



Reprinted
January 28, 2014

HOUSE BILL No. 1003

DIGEST OF HB 1003 (Updated January 27, 2014 4:28 pm - DI 102)

Citations Affected: IC 5-28; IC 6-3.1; IC 22-4.5; noncode.

Synopsis: Economic development. Provides for grants to eligible school corporations and charter schools to support cooperative arrangements with businesses for training students. Provides that an economic development for a growing economy (EDGE) tax credit may be awarded to a business that employs students who have participated in a course of study that includes a cooperative arrangement between the business and an educational institution for the training of students in high wage, high demand jobs that require industry certifications. Renames the Indiana workforce intelligence system the Indiana network of knowledge (INK). Repeals provisions that assign to the Indiana career council responsibility for the INK, and transfers administration and oversight of the INK to the INK governance committee and the INK executive director appointed by the governor. Establishes an INK governance committee consisting of: (1) the commissioner of the department of workforce development; (2) the commissioner of the commission for higher education; (3) the superintendent of public instruction; (4) a member representing private colleges and universities appointed by the governor; (5) a member representing the business community appointed by the governor; and
(Continued next page)

Effective: July 1, 2014.

Braun, Heuer

January 14, 2014, read first time and referred to Committee on Commerce, Small Business and Economic Development.
January 23, 2014, amended, reported — Do Pass.
January 27, 2014, read second time, amended, ordered engrossed.

HB 1003—LS 7090/DI 102



Digest Continued

(6) the INK executive director, who serves in an advisory capacity. Authorizes the governor to appoint additional members of the INK governance committee as necessary. Requires the governor to appoint the INK executive director from a list of three candidates submitted by the INK governance committee. Requires agencies of the state to submit data to the INK as requested by the executive director. Allows private sector employers, groups, associations, agencies and other entities, private institutions of higher education, and nonaccredited private secondary schools to submit data to the INK by working with the executive director. Provides that the INK may not obtain or store student disciplinary, juvenile delinquency, criminal, or medical and health records.



Reprinted
January 28, 2014

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

HOUSE BILL No. 1003

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

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-28-7-1, AS ADDED BY P.L.4-2005, SECTION
2 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
3 2014]: Sec. 1. ~~As used in~~ **The following definitions apply throughout**
4 this chapter:

5 (1) "Business" includes an entity that has the objective of
6 supplying a service or an article of trade or commerce.

7 (2) "School corporation" has the meaning set forth in
8 **IC 20-18-2-16(a)**.

9 (3) "Charter school" has the meaning set forth in
10 **IC 20-18-2-2.5**.

11 SECTION 2. IC 5-28-7-2, AS AMENDED BY P.L.67-2013,
12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2014]: Sec. 2. The corporation shall do the following:

14 (1) Establish policies to carry out a training assistance program,

HB 1003—LS 7090/DI 102



1 the purpose of which is to provide assistance to the following:

2 (A) New or expanding businesses, for the training or retraining
3 of potential or incumbent employees and the retraining and
4 upgrading of the skills of potential or incumbent employees.

5 (B) Businesses in Indiana, for the retraining and upgrading of
6 employees' skills required to support new or existing capital
7 investment.

8 (C) Businesses in Indiana, for the development of basic
9 workforce skills of employees, including the following:

10 (i) Literacy.

11 (ii) Communication skills.

12 (iii) Computational skills.

13 (iv) Other transferable workforce skills approved by the
14 corporation.

15 **(D) School corporations and charter schools, to support**
16 **career pathways for students through cooperative**
17 **arrangements with businesses for the education and**
18 **training of students in high wage, high demand jobs that**
19 **require industry certifications.**

20 (2) Provide promotional materials regarding the training program.

21 (3) Determine the eligibility of an industry for the training
22 program.

23 (4) Require a commitment by a business receiving training
24 assistance under this chapter to continue operations at a site on
25 which the training assistance is used for at least five (5) years
26 after the date the training assistance expires. If a business fails to
27 comply with this commitment, the corporation shall require the
28 business to repay the training assistance provided to the business
29 under this chapter.

30 SECTION 3. IC 5-28-7-4, AS ADDED BY P.L.4-2005, SECTION
31 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
32 2014]: Sec. 4. Participation in the training program is limited to
33 **businesses entities** that:

34 (1) meet the eligibility requirements of the corporation; and

35 (2) comply with this chapter.

