Roll Call 399: yeas 62, nays 27. Report adopted.

Representatives Jackson and Leonard, who had been excused, are now present.

CONFERENCE COMMITTEE REPORT ESB 241-1

Mr. Speaker: Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill 241 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 27-1-24.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]:

Chapter 24.5. Pharmacy Benefit Managers

Sec. 1. As used in this chapter, "covered individual" means an individual who is entitled to coverage under a health plan.

Sec. 2. As used in this chapter, "effective rate of reimbursement" includes the following:

- (1) Generic effective rates.
- (2) Brand effective rates.
- (3) Direct and indirect remuneration fees.
- (4) Any other reduction or aggregate reduction of payment.

Sec. 3. As used in this chapter, "equal access and incentives" means that a pharmacy benefit manager allows any willing pharmacy provider to participate as part of any of the pharmacy benefit manager's networks as long as the

pharmacy provider agrees to the terms and conditions of the relevant contract applicable to any other pharmacy provider within that network.

Sec. 4. As used in this chapter, "generic drug" means a drug product that is identified by the drug's chemical name and that is:

- (1) accepted by the federal Food and Drug Administration;
- (2) available from at least three (3) sources; and
- (3) therapeutically equivalent to an originating brand name drug.

Sec. 5. As used in this chapter, "health plan" means the following:

- (1) A state employee health plan (as defined in IC 5-10-8-6.7).
- (2) A policy of accident and sickness insurance (as defined in IC 27-8-5-1). However, the term does not include the coverages described in IC 27-8-5-2.5(a).
- (3) An individual contract (as defined in IC 27-13-1-21) or a group contract (as defined in IC 27-13-1-16) that provides coverage for basic health care services (as defined in IC 27-13-1-4).

Sec. 6. As used in this chapter, "independent pharmacies" means pharmacies that are not a pharmacy benefit manager affiliate.

Sec. 7. As used in this chapter, "maximum allowable cost" means the maximum amount that a pharmacy benefit manager will reimburse a pharmacy for the cost of a generic prescription drug. The term does not include a dispensing fee or professional fee.

Sec. 8. As used in this chapter, "maximum allowable cost list" means a list of drugs that is used:

- (1) by a pharmacy benefit manager; and
- (2) to set the maximum amount that may be reimbursed to a pharmacy or pharmacist for a drug.

Sec. 9. As used in this chapter, "pharmacist" means an individual licensed as a pharmacist under IC 25-26.

Sec. 10. As used in this chapter, "pharmacist services" means products, goods, and services provided as part of the practice of pharmacy.

Sec. 11. As used in this chapter, "pharmacy" means the physical location:

- (1) that is licensed under IC 25-26; and
- (2) at which drugs, chemicals, medicines, prescriptions, and poisons are compounded, dispensed, or sold at retail.

Sec. 12. (a) As used in this chapter, "pharmacy benefit manager" means an entity that, on behalf of a health benefits plan, state agency, insurer, managed care organization, or other third party payor:

- (1) contracts directly or indirectly with pharmacies to provide prescription drugs to individuals;
- (2) administers a prescription drug benefit;
- (3) processes or pays pharmacy claims;
- (4) creates or updates prescription drug formularies;
- (5) makes or assists in making prior authorization determinations on prescription drugs;
- (6) administers rebates on prescription drugs; or
- (7) establishes a pharmacy network.

(b) The term does not include the following:

- (1) A person licensed under IC 16.
- (2) A health provider who is:
 - (A) described in IC 25-0.5-1; and

(B) licensed or registered under IC 25.

(3) A consultant who only provides advice concerning the selection or performance of a pharmacy benefit manager.

Sec. 13. As used in this chapter, "pharmacy benefit manager affiliate" means a pharmacy or pharmacist that directly or indirectly, through one (1) or more intermediaries:

- (1) owns or controls;
- (2) is owned or controlled by; or
- (3) is under common ownership or control with;

a pharmacy benefit manager.

Sec. 14. As used in this chapter, "pharmacy benefit manager network" means a group of pharmacies or pharmacists that is offered:

- (1) through an agreement or health plan contract; and
- (2) to provide pharmacist services for health plans.

