HOUSE ENROLLED ACT No. 1005

AN ACT to amend the Indiana Code concerning education.

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

SECTION 1. IC 3-5-2-48 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 48. "State office" refers to the following:

(1) Before January 11, 2025, the governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, superintendent of public instruction, attorney general, justice of the supreme court, judge of the court of appeals, and judge of the tax court.

(2) After January 10, 2025, the governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general, justice of the supreme court, judge of the court of appeals, and judge of the tax court.

SECTION 2. IC 3-8-1-10.5 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 10.5. A candidate for the office of state superintendent of public instruction must have resided in Indiana for at least two (2) years before the election.

SECTION 3. IC 3-8-1-33, AS AMENDED BY P.L.123-2015, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 33. (a) A candidate for an office listed in subsection (b) must file a statement of economic interests.

(b) Whenever a candidate for any of the following offices is also required to file a declaration of candidacy or is nominated by petition,

HEA 1005 — Concur
the candidate shall file a statement of economic interests before filing the declaration of candidacy or declaration of intent to be a write-in candidate, before the petition of nomination is filed, before the certificate of nomination is filed, or before being appointed to fill a candidate vacancy under IC 3-13-1 or IC 3-13-2:

(1) Governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general, and state superintendent of public instruction, in accordance with IC 4-2-6-8. This subdivision does not apply to the state superintendent of public instruction after December 31, 2020.

(2) Senator and representative in the general assembly, in accordance with IC 2-2.2-2.

(3) Justice of the supreme court, judge of the court of appeals, judge of the tax court, judge of a circuit court, judge of a superior court, judge of a probate court, and prosecuting attorney, in accordance with IC 33-23-11-14 and IC 33-23-11-15.

(4) A candidate for a local office or school board office, in accordance with IC 3-8-9, except a candidate for a local office described in subdivision (3).

SECTION 4. IC 3-8-4-2, AS AMENDED BY HEA 1521-2017, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2017]: Sec. 2. (a) A political party shall conduct a state convention to nominate the candidates of the political party for the following offices to be voted on at the next general election:

(1) Lieutenant governor.
(2) Secretary of state.
(3) Auditor of state.
(4) Treasurer of state.
(5) Attorney general.
(6) Superintendent of public instruction. This subdivision does not apply after December 31, 2020.

(b) The convention may also:

(1) nominate candidates for presidential electors and alternate presidential electors; and
(2) elect the delegates and alternate delegates to the national convention of the political party.

(c) If a political party’s state convention does not:

(1) nominate candidates for presidential electors and alternate presidential electors; or
(2) elect the delegates and alternate delegates to the national convention of the political party;

the candidates shall be nominated or the delegates elected as provided.
in the state party's rules.

SECTION 5. IC 3-10-2-6, AS AMENDED BY SEA 442-2017, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. The following public officials shall be elected in 2020 and every four (4) years thereafter:

(1) Governor.
(2) Lieutenant governor.
(3) Attorney general.
(4) Superintendent of public instruction. This subdivision does not apply after December 31, 2020.

SECTION 6. IC 3-11-2-12, AS AMENDED BY P.L.21-2016, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 12. The following offices shall be placed on the general election ballot in the following order after the public questions described in section 10(a) of this chapter:

(1) Federal and state offices:
   (A) President and Vice President of the United States.
   (B) United States Senator.
   (C) Governor and lieutenant governor.
   (D) Secretary of state.
   (E) Auditor of state.
   (F) Treasurer of state.
   (G) Attorney general.
   (H) Superintendent of public instruction. This clause does not apply after December 31, 2020.
   (I) United States Representative.

(2) Legislative offices:
   (A) State senator.
   (B) State representative.

(3) Circuit offices and county judicial offices:
   (A) Judge of the circuit court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the circuit court.
   (B) Judge of the superior court, and unless otherwise specified under IC 33, with each division separate if there is more than one (1) judge of the superior court.
   (C) Judge of the probate court.
   (D) Prosecuting attorney.
   (E) Clerk of the circuit court.

(4) County offices:
   (A) County auditor.
   (B) County recorder.

HEA 1005 — Concur
(C) County treasurer.
(D) County sheriff.
(E) County coroner.
(F) County surveyor.
(G) County assessor.
(H) County commissioner. This clause applies only to a county that is not subject to IC 36-2-2.5.
(I) Single county executive. This clause applies only to a county that is subject to IC 36-2-2.5.
(J) County council member, except as provided in section 12.4 of this chapter.