36 SECTION 4. IC 5-28-7-6 IS ADDED TO THE INDIANA CODE
37 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
38 1, 2014]: Sec. 6. (a) **The corporation may award grants from the**
39 **training 2000 fund to school corporations and charter schools to**
40 **support cooperative arrangements with businesses for training**
41 **students.**

42 (b) **A school corporation or a charter school must apply to the**



1 corporation for a grant under this section in the manner
2 prescribed by the corporation.

3 (c) The corporation may consult with Indiana works councils to
4 develop the application and eligibility requirements for grants
5 awarded under this section.

6 SECTION 5. IC 6-3.1-13-13, AS AMENDED BY P.L.4-2005,
7 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2014]: Sec. 13. (a) The corporation may make credit awards
9 under this chapter for any of the following:

10 (1) To foster job creation in Indiana.

11 (2) ~~or, as provided in section 15.5 of this chapter,~~ To foster job
12 retention in Indiana.

13 (3) For taxable years beginning after December 31, 2014, to
14 foster employment in Indiana of students who participate in
15 a course of study that includes a cooperative arrangement
16 between an educational institution and an employer for the
17 training of students in high wage, high demand jobs that
18 require an industry certification.

19 (b) The credit shall be claimed for the taxable years specified in the
20 taxpayer's tax credit agreement.

21 SECTION 6. IC 6-3.1-13-14, AS AMENDED BY P.L.4-2005,
22 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2014]: Sec. 14. (a) A person that proposes a project to create
24 new jobs in Indiana may apply, as provided in section 15 of this
25 chapter, to the corporation to enter into an agreement for a tax credit
26 under this chapter.

27 (b) A person that proposes to retain existing jobs in Indiana may
28 apply, as provided in section 15.5 of this chapter, to the corporation to
29 enter into an agreement for a tax credit under this chapter.

30 (c) A person that proposes to employ in Indiana students who
31 have participated in a course of study that includes a cooperative
32 arrangement between an educational institution and an employer
33 for the training of students in high wage, high demand jobs that
34 require an industry certification may apply, as provided in section
35 15.7 of this chapter, to the corporation to enter into a agreement
36 for a tax credit under this chapter.

37 (d) The director shall prescribe the form of the application.

38 SECTION 7. IC 6-3.1-13-15.7 IS ADDED TO THE INDIANA
39 CODE AS A NEW SECTION TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2014]: Sec. 15.7. (a) This section applies to an
41 application proposing to employ students who have participated in
42 a course of study that includes a cooperative arrangement between



1 an educational institution and an employer for the training of
 2 students in high wage, high demand jobs that require an industry
 3 certification.

4 (b) A taxpayer who wishes to claim the credit provided by this
 5 chapter for employment of candidates to which this section applies
 6 may submit an application to the corporation after June 30, 2014,
 7 for a taxable year beginning after December 31, 2014, in the
 8 manner prescribed by the corporation.

9 (c) After receipt of an application, the corporation may enter
 10 into an agreement with the applicant for a tax credit under this
 11 chapter if the corporation determines that the applicant:

12 (1) participates in at least one (1) cooperative arrangement
 13 with an educational institution for the training of students in
 14 high wage, high demand jobs that require an industry
 15 certification; and

16 (2) meets any additional eligibility conditions established by
 17 the corporation.

18 (d) The corporation may consult with the Indiana career council
 19 to develop eligibility and performance conditions that an applicant
 20 must meet to qualify for a credit award to which this section
 21 applies.

22 SECTION 8. IC 6-3.1-13-19.7 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2014]: **Sec. 19.7. (a) In the case of a credit**
 25 **awarded for employment in Indiana of students who have**
 26 **participated in a course of study that includes a cooperative**
 27 **arrangement between an educational institution and an employer**
 28 **for the training of students in high wage, high demand jobs that**
 29 **require an industry certification, the corporation shall enter into**
 30 **an agreement with an applicant that is awarded a credit under this**
 31 **chapter. The agreement must include all the following:**

32 (1) A detailed description of the applicant's own cooperative
 33 arrangements between the applicant and educational
 34 institutions for the training of students in high wage, high
 35 demand jobs that require an industry certification.

36 (2) The duration of the tax credit and the first taxable year for
 37 which the credit may be claimed.

38 (3) The credit amount that will be allowed for each taxable
 39 year.