Sec. 15. As used in this chapter, "pharmacy services administrative organization" means an organization that assists independent pharmacies and pharmacy benefit managers or health plans to achieve administrative efficiencies, including contracting and payment efficiencies.

Sec. 16. (a) As used in this chapter, "rebate" means a discount or other price concession that is:

- (1) based on use of a prescription drug; and
- (2) paid by a manufacturer or third party to a pharmacy benefit manager, pharmacy services administrative organization, or pharmacy after a claim has been processed and paid at a pharmacy.

(b) The term includes an incentive and a disbursement.

Sec. 17. As used in this chapter, "third party" means a person other than a:

- (1) pharmacy benefit manager; or
- (2) covered individual.

Sec. 18. A person shall, before establishing or operating as a pharmacy benefit manager, apply to and obtain a license from the commissioner under this chapter.

Sec. 19. (a) A pharmacy benefit manager shall provide equal access and incentives to all pharmacies within the pharmacy benefit 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.

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.

Sec. 20. (a) The commissioner shall do the following:

(1) Prescribe an application for use in applying for a license to operate as a pharmacy benefit manager.

(2) Adopt rules under IC 4-22-2 to establish the following:

(A) Pharmacy benefit manager licensing requirements.

(B) Licensing fees.

(C) A license application.

(D) Financial standards for pharmacy benefit managers.

(E) Reporting requirements described in section 21 of this chapter.

(F) The time frame for the resolution of an appeal under section 22 of this chapter.

(b) The commissioner may do the following:

(1) Charge a license application fee and renewal fees established under subsection (a)(2) in an amount not to exceed five hundred dollars (\$500) to be deposited in the department of insurance fund established by IC 27-1-3-28.

(2) Examine or audit the books and records of a pharmacy benefit manager one (1) time per year to determine if the pharmacy benefit manager is in compliance with this chapter.

(3) Adopt rules under IC 4-22-2 to:

(A) implement this chapter; and
(B) specify requirements for the following:

(i) Prohibited market conduct practices.

(ii) Data reporting in connection with violations of state law.

(iii) Maximum allowable cost list compliance and enforcement requirements, including the requirements of sections 22 and 23 of this chapter.

(iv) Prohibitions and limits on pharmacy benefit manager practices that require licensure under IC 25-22.5.

(v) Pharmacy benefit manager affiliate information sharing.

(vi) Lists of health plans administered by a pharmacy benefit manager in Indiana.

(c) Financial information and proprietary information submitted by a pharmacy benefit manager to the department is confidential.

Sec. 21. (a) Beginning June 1, 2021, and annually thereafter, a pharmacy benefit manager shall submit a report containing data from the immediately preceding calendar year to the commissioner. The commissioner shall determine what must be included in the report and consider the following information to be included in the report:

(1) The aggregate amount of all rebates that the pharmacy benefit manager received from all pharmaceutical manufacturers for:

(A) all insurers; and

(B) each insurer;

with which the pharmacy benefit manager contracted during the immediately preceding calendar year.

(2) The aggregate amount of administrative fees that the pharmacy benefit manager received from all pharmaceutical manufacturers for:

(A) all insurers; and

(B) each insurer;

with which the pharmacy benefit manager contracted during the immediately preceding calendar year.

(3) The aggregate amount of retained rebates that the pharmacy benefit manager received from all pharmaceutical manufacturers and did not pass through to insurers with which the pharmacy benefit manager contracted during the immediately preceding calendar year.

(4) The highest, lowest, and mean aggregate retained rebate for:

(A) all insurers; and

(B) each insurer;

with which the pharmacy benefit manager contracted during the immediately preceding calendar year.

(b) A pharmacy benefit manager that provides information under this section may designate the information as a trade secret (as defined in IC 24-2-3-2). Information designated as a trade secret under this subsection must not be published unless required under subsection (c).

(c) Disclosure of information designated as a trade secret under subsection (b) may be ordered by a court of Indiana for good cause shown or made in a court filing.

Sec. 22. (a) A pharmacy benefit manager shall do the following:

(1) Identify to contracted:

(A) pharmacy service administration 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) 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.

(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.

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

(D) 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) 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 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 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.

