



Journal of the House

State of Indiana

120th General Assembly

First Regular Session

Thirty-ninth Day

Monday Afternoon

April 3, 2017

The invocation was offered by Dr. Cedric Walker of Joshua's Temple in Ft Wayne, a guest of Representative GiaQuinta.

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

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

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

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

- Washburne
- Wesco
- Wolkins
- Wright

- J. Young
- Zent
- Ziemke
- Mr. Speaker

Roll Call 345: 94 present; 6 excused. The Speaker announced a quorum in attendance. [NOTE: indicates those who were excused.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Tuesday, April 4, 2017, at 10:00 a.m.

LEHMAN

The motion was adopted by a constitutional majority.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 62, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 4, delete line 42.

Delete page 5.

(Reference is to SB 62 as printed February 17, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 196, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 20-48-1-11, AS AMENDED BY P.L.146-2008, SECTION 525, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) As used in this section, "debt service obligations" refers to the principal and interest payable: ~~during a calendar year~~

(1) on a school corporation's general obligation bonds and lease rentals under IC 20-47-2 and IC 20-47-3; or

(2) to a school corporation's designated paying agent under a written agreement entered into in connection with the issuance of the school corporation's general obligation bonds.

(b) Before the end of each calendar year, the department of local government finance shall review the bond and lease rental levies, or any levies that replace bond and lease rental levies, of each school corporation that are payable in the next succeeding calendar year and the appropriations from the levies from

which the school corporation is to pay the amount, if any, of the school corporation's debt service obligations **for that next succeeding calendar year**. If the levies and appropriations of the school corporation are not sufficient to pay the debt service obligations **for the next succeeding calendar year**, the department of local government finance shall establish for each school corporation:

- (1) bond or lease rental levies, or any levies that replace the bond and lease rental levies; and
- (2) appropriations;

that are sufficient to pay the debt service obligations **for that next succeeding calendar year**.

(c) Upon the failure of a school corporation to pay any of the school corporation's debt service obligations **during a calendar year** when due, the treasurer of state, upon being notified of the failure by a claimant, shall **within five (5) days, excluding Saturdays, Sundays, and legal holidays**, pay the unpaid debt service obligations that are due from the funds of the state **only to the extent of the amounts appropriated by the general assembly for the calendar year for distribution to the school corporation from state funds**; deducting the payment from the appropriated amounts. A deduction under this subsection must be made:

- (1) first from all funds except state tuition support; and
- (2) second from state tuition support.

in an amount equal to the amount of the unpaid debt service obligations that are due to the claimant, but only to the extent that amounts described in subsection (d) are available to the treasurer of state to fulfill the requirements of this subsection. Notwithstanding IC 4-13-2-18, IC 20-43-2-1, or any other law, administrative rule, policy, or schedule to the contrary, upon the treasurer of state receiving a request from a claimant as described in this subsection the treasurer of state shall immediately contact the school corporation and the claimant to confirm whether the school corporation is unable to make the required payment on the date on which it is due, and, if confirmed, the treasurer of state shall provide notice of the request to the budget director, the auditor of state, and any department or agency of the state responsible for distributing funds appropriated by the general assembly for distribution to the school corporation from state funds. A department or agency of the state shall, not later than three (3) days after receiving the treasurer of state's notice, excluding Saturdays, Sundays, or legal holidays, transfer the funds and make the funds available to the treasurer of state in order for the treasurer of state to fulfill the obligations of this subsection.

(d) Notwithstanding any other law to the contrary, amounts made available to the treasurer of state for purposes of subsection (c) shall be made from the following sources, in the following amounts, and in the following order of priority:

- (1) First, from amounts appropriated by the general assembly for the state fiscal year for distribution to the school corporation from state funds.
- (2) Second, and to the extent that the amounts described in subdivision (1) are insufficient, from any remaining amounts appropriated by the general assembly for distribution for tuition support in each state fiscal year in excess of the aggregate amount of tuition support needed for distribution to school corporations in accordance with the schedule set and approved in accordance with IC 20-43-2-1.
- (3) Third, and to the extent that the amounts described in subdivisions (1) and (2) are insufficient and the general assembly has adopted a biennial budget appropriating amounts in the immediately succeeding state fiscal year for distribution to the school corporation from state funds, then from such fund or account, as determined by the state budget director,

from which fund or account there is appropriated to the treasurer of state in the current state fiscal year an amount equal to the lesser of:

- (A) the unpaid debt service obligations not paid from sources described in subdivisions (1) and (2); or
- (B) the amount appropriated by the general assembly for the immediately succeeding state fiscal year for distribution to the school corporation from state funds, subject to IC 4-13-2-18(i).

(e) Notwithstanding any other law to the contrary, if any amounts are transferred to the treasurer of state under subsection (c), the applicable department or agency shall recover those amounts by:

- (1) deducting an amount equal to the transfer from any future amounts to be distributed to the school corporation from state funds appropriated by the general assembly; and
- (2) transferring any amount deducted under subdivision (1) to the treasurer of state for the purpose of allowing the treasurer of state to reimburse the fund or account from which the transfer was made.

(f) A reduction of distributions to a school corporation under subsection (e) must be made:

- (1) first, from all funds except state tuition support; and
- (2) second, from state tuition support.