40 (4) A requirement that the taxpayer shall maintain the
 41 applicant's cooperative arrangements between the applicant
 42 and educational institutions for the training of students in



1 high wage, high demand jobs that require an industry
2 certification for at least two (2) years following the last
3 taxable year in which the applicant claims the tax credit or
4 carries over an unused part of the tax credit under section 18
5 of this chapter. A taxpayer is subject to an assessment under
6 section 22 of this chapter for noncompliance with the
7 requirement described in this subdivision.

8 (5) A specific method for determining the number of
9 employees that:

10 (A) were students who participated in a course of study
11 that included a cooperative arrangement between an
12 employer and an educational institution for the training of
13 students in high wage, high demand jobs that require an
14 industry certification; and

15 (B) are employed during a taxable year.

16 (6) A requirement that the taxpayer annually shall report to
17 the corporation:

18 (A) the number of employees who participated in a course
19 of study that includes a cooperative arrangement between
20 an employer and an educational institution for the training
21 of students in high wage, high demand jobs that require an
22 industry certification;

23 (B) the income tax revenue withheld in connection with the
24 employees described in clause (A); and

25 (C) any other information the director needs to perform
26 the director's duties under this chapter.

27 (7) A requirement that the director is authorized to verify
28 with the appropriate state agencies the amounts reported
29 under subdivision (6), and after doing so shall issue a
30 certificate to the taxpayer stating that the amounts have been
31 verified.

32 (8) A requirement that the taxpayer shall provide written
33 notification to the director and the corporation not more than
34 thirty (30) days after the taxpayer makes or receives a
35 proposal that would transfer the taxpayer's state tax liability
36 obligations to a successor taxpayer.

37 (9) Any other performance conditions that the corporation
38 determines are appropriate.

39 (b) A taxpayer who is awarded a credit under this chapter for
40 employees who participated in a course of study that included a
41 cooperative agreement between an employer and an educational
42 institution for the training of students in high wage, high demand



1 **jobs that require an industry certification may claim the credit**
 2 **only for employees whose course of study included a cooperative**
 3 **arrangement between the taxpayer and an educational institution**
 4 **for the training of students in high wage, high demand jobs that**
 5 **require an industry certification.**

6 SECTION 9. IC 22-4.5-9-2 IS REPEALED [EFFECTIVE JULY 1,
 7 2014]. Sec. 2: As used in this chapter, "system" refers to the Indiana
 8 workforce intelligence system established by IC 22-4.5-10-3.

9 SECTION 10. IC 22-4.5-9-4, AS ADDED BY P.L.60-2013,
 10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2014]: Sec. 4. (a) The council shall do all of the following:

12 (1) Provide coordination to align the various participants in the
 13 state's education, job skills development, and career training
 14 system.

15 (2) Match the education and skills training provided by the state's
 16 education, job skills development, and career training system with
 17 the currently existing and future needs of the state's job market.

18 ~~(3) Provide administrative oversight of the system.~~

19 ~~(4)~~ (3) In addition to the department's annual report provided
 20 under IC 22-4-18-7, submit, not later than August 1, 2013, and
 21 not later than August 1 each year thereafter, to the legislative
 22 council in an electronic format under IC 5-14-6 an inventory of
 23 current job and career training activities conducted by:

24 (A) state and local agencies; and

25 (B) whenever the information is readily available, private
 26 groups, associations, and other participants in the state's
 27 education, job skills development, and career training system.

28 The inventory must provide at least the information listed in
 29 IC 22-4-18-7(a)(1) through IC 22-4-18-7(a)(5) for each activity in
 30 the inventory.

31 ~~(5)~~ (4) Submit, not later than July 1, 2014, to the legislative
 32 council in an electronic format under IC 5-14-6 a strategic plan to
 33 improve the state's education, job skills development, and career
 34 training system. The council shall submit, not later than
 35 December 1, 2013, to the legislative council in an electronic
 36 format under IC 5-14-6 a progress report concerning the
 37 development of the strategic plan. The strategic plan developed
 38 under this subdivision must include at least the following:

39 (A) Proposed changes, including recommended legislation and
 40 rules, to increase coordination, data sharing, and
 41 communication among the state, local, and private agencies,
 42 groups, and associations that are involved in education, job



1 skills development, and career training.

2 (B) Proposed changes to make Indiana a leader in employment
3 opportunities related to the fields of science, technology,
4 engineering, and mathematics (commonly known as STEM).

5 (C) Proposed changes to address both:

6 (i) the shortage of qualified workers for current employment
7 opportunities; and

8 (ii) the shortage of employment opportunities for individuals
9 with a baccalaureate or more advanced degree.