Sec. 23. (a) For every drug for which the pharmacy benefit manager establishes a maximum allowable cost to determine the drug product reimbursement, the pharmacy benefit manager shall make available to a contracted pharmacy services administration organization to make available to the pharmacies, or to a pharmacy if the pharmacy benefit manager contracts directly with a pharmacy, in a manner established by the department by administrative rule described in subsection (b) the following:

(1) Information identifying the national drug pricing compendia or sources used to obtain the drug price data.

(2) The comprehensive list of drugs subject to maximum allowable cost and the actual maximum allowable cost for each drug.

(b) The department shall adopt rules under IC 4-22-2 concerning the manner in which a pharmacy benefit manager shall communicate the following to contracted pharmacy services administration organizations:

(1) Drug price data should be used to establish drug reimbursements by pharmacy benefit managers as described in subsection (a)(1).

(2) The comprehensive list of drugs described in subsection (a)(2).

(c) The department may, concerning a maximum allowable cost list, consider whether a drug is:

- (1) obsolete;
- (2) temporary unavailable;
- (3) to be included on a drug shortage list; or
- (4) unable to be lawfully substituted.

Sec. 24. (a) For every drug for which a pharmacy benefit manager establishes a maximum allowable cost to determine reimbursement for the drug product, the pharmacy benefit manager shall make available to the department, upon request of the department, information that is needed to resolve an appeal.

(b) If the pharmacy benefit manager fails to promptly make available to the department the information as required in subsection (a), the department shall consider the appeal granted in favor of the appealing pharmacy.

Sec. 25. (a) A party that has contracted with a pharmacy benefit manager to provide services may, at least one (1) time in a calendar year, request an audit of compliance with the contract. The audit may include full disclosure of rebate amounts secured on prescription drugs, whether product specific or general rebates, that were provided by a pharmaceutical manufacturer and any other revenue and fees derived by the pharmacy benefit manager from the contract. A contract may not contain provisions that impose unreasonable fees or conditions that would severely restrict a party's right to conduct an audit under this subsection.

(b) A pharmacy benefit manager shall disclose, upon request from a party that has contracted with a pharmacy

benefit manager, to the party the actual amounts paid by the pharmacy benefit manager to any pharmacy.

(c) A pharmacy benefit manager shall provide notice to a party contracting with the pharmacy benefit manager any consideration that the pharmacy benefit manager receives from a pharmacy manufacturer for any name brand dispensing of a prescription when a generic or biologically similar product is available for the prescription.

(d) The commissioner may establish a procedure to release information from an audit performed by the department to a party that has requested an audit under this section in a manner that does not violate confidential or proprietary information laws.

(e) Any provision of a contract entered into, issued, or renewed after June 30, 2020, that violates this section is unenforceable.

Sec. 26. A person or entity that has contracted with a pharmacy benefit manager for the performance of services described in section 12(a) of this chapter is entitled to full disclosure from the pharmacy benefit manager of the terms of a contract between the pharmacy benefit manager and any other person or entity within the same network concerning the performance of the services described in section 12(a) of this chapter, including:

(1) the purchase price for prescription drugs within the same network and set by a contract entered into by the pharmacy benefit manager; and

(2) the amount of any rebate provided in connection with the purchase of prescription drugs within the same network by a contract entered into by the pharmacy benefit manager.

Sec. 27. A pharmacy services administrative organization shall, upon request, fully disclose to an independent pharmacy on whose behalf the pharmacy services administrative organization acts the terms of a contract between the pharmacy services administrative organization and any other person or entity concerning the actions taken by the pharmacy services administrative organization on behalf of the independent pharmacy.

Sec. 28. (a) A violation of this chapter is an unfair or deceptive act or practice in the business of insurance under IC 27-4-1-4.

(b) The department may also adopt rules under IC 4-22-2 to set forth fines for a violation under this chapter.

SECTION 2. IC 27-1-24.8 IS REPEALED [EFFECTIVE JULY 1, 2020]. (Pharmacy Benefit Managers).