(5) Township offices:
(A) Township assessor (only in a township referred to in IC 36-6-5-1(d)).
(B) Township trustee.
(C) Township board member, except as provided in section 12.4 of this chapter.
(D) Judge of the small claims court.
(E) Constable of the small claims court.

(6) City offices:
(A) Mayor.
(B) Clerk or clerk-treasurer.
(C) Judge of the city court.
(D) City-county council member or common council member, except as provided in section 12.4 of this chapter.

(7) Town offices:
(A) Clerk-treasurer.
(B) Judge of the town court.
(C) Town council member, except as provided in section 12.4 of this chapter.

SECTION 7. IC 4-1-6-1, AS AMENDED BY P.L.215-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. As used in this chapter, the term:

(a) "Personal information system" means any recordkeeping process, whether automated or manual, containing personal information and the name, personal number, or other identifying particulars of a data subject.

(b) "Personal information" means any information that describes, locates, or indexes anything about an individual or that affords a basis for inferring personal characteristics about an individual including, but not limited to, the individual's education, financial transactions, medical history, criminal or employment records, finger and voice

HEA 1005 — Concur
prints, photographs, or the individual's presence, registration, or membership in an organization or activity or admission to an institution.

(c) "Data subject" means an individual about whom personal information is indexed or may be located under the individual's name, personal number, or other identifiable particulars, in a personal information system.

(d) "State agency" means every agency, board, commission, department, bureau, or other entity of the administrative branch of Indiana state government, except those which are the responsibility of the auditor of state, treasurer of state, secretary of state, attorney general, superintendent of public instruction, and excepting the department of state police and state educational institutions. After January 10, 2025, "state agency" includes an agency, a board, a commission, a department, a bureau, or another entity under the superintendent of public instruction.

(e) "Confidential" means information which has been so designated by statute or by promulgated rule or regulation based on statutory authority.

SECTION 8. IC 4-2-1-1.5, AS ADDED BY P.L.43-2007, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1.5. (a) Subject to subsection (b), the salary of the each state elected officials other than the governor is as follows:

1. For the lieutenant governor, seventy-six thousand dollars ($76,000) per year. However, the lieutenant governor is not entitled to receive per diem allowance for performance of duties as president of the senate.
2. For the secretary of state, sixty-six thousand dollars ($66,000) per year.
3. For the auditor of state, sixty-six thousand dollars ($66,000) per year.
4. For the treasurer of state, sixty-six thousand dollars ($66,000) per year.
5. For the attorney general, seventy-nine thousand four hundred dollars ($79,400) per year.
6. For the state superintendent of public instruction, seventy-nine thousand four hundred dollars ($79,400) per year. This subdivision does not apply after January 10, 2025.

(b) Beginning January 1, 2008, the part of the total salary of a state elected official is increased on January 1 of each year after a year in which the general assembly does not amend this section to provide a salary increase for the state elected official.

HEA 1005 — Concur
(c) The percentage by which salaries are increased under this section is equal to the statewide average percentage, as determined by the budget director, by which the salaries of state employees in the executive branch who are in the same or a similar salary bracket exceed, for the current state fiscal year, the salaries of executive branch state employees in the same or a similar salary bracket that were in effect on January 1 of the immediately preceding year.

(d) The amount of a salary increase under this section is equal to the amount determined by applying the percentage increase for the particular year to the salary of the state elected official, as previously adjusted under this section, that is in effect on January 1 of the immediately preceding year.

(e) A state elected official is not entitled to receive a salary increase under this section on January 1 of a state fiscal year in which state employees described in subsection (c) do not receive a statewide average salary increase.

(f) If a salary increase is required under this section, an amount sufficient to pay for the salary increase is appropriated from the state general fund.

SECTION 9. IC 4-2-6-8, AS AMENDED BY P.L.23-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. (a) The following persons shall file a written financial disclosure statement:

(1) The governor, lieutenant governor, secretary of state, auditor of state, treasurer of state, attorney general, and state superintendent of public instruction. This subdivision does not apply to the state superintendent of public instruction after January 10, 2025.
(2) Any candidate for one (1) of the offices in subdivision (1) who is not the holder of one (1) of those offices.
(3) Any person who is the appointing authority of an agency.
(4) The director of each division of the Indiana department of administration.
(5) Any purchasing agent within the procurement division of the Indiana department of administration.
(6) Any agency employee, special state appointee, former agency employee, or former special state appointee with final purchasing authority.
(7) The chief investment officer employed by the Indiana public retirement system.
(8) Any employee of the Indiana public retirement system whose duties include the recommendation, selection, and management
of:

(A) the investments of the funds administered by the Indiana public retirement system;
(B) the investment options offered in the annuity savings accounts in the public employees' retirement fund and the Indiana state teachers' retirement fund;
(C) the investment options offered in the legislators' defined contribution plan; or
(D) investment managers, investment advisors, and other investment service providers of the Indiana public retirement system.