10 ~~(6)~~ (5) Coordinate the performance of its duties under this chapter
11 with:

12 (A) the education roundtable established by IC 20-19-4-2; and

13 (B) the Indiana works councils established ~~under SEA~~
14 ~~465-2013~~ **by IC 20-19-6-4.**

15 (b) In performing its duties, the council shall obtain input from the
16 following:

17 (1) Indiana employers and employer organizations.

18 (2) Public and private institutions of higher education.

19 (3) Regional and local economic development organizations.

20 (4) Indiana labor organizations.

21 (5) Individuals with expertise in career and technical education.

22 (6) Military and veterans organizations.

23 (7) Organizations representing women, African-Americans,
24 Latinos, and other significant minority populations and having an
25 interest in issues of particular concern to these populations.

26 (8) Individuals and organizations with expertise in the logistics
27 industry.

28 (9) Any other person or organization that a majority of the voting
29 members of the council ~~determine~~ **determines** has information
30 that is important for the council to consider.

31 SECTION 11. IC 22-4.5-9-9, AS ADDED BY P.L.60-2013,
32 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2014]: Sec. 9. The governor may request the assistance of any
34 state agency, board, commission, committee, department, division, or
35 other entity of the executive department of state government as
36 necessary to provide staff and administrative support to the council.
37 ~~and the system:~~

38 SECTION 12. IC 22-4.5-10-1.5 IS ADDED TO THE INDIANA
39 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2014]: **Sec. 1.5. As used in this chapter,**
41 **"governance committee" refers to the INK governance committee**
42 **established by section 7 of this chapter.**



1 SECTION 13. IC 22-4.5-10-2, AS ADDED BY P.L.60-2013,
 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2014]: Sec. 2. As used in this chapter, "~~system~~" **"INK"** refers
 4 to the Indiana ~~workforce intelligence system~~ **network of knowledge**
 5 established by section 3 of this chapter.

6 SECTION 14. IC 22-4.5-10-3, AS ADDED BY P.L.60-2013,
 7 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2014]: Sec. 3. The Indiana ~~workforce intelligence system~~
 9 **network of knowledge** is established as a statewide longitudinal data
 10 system that contains educational and workforce information:

- 11 (1) from educational institutions at all levels; and
 12 (2) about the state's workforce;

13 to improve the effect of the state's educational delivery system on the
 14 economic opportunities of individuals and the state's workforce, and to
 15 guide state and local decision makers.

16 SECTION 15. IC 22-4.5-10-4, AS ADDED BY P.L.60-2013,
 17 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2014]: Sec. 4. **(a)** The ~~system~~ **INK** must do the following:

- 19 (1) Effectively organize, manage, break down, and analyze
 20 educational, ~~and~~ workforce, **and other** data.
 21 (2) Generate timely and accurate information about student
 22 progress and outcomes over time, including students' preparation
 23 for postsecondary education and the workforce.
 24 (3) Generate timely and accurate information that is available to
 25 the public about the effectiveness of the state's job training
 26 programs, including at least the following:
 27 (A) The number of participants in each program.
 28 (B) The number of participants who, as a result of the training
 29 received in the program:
 30 (i) secured employment; or
 31 (ii) were retained by an employer.
 32 (C) The average wage of the participants who secured
 33 employment or were retained by an employer.
 34 (4) Support the economic development **and other** activities of
 35 state and local governments.

36 **(b) The INK may not obtain or store the following student data:**

- 37 **(1) Disciplinary records.**
 38 **(2) Juvenile delinquency records.**
 39 **(3) Criminal records.**
 40 **(4) Medical and health records.**

41 SECTION 16. IC 22-4.5-10-5, AS ADDED BY P.L.60-2013,
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2014]: Sec. 5. (a) The department of education (established
 2 by IC 20-19-3-1), the department of workforce development
 3 (established by IC 22-4.1-2-1), the commission for higher education
 4 (established by IC 21-18-2-1), and other agencies of the state that
 5 collect **relevant** data related to educational and workforce outcomes
 6 shall submit that data to the ~~system~~ **INK** on a timely basis and shall
 7 ensure the following:

8 (1) Routine and ongoing compliance with the federal Family
 9 Educational Rights and Privacy Act (20 U.S.C. 1232g),
 10 **IC 22-4-19-6**, and other relevant privacy laws and policies,
 11 including the following:

12 (A) The required use of data that cannot be used to identify
 13 information relating to a specific individual or entity.