SECTION 3. [EFFECTIVE JULY 1, 2020] (a) Notwithstanding IC 27-1-24.5, as added by this act, a pharmacy benefit manager must be licensed by the department of insurance not later than December 31, 2020, in order to do business in Indiana and provide services for any health provider contract (as defined in IC 27-1-37-3) that is in effect beginning or after January 1, 2021.

(b) This SECTION expires December 31, 2021.

(Reference is to ESB 241 as reprinted March 3, 2020.)

BROWN	LEHMAN
BREAUX	AUSTIN
Senate Conferees	House Conferees

Roll Call 400: yeas 91, nays 0. Report adopted.

ENROLLED ACTS SIGNED

The Speaker announced that he had signed House Enrolled Acts 1070, 1077 and 1165 on March 11.

ENROLLED ACTS SIGNED

The Speaker announced that he had signed Senate Enrolled Acts 20, 21, 25, 39, 50 and 78 on March 11.

MESSAGE FROM THE GOVERNOR

Mr. Speaker and Members of the House of Representatives: On March 11, 2017, I signed into law House Enrolled Acts 1009, 1081, 1095, 1104, 1112, 1129, 1143, 1166, 1189, 1224, 1288, 1334, 1370 and 1403.

ERIC HOLCOMB
Governor

OTHER BUSINESS ON THE SPEAKER'S TABLE

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on Conference Committee Report #1 on House Bill 1414, Roll Call 355, on March 10, 2020. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the Nay button when I intended to vote Yea."

BAIRD

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 355 to 56 yeas, 37 nays.*]

HOUSE MOTION

Mr. Speaker: I move that Representative Vermilion be removed as coauthor of House Bill 1006.

ENGLEMAN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three coauthors and that Representative DeVon be added as coauthor of House Bill 1006.

ENGLEMAN

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 Baird be removed as coauthor of House Bill 1006.

ENGLEMAN

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed House Concurrent Resolutions 48, 49, 50 and 51 and the same are herewith returned to the House.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolutions 65, 67 and 68 and the same are herewith transmitted to the House for further action.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has concurred in the House amendments to Engrossed Senate Bills 5, 179, 184, 216, 334 383 and 395.

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 1, 10, 47, 80, 132, 148, 190, 229, 237, 241, 246, 256, 258, 295, 299, 319, 335, 340, 346, 350, 367, 398, 408, 433 and 438

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 1003, 1004, 1006, 1014, 1022, 1045, 1065, 1066, 1070, 1092, 1108, 1113, 1131, 1153, 1157, 1207, 1235, 1279. 1372, 1385, 1414 and 1419.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 1:

Conferees: Charbonneau, Chairman; and Stoops
Advisors: Ruckelshaus and Randolph

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 47:

Conferees: Freeman, Chairman; and Tallian
Advisors: Koch and Taylor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 178.:

Conferees: Messmer, Chairman; and Randolph
Advisors: Ford, Jon and Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 229:

Conferees: Walker, Chairman; and Breaux
Advisors: Grooms, Ford Jon, and Ford J.D.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 395:

Conferees: Bassler, Chairman; and Breaux
Advisors: Ruckelshaus, Ford J.D.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators to serve as conference committee on Engrossed Senate Bill 408:

Conferees: Holdman, Chairman; and Melton
Advisors: Mishler and Taylor

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed Senate Bill 47:

Conferees: Senator Young to replace Senator Tallian

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed Senate Bill 148:

Conferees: Senator Young replacing 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 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed Senate Bill 229:

Remove: Senator Doriot as advisor

Conferees: Senator Doriot replacing Senator Stoops

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed Senate Bill 299:

Conferees: Senator Kruse replacing Senator Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray

has made the following change in conferees appointments to Engrossed Senate Bill 334:

Remove: Senator Ford Jon as advisor

Conferees: Senator Ford Jon replacing Senator Breaux

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed Senate Bill 335:

Conferees: Senator Freeman replacing Senator Tallian

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed Senate Bill 367:

Remove: Senator Bohacek as advisor

Conferees: Senator Bohacek replacing Senator Mrvan

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the President Pro Tempore of the Senate has appointed the following Senators a conference committee to confer on Engrossed House Bill 1006:

Conferees: Charbonneau and Stoops
Advisors: Crider and Randolph

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1003:

Conferees: Senator Kruse replacing 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 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1014:

Remove: Senator Buck as advisor

Conferees: Senator Buck replacing 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 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1022:

Remove: Senator Brown as advisor

Conferees: Senator Brown replacing Senator Randolph

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1065:

Conferees: Senator Charbonneau replacing 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 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1131:

Remove: Senator Garten as advisor

Conferees: Senator Garten replacing Senator Ford J.D.