(9) An employee required to do so by rule adopted by the inspector general.

(b) The statement shall be filed with the inspector general as follows:

(1) Not later than February 1 of every year, in the case of the state officers and employees enumerated in subsection (a).
(2) If the individual has not previously filed under subdivision (1) during the present calendar year and is filing as a candidate for a state office listed in subsection (a)(1), before filing a declaration of candidacy under IC 3-8-2 or IC 3-8-4-11, petition of nomination under IC 3-8-6, or declaration of intent to be a write-in candidate under IC 3-8-2-2.5, or before a certificate of nomination is filed under IC 3-8-7-8, in the case of a candidate for one (1) of the state offices (unless the statement has already been filed when required under IC 3-8-4-11).
(3) Not later than sixty (60) days after employment or taking office, unless the previous employment or office required the filing of a statement under this section.
(4) Not later than thirty (30) days after leaving employment or office, unless the subsequent employment or office requires the filing of a statement under this section.

The statement must be made under affirmation.

(c) The statement shall set forth the following information for the preceding calendar year or, in the case of a state officer or employee who leaves office or employment, the period since a previous statement was filed:

(1) The name and address of any person known:
   (A) to have a business relationship with the agency of the state officer or employee or the office sought by the candidate; and
   (B) from whom the state officer, candidate, or the employee, or that individual's spouse or unemancipated children received
a gift or gifts having a total fair market value in excess of one hundred dollars ($100).

(2) The location of all real property in which the state officer, candidate, or the employee or that individual's spouse or unemancipated children has an equitable or legal interest either amounting to five thousand dollars ($5,000) or more or comprising ten percent (10%) of the state officer's, candidate's, or the employee's net worth or the net worth of that individual's spouse or unemancipated children. An individual's primary personal residence need not be listed, unless it also serves as income property.

(3) The names and the nature of the business of the employers of the state officer, candidate, or the employee and that individual's spouse.

(4) The following information about any sole proprietorship owned or professional practice operated by the state officer, candidate, or the employee or that individual's spouse:
   (A) The name of the sole proprietorship or professional practice.
   (B) The nature of the business.
   (C) Whether any clients are known to have had a business relationship with the agency of the state officer or employee or the office sought by the candidate.
   (D) The name of any client or customer from whom the state officer, candidate, employee, or that individual's spouse received more than thirty-three percent (33%) of the state officer's, candidate's, employee's, or that individual's spouse's nonstate income in a year.

(5) The name of any partnership of which the state officer, candidate, or the employee or that individual's spouse is a member and the nature of the partnership's business.

(6) The name of any corporation (other than a church) of which the state officer, candidate, or the employee or that individual's spouse is an officer or a director and the nature of the corporation's business.

(7) The name of any corporation in which the state officer, candidate, or the employee or that individual's spouse or unemancipated children own stock or stock options having a fair market value in excess of ten thousand dollars ($10,000). However, if the stock is held in a blind trust, the name of the administrator of the trust must be disclosed on the statement instead of the name of the corporation. A time or demand deposit
in a financial institution or insurance policy need not be listed.

(8) The name and address of the most recent former employer.

(9) Additional information that the person making the disclosure chooses to include.

Any such state officer, candidate, or employee may file an amended statement upon discovery of additional information required to be reported.

(d) A person who:

(1) fails to file a statement required by rule or this section in a timely manner; or

(2) files a deficient statement;

upon a majority vote of the commission, is subject to a civil penalty at a rate of not more than ten dollars ($10) for each day the statement remains delinquent or deficient. The maximum penalty under this subsection is one thousand dollars ($1,000).

(e) A person who intentionally or knowingly files a false statement commits a Class A infraction.

SECTION 10. IC 4-3-6-2, AS AMENDED BY P.L.215-2016, SECTION 16, IS AMENDED TO READ AS,FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. As used in this chapter:

(1) "Agency" means any executive or administrative department, commission, council, board, bureau, division, service, office, officer, administration, or other establishment in the executive or administrative branch of the state government not provided for by the constitution. The term "agency" does not include the secretary of state, the auditor of state, the treasurer of state, the lieutenant governor, the state superintendent of public instruction, and the attorney general, nor the departments of which they are, by the statutes first adopted setting out their duties, the administrative heads. After January 10, 2025, "agency" includes the state superintendent of public instruction.