14 (B) The required disposition of information that is no longer
 15 needed.

16 (C) The provision of a data security plan, including the
 17 performance of regular audits for compliance with data
 18 privacy and security standards.

19 (D) The implementation of guidelines and policies to prevent
 20 the reporting of other data that may potentially be used to
 21 identify information relating to a specific individual or entity.

22 (2) The use of data only in summary form in reports and
 23 responses to information requests. Data that may identify specific
 24 individuals or entities because of the size or uniqueness of the
 25 population involved may not be reported in any form.

26 **(b) After June 30, 2014, other agencies of the state shall submit**
 27 **to the INK on a timely basis relevant data, including data at the**
 28 **individual level, as determined by the INK governance committee.**

29 **(c) After June 30, 2014, the following may submit educational,**
 30 **workforce, and other relevant data, as applicable, to the INK by**
 31 **working with and through the INK executive director:**

32 **(1) Private sector employers, groups, associations, agencies,**
 33 **and other entities.**

34 **(2) Private institutions of higher education.**

35 **(3) Nonaccredited private secondary schools.**

36 SECTION 17. IC 22-4.5-10-6, AS ADDED BY P.L.60-2013,
 37 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 38 JULY 1, 2014]: Sec. 6. (a) The:

39 (1) council, before July 1, ~~2018;~~ **2014;** and

40 (2) ~~governor;~~ **governance committee, working in collaboration**
 41 **with the executive director,** after June 30, ~~2018;~~ **2014;**

42 shall provide administrative oversight to the ~~system~~ **INK through the**



- 1 **executive director.**
- 2 (b) Administrative oversight of the ~~system~~ **INK** includes all the
- 3 following:
- 4 (1) Provide general oversight and direction for the development
- 5 and maintenance of the ~~system~~; **INK, including the**
- 6 **organizational framework for the day to day management of**
- 7 **the INK.**
- 8 (2) ~~Approve an annual budget for the system.~~ **Work with the**
- 9 **executive director and other state agencies participating in the**
- 10 **INK to establish the following:**
- 11 (A) **A standard compliance time frame for the submission**
- 12 **of data to the INK.**
- 13 (B) **Interagency policies and agreements to ensure equal**
- 14 **access to the INK.**
- 15 (C) **Interagency policies and agreements to ensure the**
- 16 **ongoing success of the INK.**
- 17 (3) Hire staff necessary to administer the ~~system.~~ **INK.**
- 18 (4) Develop **and implement** a detailed data security and
- 19 safeguarding plan that includes:
- 20 (A) access by authenticated authorization;
- 21 (B) privacy compliance standards;
- 22 (C) notification and other procedures to protect system data if
- 23 a breach of the ~~system~~ **INK** occurs; and
- 24 (D) policies for data retention and disposition.
- 25 (5) ~~Oversee~~ **Develop and implement policies to provide** routine
- 26 and ongoing compliance with the federal Family Educational
- 27 Rights and Privacy Act (20 U.S.C. 1232g), **IC 22-4-19-6**, and
- 28 other relevant privacy laws and policies.
- 29 (6) **Establish the policy and research agenda for the INK.**
- 30 (6) (7) ~~Review research requirements and~~ Establish policies for
- 31 responding to data requests from the state, local agencies, the
- 32 general assembly, and the public.
- 33 (7) (8) ~~Oversee~~ the development of public access to the ~~system~~
- 34 **INK** in a manner that:
- 35 (A) permits research using the data in aggregated form; and
- 36 (B) cannot provide information that allows the identification
- 37 of a specific individual or entity.
- 38 (8) ~~Identify additional sources of data for the system from among~~
- 39 ~~state entities and require those entities to submit relevant data to~~
- 40 ~~the system.~~
- 41 (9) **Submit, not later than September 1, 2015, and not later**
- 42 **than September 1 each year thereafter, to the governor, to the**



1 legislative council in an electronic format under IC 5-14-6,
 2 and to the council, a report covering the following for the
 3 most recent fiscal year:

4 (A) An update concerning the administration of the INK
 5 and the governance committee's activities.

6 (B) An overview of all studies performed.

7 (C) Any proposed or planned expansions of the data
 8 maintained by the INK.

9 (D) Any other recommendations made by the executive
 10 director and the governance committee.