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1235:

Conferees: Senator Messmer replacing Senator Niezgodski

JENNIFER L. MERTZ
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that pursuant to Rule 84 of the Standing Rules and Orders of the Senate, President Pro Tempore Rodric D. Bray has made the following change in conferees appointments to Engrossed House Bill 1414:

Remove: Senator Koch as advisor

Conferees: Senator Koch replacing Senator Ford J.D.

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 following committee report:

“Your committee appointed to confer with the Governor to ascertain whether or not he has any further communications to make to the Senate hereby reports that your Committee of Senators Garten, Spartz, Stoops and Melton has waited upon the Governor and the Governor has no further communications to make to the Senate.”

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 following committee report:

“Your committee appointed to ascertain whether the House of Representatives has any further legislative business to transact hereby reports that your Committee of Senators Glick, Buchanan, Tallian and Breau has conferred with the House of Representatives and the House of Representatives has no further business to transact with the Senate.”

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 adjourned the Second Regular Session of the 121st Indiana General Assembly *sine die* on the 11th day of March, 2020 at 10:47 p.m.

JENNIFER L. MERTZ
Principal Secretary of the Senate

HOUSE MOTION

Mr. Speaker: I move that all requests for interim studies, including those made by resolution, bills which failed to pass both Houses of the General Assembly, or written or oral requests to the Speaker of the House are hereby referred to the Legislative Council for further consideration as it deems necessary or appropriate.

LEHMAN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to confer with the Senate for the purpose of ascertaining if the Senate has any further legislative business to transact with the House of Representatives.

LEHMAN

Motion prevailed. The Speaker appointed Representatives Sherman, Vermilion, Pfaff and Pryor.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to ascertain if the Senate has further legislative business to transact with the House of Representatives has performed the duties assigned to them. The committee reports that the Senate has no further legislative business to transact with the House of Representatives.

SHERMAN PFAFF
VERMILION PRYOR

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to confer with the Governor for the purpose of ascertaining if the Governor has any further communication to make to the House of Representatives.

LEHMAN

Motion prevailed. The Speaker appointed Representatives Abbott, Hostettler Austin and Pierce.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to ascertain if the Governor has further legislative

business to make to the House of Representatives has performed the duties assigned to them. The committee reports that the Governor has no further communication with the House of Representatives.

ABBOTT AUSTIN
HOSTETTLER PIERCE

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to inform the Senate that the House of Representatives has completed its business and is ready to adjourn.

LEHMAN

Motion prevailed. The Speaker appointed Representatives Prescott, Burton, Klinker and V. Smith.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to inform the Senate that the House of Representatives has completed its business and is ready to adjourn, has performed the duties assigned to them. The committee reports that they have informed the Senate that the House of Representatives has completed its business and is ready to adjourn.

PRESCOTT KLINKER
BURTON V. SMITH

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that the Speaker of the House of Representatives appoint a committee of four members of the House of Representatives to inform the Governor that the House of Representatives has completed its business and is ready to adjourn.

LEHMAN

Motion prevailed. The Speaker appointed Representatives Wolkins, Bacon, Candelaria Reardon and Macer.

COMMITTEE REPORT

Mr. Speaker: Your Committee which was appointed by the Speaker to inform the Governor that the House of Representatives has completed its business and is ready to adjourn, has performed the duties assigned to them. The committee reports that they have informed the Governor that the House of Representatives has completed its business and is ready to adjourn.

WOLKINS CANDELARIA REARDON
BACON MACER

Report adopted.

HOUSE MOTION

Mr. Speaker: I move that House of Representatives of the SECOND Regular Session of the 121st Indiana General Assembly do now adjourn *sine die* at 12:13 a.m, this 12th day of March, 2020.

BRIAN C. BOSMA

Motion prevailed.