(2) "Reorganization" means:

(A) the transfer of the whole or any part of an agency, or of the whole or any part of the functions of an agency, to the jurisdiction and control of any other agency;

(B) the abolition of all or any part of the functions of any agency;

(C) the consolidation or coordination of the whole or any part of any agency, or of the whole or any part of the functions of an agency, with the whole or any part of any other agency or the functions of an agency;

(D) the consolidation or coordination of any part of any agency

HEA 1005 — Concur
or the functions of an agency, with any other part of the same agency or the functions of the agency;
(E) the authorization of any officer to delegate any of the officer's functions; or
(F) the abolition of the whole or any part of any agency which agency or part does not have, or upon the taking effect of a reorganization plan will not have, any functions.

SECTION 11. IC 4-12-1-13, AS AMENDED BY P.L.213-2015, SECTION 42, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) During the interval between sessions of the general assembly, the budget agency shall make regular or, at the request of the governor, special inspections of the respective institutions of the state supported by public funds. The budget agency shall report regularly to the governor relative to the physical condition of such institutions, and any contemplated action of the institution on a new or important matter, and on any other subject which such agency may deem pertinent or on which the governor may require information. The budget agency shall likewise familiarize itself with the best and approved practices in each of such institutions and supply such information to other institutions to make their operation more efficient and economical.

(b) Except as to officers and employees of state educational institutions, the executive secretary of the governor, the administrative assistants to the governor, the elected officials, and persons whose salaries or compensation are fixed by the governor pursuant to law, the annual compensation of all persons employed by agencies of the state shall be subject to the approval of the budget agency. Except as otherwise provided by IC 4-15-2.2, the budget agency shall establish classifications and schedules for fixing compensation, salaries and wages of all classes and types of employees of any state agency or state agencies, and any and all other such classifications affecting compensation as the budget agency shall deem necessary or desirable. The classifications and schedules thus established shall be filed in the office of the budget agency. Requests by an appointing authority for salary and wage adjustments or personal service payments coming within such classifications and schedules shall become effective when approved by, and upon the terms of approval fixed by, the budget agency. All personnel requests pertaining to the staffing of programs or agencies supported in whole or in part by federal funds are subject to review and approval by the state personnel department under IC 4-15-2.2.

(c) The budget agency shall review and approve, for the sufficiency
of funds, all payments for personal services which are submitted to the auditor of state for payment.

(d) The budget agency shall review all contracts for personal services or other services and no contract for personal services or other services may be entered into by any agency of the state before the written approval of the budget agency is given. Each demand for payment submitted by an agency to the auditor of state under these contracts must be accompanied by a copy of the budget agency approval. No payment may be made by the auditor of state without such approval. However, this subsection does not apply to a contract entered into by:

1. a state educational institution; or
2. an agency of the state if the contract is not required to be approved by the budget agency under IC 4-13-2-14.1.

(e) The budget agency shall review and approve the policy and procedures governing travel prepared by the department of administration under IC 4-13-1, before the travel policies and procedures are distributed.

(f) Except as provided in subsections (g), (h), and (i), the budget agency may adopt such policies and procedures not inconsistent with law as it may deem advisable to facilitate and carry out the powers and duties of the agency, including the execution and administration of all appropriations made by law. IC 4-22-2 does not apply to these policies and procedures.

(g) The budget agency may not enforce or apply any policy or procedure, unless specifically authorized by this chapter or an applicable statute, against or in relation to the following officials or agencies, unless the official or agency consents to comply with the policy or procedure, or emergency circumstances justify extraordinary measures to protect the state's budget or fiscal reserves:

1. The judicial department of the state.
2. The general assembly, the legislative services agency, or any other entity of the legislative department of the state.
3. The attorney general.
4. The auditor of state.
5. The secretary of state.
6. The superintendent of public instruction. This subdivision does not apply after January 10, 2025.
7. The treasurer of state.

(h) The budget agency may not enforce a policy or procedure against an official or an agency specified in subsection (g)(1) through (g)(7) by refusing to allot money from the personal services/fringe
benefits contingency fund to the official or agency.

(i) The budget agency may not withhold or refuse to allot appropriations for a state educational institution without review by the budget committee.

SECTION 12. IC 4-15-2.2-1, AS AMENDED BY P.L.121-2016, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) Except as provided in subsection (b), this chapter applies to employees of a governmental entity that exercises any of the executive powers of the state under the direction of the governor or lieutenant governor.