11 (c) Funding for the development, maintenance, and use of the
 12 system INK may be obtained from any of the following sources:

13 (1) Appropriations made by the general assembly for this purpose.

14 (2) Grants or other assistance from local educational agencies or
 15 institutions of higher education.

16 (3) Federal grants.

17 (4) User fees.

18 (5) Grants or amounts received from other public or private
 19 entities.

20 (d) The council (before July 1, ~~2018~~ 2014) and the governor
 21 through the executive director (after June 30, ~~2018~~ 2014) may
 22 contract with public or private entities for the following purposes:

23 (1) To develop and maintain the system, INK, including the
 24 analytical and security capabilities of the INK. Contracts
 25 made under this subdivision must include:

26 (A) express provisions that safeguard the privacy and
 27 security of the INK; and

28 (B) penalties for failure to comply with the provisions
 29 described in clause (A).

30 (2) To conduct research in support of the activities and objectives
 31 listed in section 4 of this chapter.

32 (3) To conduct research on topics at the request of the council, the
 33 governor, or the general assembly.

34 SECTION 18. IC 22-4.5-10-7 IS ADDED TO THE INDIANA
 35 CODE AS A NEW SECTION TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2014]: Sec. 7. (a) The INK governance
 37 committee is established.

38 (b) The governance committee consists of at least the following
 39 six (6) members:

40 (1) The commissioner of the department of workforce
 41 development, or the commissioner's designee with authority
 42 to act on behalf of the commissioner.



- 1 **(2) The commissioner of the commission for higher education,**
 2 **or the commissioner's designee with authority to act on behalf**
 3 **of the commissioner.**
- 4 **(3) The state superintendent of public instruction, or the state**
 5 **superintendent's designee with authority to act on behalf of**
 6 **the state superintendent.**
- 7 **(4) One (1) member representing private colleges and**
 8 **universities appointed by the governor.**
- 9 **(5) One (1) member representing the business community in**
 10 **Indiana appointed by the governor.**
- 11 **(6) The INK executive director. The INK executive director**
 12 **serves in a nonvoting advisory capacity.**
- 13 **(c) The governor may appoint additional members to the**
 14 **governance committee as necessary to ensure the continued success**
 15 **of the INK. Additional members appointed under this subsection**
 16 **must represent other state agencies or partner organizations, as**
 17 **determined by the governance committee, that submit data to the**
 18 **INK.**
- 19 **(d) A member of the governance committee appointed by the**
 20 **governor serves at the pleasure of the governor.**
- 21 **(e) The governor shall make the initial appointments under this**
 22 **section not later than July 15, 2014.**
- 23 **(f) A vacancy on the governance committee is filled in the same**
 24 **manner as the original appointment.**
- 25 **(g) The governor shall appoint the chair of the governance**
 26 **committee from its voting members. The chair serves for one (1)**
 27 **year, or until a successor is selected.**
- 28 **(h) The governance committee shall meet at least quarterly or**
 29 **at the call of the chair.**
- 30 **(i) A majority of the voting members of the governance**
 31 **committee constitutes a quorum for the purpose of conducting**
 32 **business. The affirmative vote of a majority of the members of the**
 33 **governance committee is required for the governance committee**
 34 **to take official action.**
- 35 SECTION 19. IC 22-4.5-10-8 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2014]: **Sec. 8. (a) The governor shall:**
- 38 **(1) appoint an INK executive director from a list of three (3)**
 39 **candidates submitted by the governance committee; or**
 40 **(2) reject all of the candidates on the list submitted by the**
 41 **governance committee.**
- 42 **(b) If the governor rejects all of the candidates on the list**



1 submitted by the governance committee, the governor shall notify
2 the chair of the governance committee.

3 (c) Not later than thirty (30) days after the date the governance
4 committee receives the governor's notice under subsection (b), the
5 governance committee shall submit to the governor a second list of
6 three (3) new candidates for the position of INK executive director.
7 The governor shall appoint the INK executive director from the
8 second list of candidates submitted by the governance committee.

9 (d) The INK executive director serves at the pleasure of the
10 governor.

11 (e) Whenever a vacancy in the position of INK executive
12 director occurs, the governor shall notify the chair of the
13 governance committee. Not later than ten (10) days after the date
14 the governance committee receives notice of the vacancy, the chair
15 shall call a meeting of the governance committee to begin the
16 process of filling the vacancy. Not later than thirty (30) days after
17 the date the governance committee receives notice of the vacancy,
18 the governance committee shall submit to the governor a list of
19 three (3) candidates to fill the vacancy.