(b) This chapter does not apply to the following:
   (1) The legislative department of state government.
   (2) The judicial department of state government.
   (3) The following state elected officers and their personal staffs:
       (A) The governor.
       (B) The lieutenant governor.
       (C) The secretary of state.
       (D) The treasurer of state.
       (E) The auditor of state.
       (F) The superintendent of public instruction. This clause does not apply after January 10, 2025.
       (G) The attorney general.

   (4) A body corporate and politic of the state created by state statute.
   (5) A political subdivision (as defined in IC 36-1-2-13).
   (6) An inmate who is working in a state penal, charitable, correctional, or benevolent institution.
   (7) The state police department.

   (c) This subsection does not apply to a political subdivision, the ports of Indiana (established by IC 8-10-1-3), or the northern Indiana commuter transportation district (established under IC 8-5-15). The chief executive officer of a governmental entity that is exempt from this chapter under subsection (b) may elect to have this chapter apply to all or a part of the entity's employees by submitting a written notice of the election to the director.

SECTION 13. IC 5-14-3-3.5, AS AMENDED BY P.L.177-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3.5. (a) As used in this section, "state agency" has the meaning set forth in IC 4-13-1-1. The term does not include the office of the following elected state officials:
   (1) Secretary of state.
   (2) Auditor.

HEA 1005 — Concur
(3) Treasurer.
(4) Attorney general.
(5) Superintendent of public instruction. **This subdivision does not apply after January 10, 2025.**

However, each state office described in subdivisions (1) through (5) and the judicial department of state government may use the computer gateway administered by the office of technology established by IC 4-13.1-2-1, subject to the requirements of this section.

(b) As an additional means of inspecting and copying public records, a state agency may provide enhanced access to public records maintained by the state agency.

(c) If the state agency has entered into a contract with a third party under which the state agency provides enhanced access to the person through the third party's computer gateway or otherwise, all of the following apply to the contract:

1. The contract between the state agency and the third party must provide for the protection of public records in accordance with subsection (d).

2. The contract between the state agency and the third party may provide for the payment of a reasonable fee to the state agency by either:
   (A) the third party; or
   (B) the person.

(d) A contract required by this section must provide that the person and the third party will not engage in the following:

1. Unauthorized enhanced access to public records.
2. Unauthorized alteration of public records.

(e) A state agency shall provide enhanced access to public records only through the computer gateway administered by the office of technology.

**SECTION 14.** IC 20-18-2-20, AS ADDED BY P.L.1-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 20. "State superintendent" refers to the:

1. \before January 11, 2025, state superintendent of public instruction; and
2. \after January 10, 2025, secretary of education appointed by the governor under IC 20-19-1-1.1.

**SECTION 15.** IC 20-19-1-1, AS ADDED BY P.L.1-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) **Before January 1, 2021,** the state superintendent shall be elected under IC 3-10-2-6 by the voters of

HEA 1005 — Concur
Indiana.

(b) The term of office of the state superintendent is four (4) years:
    (1) beginning on the second Monday in January after election; and
    (2) continuing until a successor is elected or appointed and qualified.

(c) This section expires July 1, 2025.

SECTION 16. IC 20-19-1-1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1.1. (a) After January 10, 2025, the governor shall appoint an individual to be the secretary of education.

(b) For purposes of Article 5, Section 10 and Article 8, Section 8 of the Constitution of the State of Indiana, the secretary of education is the state superintendent of public instruction.

(c) The individual appointed under this section serves at the pleasure of and at a salary determined by the governor.

(d) An individual may not be appointed by the governor to be secretary of education under subsection (a) unless the individual:
    (1) has resided in Indiana for at least two (2) years before the appointment;
    (2) has demonstrated personal and professional leadership success, preferably in the administration of public education;
    (3) possesses an earned advanced degree, preferably in education or educational administration, awarded from a regionally or nationally accredited college or university; and
    (4) either:
        (A) at the time of taking office is licensed or otherwise employed as a teacher, principal, or superintendent;
        (B) has held a license as a teacher, superintendent, or principal, or any combination of these licenses, for at least five (5) years at any time before taking office; or
        (C) has a total of at least five (5) years of work experience as any of the following, or any combination of the following, before taking office:
            (i) Teacher.
            (ii) Superintendent.
            (iii) Principal.
            (iv) Executive in the field of education.

(e) The secretary of education is the chief executive officer of the department.

SECTION 17. [EFFECTIVE JULY 1, 2017] (a) The legislative
services agency shall prepare legislation for introduction in the 2025 regular session of the general assembly to organize and correct statutes affected by this act.

(b) This SECTION expires December 31, 2025.