20 (f) The governance committee shall submit to the governor the
21 initial list of three (3) candidates for INK executive director not
22 later than August 15, 2014.

23 (g) The executive director is responsible for the daily
24 administration of the INK.

25 (h) The executive director shall do all the following:

26 (1) Work with the governance committee, state agencies, and
27 other entities participating in the INK to develop and
28 implement appropriate policies and procedures concerning
29 the INK's data quality, integrity, transparency, security, and
30 confidentiality.

31 (2) Coordinate the provision and delivery of data, as
32 determined by the governance committee, to ensure that
33 research project timelines and deliverables to stakeholders
34 are met.

35 (3) Provide reports concerning the INK and the executive
36 director's activities to the governor and the governance
37 committee.

38 (4) Work in collaboration with the governance committee to
39 hire staff as necessary to administer the INK.

40 (5) Perform other duties as assigned by the governor.

41 SECTION 20. IC 22-4.5-10-9 IS ADDED TO THE INDIANA
42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2014]: **Sec. 9. (a) Each member of the**
 2 **governance committee who is not a state employee is entitled to the**
 3 **following:**

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

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

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

11 **(b) Each member of the governance committee who is a state**
 12 **employee is entitled to the following:**

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

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

19 SECTION 21. IC 22-4.5-10.5-3, AS ADDED BY P.L.273-2013,
 20 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2014]: Sec. 3. (a) The department, in consultation with the
 22 commission for higher education, the department of education, the
 23 office of the secretary of family and social services, and any other
 24 agency the department determines is necessary, shall include in the
 25 Indiana ~~workforce intelligence system~~ **network of knowledge**
 26 **established by IC 22-4.5-10-3 as added by HB 1002-2013, SECTION**
 27 **2, information regarding the middle skill credentials awarded in**
 28 **Indiana for the immediately preceding state fiscal year.**

29 (b) The information required under subsection (a) must include:

30 (1) the aggregate number of enrollees in programs leading to
 31 middle skill credentials from:

32 (A) public institutions of higher education;

33 (B) private institutions of higher education;

34 (C) postsecondary proprietary educational institutions;

35 (D) community colleges;

36 (E) area vocational schools;

37 (F) high school vocational programs;

38 (G) apprenticeship programs; and

39 (H) other public or private workforce training programs; and

40 (2) aggregate data of industry based certifications awarded as the
 41 result of the completion of education and employment training
 42 programs.



1 (c) The department shall publish the information described in
2 subsection (b) in the department's annual report.

3 SECTION 22. [EFFECTIVE JULY 1, 2014] (a) **IC 6-3.1-13-13 and**
4 **IC 6-3.1-13-14, both as amended by this act, apply only to taxable**
5 **years beginning after December 31, 2014.**

6 (b) **IC 6-3.1-13-15.7 and IC 6-3.1-13-19.7, both as added by this**
7 **act, apply only to taxable years beginning after December 31, 2014.**

8 (c) **This SECTION expires July 1, 2018.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1003, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Replace the effective dates in SECTIONS 5 through 8 with "[EFFECTIVE JULY 1, 2014]".

Page 3, delete lines 3 through 6.

Page 3, line 7, delete "(e)" and insert "(c)".

Page 3, line 17, delete "To" and insert "**For taxable years beginning after December 31, 2014, to**".

Page 4, between lines 6 and 7, begin a new paragraph and insert:

"(b) A taxpayer who wishes to claim the credit provided by this chapter for employment of candidates to which this section applies may submit an application to the corporation after June 30, 2014, for a taxable year beginning after December 31, 2014, in the manner prescribed by the corporation."

Page 4, line 7, delete "(b)" and insert "(c)".

Page 4, line 16, delete "(c)" and insert "(d)".

Page 9, line 3, after "collect" insert "**relevant**".

Page 9, line 26, delete "requested" and insert "**determined**".

Page 9, line 26, delete "executive director." and insert "**governance committee.**".

Page 9, line 38, strike "governor," and insert "**governance committee, working in collaboration with the executive director,**".

Page 9, line 40, delete "INK's".

Page 10, line 5, strike "Approve an annual budget for the".

Page 10, line 5, delete "INK." and insert "**Work with the executive director and other state agencies participating in the INK to establish the following:**

(A) A standard compliance time frame for the submission of data to the INK.

(B) Interagency policies and agreements to ensure equal access to the INK.

(C) Interagency policies and agreements to ensure the ongoing success of the INK."

Page 10, line 27, delete "(9)".

Page 10, line 27, strike "Identify additional sources of data for the".

Page 10, line 27, delete "INK".

Page 10, strike line 28.



- Page 10, line 29, strike "relevant data to the".
- Page 10, line 29, delete "INK."
- Page 10, line 30, delete "(10)" and insert "**(9)**".
- Page 10, line 32, after "IC 5-14-6," insert "**and**".
- Page 10, line 33, delete "and to the governance committee,".
- Page 10, line 35, delete "implementation" and insert "**administration**".
- Page 10, line 37, delete "A list" and insert "**An overview**".
- Page 10, delete lines 38 through 40.
- Page 10, line 41, delete "(D)" and insert "**(C)**".
- Page 11, line 1, delete "(E)" and insert "**(D)**".
- Page 11, line 2, delete "or" and insert "**and**".
- Page 11, line 31, delete "nine (9)" and insert "**six (6)**".
- Page 12, delete lines 3 through 12, begin a new line block indented and insert:
- "(6) The INK executive director. The INK executive director serves in a nonvoting advisory capacity."**
- Page 12, line 15, after "INK." insert "**Additional members appointed under this subsection must represent other state agencies or partner organizations, as determined by the governance committee, that submit data to the INK.**".
- Page 12, line 23, after "its" insert "**voting**".
- Page 12, delete lines 25 through 27.
- Page 12, line 28, delete "(i)" and insert "**(h)**".
- Page 12, line 30, delete "(j)" and insert "**(i)**".
- Page 12, line 30, after "majority of the" insert "**voting**".
- Page 12, line 40, after "for the" insert "**daily**".
- Page 13, line 6, delete "data" and insert "**data, as determined by the governance committee,**".
- Page 13, line 12, after "Work" insert "**in collaboration**".
- Page 13, line 12, delete "and other state" and insert "**to hire staff as necessary to administer the INK.**".
- Page 13, delete lines 13 through 19.
- Page 13, line 24, delete "or is not a".
- Page 13, line 25, delete "member of the general assembly".
- Page 13, line 34, delete "but not a member of the general assembly".
- Page 13, delete line 42.
- Page 14, delete lines 1 through 8.
- Page 14, delete lines 35 through 42, begin a new paragraph and insert:
- "SECTION 22. [EFFECTIVE JULY 1, 2014] (a) IC 6-3.1-13-13 and IC 6-3.1-13-14, both as amended by this act, apply only to**



taxable years beginning after December 31, 2014.

(b) IC 6-3.1-13-15.7 and IC 6-3.1-13-19.7, both as added by this act, apply only to taxable years beginning after December 31, 2014.

(c) This SECTION expires July 1, 2018."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1003 as introduced.)

MESSMER, Chair

Committee Vote: yeas 10, nays 1.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1003 be amended to read as follows:

Page 12, line 37, after "shall" insert ":

(1)".

Page 12, line 38, delete "who" and insert "**from a list of three (3) candidates submitted by the governance committee; or**

(2) reject all of the candidates on the list submitted by the governance committee.

(b) If the governor rejects all of the candidates on the list submitted by the governance committee, the governor shall notify the chair of the governance committee.

(c) Not later than thirty (30) days after the date the governance committee receives the governor's notice under subsection (b), the governance committee shall submit to the governor a second list of three (3) new candidates for the position of INK executive director. The governor shall appoint the INK executive director from the second list of candidates submitted by the governance committee.

(d) The INK executive director".

Page 12, between lines 39 and 40, begin a new paragraph and insert:

"(e) Whenever a vacancy in the position of INK executive director occurs, the governor shall notify the chair of the governance committee. Not later than ten (10) days after the date the governance committee receives notice of the vacancy, the chair shall call a meeting of the governance committee to begin the process of filling the vacancy. Not later than thirty (30) days after the date the governance committee receives notice of the vacancy, the governance committee shall submit to the governor a list of



three (3) candidates to fill the vacancy.

(f) The governance committee shall submit to the governor the initial list of three (3) candidates for INK executive director not later than August 15, 2014."

Page 12, line 40, delete "(b)" and insert "(g)".

Page 12, line 42, delete "(c)" and insert "(h)".

(Reference is to HB 1003 as printed January 24, 2014.)

BRAUN