(g) This section shall be interpreted liberally so that the state shall to the extent legally valid ensure that the debt service obligations of each school corporation are paid. However, this section does not create a debt of the state."

Delete page 2.

Page 3, delete lines 1 through 36.

Renumber all SECTIONS consecutively.

(Reference is to SB 196 as printed February 24, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred Senate Bill 199, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 199 as reprinted February 28, 2017.)

Committee Vote: Yeas 7, Nays 6.

SMALTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 279, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to ESB 279 as printed March 24, 2017.)

Committee Vote: Yeas 22, Nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 353, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 353 as reprinted February 24, 2017.)

Committee Vote: Yeas 6, Nays 2.

MCNAMARA, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred Senate Bill 358, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

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

"SECTION 1. IC 7.1-3-1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. (a) It is the intent of the General Assembly that a grocery store, convenience store, specialty or gourmet food store, or drug store should not be given the privilege of selling cold beer for carryout.**

(b) It is the intent of the General Assembly that a restaurant located within a grocery store, convenience store, specialty or gourmet food store, or drug store should not be given the privilege of selling cold beer or liquor for carryout.

SECTION 2. IC 7.1-3-20-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **(a) This section applies only to the following:**

(1) The sale of cold carryout by a retailer permittee under a retailer's permit that was issued or transferred to the retailer permittee after May 14, 2017.

(2) The sale of cold carryout by a retailer permittee under a retailer's permit that is renewed after May 14, 2017.

(b) This section does not apply to the sale of alcoholic beverages for cold carryout under a retailer's permit issued to:

(1) A city market under IC 7.1-3-20-25.

(2) A marina under IC 7.1-3-1-25.

(3) A state park under IC 7.1-3-17.8.

(4) A golf course.

(5) A hotel or resort hotel.

(6) A social or fraternal club.

(7) A brewery, winery, or artisan distillery.

(c) A retailer permittee may not sell alcoholic beverages for cold carryout unless at least thirty percent (30%) of the retailer permittee's gross retail sales are derived from the sale of alcoholic beverages for on-premises consumption.

(d) An applicant for a retailer's permit for a business:

(1) that has not opened; and

(2) that wants to sell alcoholic beverages for cold carryout;

must provide the commission with a verified certification stating that the projected gross retail income from alcoholic beverage sales on the premises during the first two (2) years of operation will meet the requirements of subsection (c). Not more than one hundred eighty (180) days after the date the premises opens for business, the applicant shall provide a financial statement with sufficient information to show that the requirements of subsection (c) were met during the first one hundred twenty (120) days after the business opens.

(e) When a retailer permittee applies for renewal of a retailer's permit, the retailer permittee shall submit to the commission an affidavit of compliance that is signed by the permittee, or by a responsible officer or partner, under the penalties of perjury, that states that the requirements of subsection (c) continue to be met. If the commission has reasonable grounds to doubt the truthfulness of an affidavit

of compliance, the commission may require the retailer permittee to provide audited financial statements.

(f) A retailer permittee that wants to sell alcoholic beverages for cold carryout must provide the commission with a financial statement with information that shows:

(1) dollar amounts of gross retail income from all food and beverages that are subject to the state gross retail tax under IC 6-2.5; and

(2) dollar amounts and percentages of the sales that are sales of alcoholic beverages;

during the one hundred eighty (180) days preceding the date of the application.

(g) The commission may:

(1) require that a financial statement submitted by an applicant under this chapter be audited by a certified public accountant; and

(2) with the cooperation of the department of state revenue, verify the information provided by the applicant.

(h) The information provided to the commission under this chapter regarding annual gross retail income is confidential information and may not be disclosed to the public under IC 5-14-3. However, the commission may disclose the information:

(1) to the department of state revenue to verify the accuracy of the amount of annual gross retail income from sales of food and beverages; and

(2) in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of a discrepancy in the amount of annual gross retail income from sales of food and beverages discovered by the department of state revenue.

(i) Notwithstanding IC 6-8.1-7-1 or any other law, in fulfilling its obligations under this section, the department of state revenue may provide to the commission confidential information. The commission shall maintain the confidentiality of information provided by the department of state revenue under this chapter. However, the commission may disclose the information in any administrative or judicial proceeding to revoke or suspend the holder's permit as a result of any information provided by the department of state revenue.

(j) Notwithstanding this section, a retailer's permit that was issued before May 15, 2017, that authorizes the retailer permittee to sell alcoholic beverages for carryout may continue to sell carryout after May 14, 2017, until the remaining term of the permit expires. The permittee must comply with subsection (f) when the permittee applies for renewal of the permit, if the permittee wants to sell alcoholic beverages for cold carryout.

SECTION 3. IC 7.1-3-20-9.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.6. (a) This section applies to a restaurant that has a wine retailer permit. This section applies regardless of whether the permittee satisfies the requirements to sell alcoholic beverages for cold carryout under section 9.5 of this chapter.**

(b) A restaurant that has a wine retailer permit may allow a patron to remove one (1) unsealed bottle of wine for consumption off the licensed premises if the following requirements are satisfied:

(1) The patron consumed a portion of the bottle of wine on the restaurant premises with a purchased meal.

(2) The permittee:

(A) recorks the partially consumed bottle of wine with the original or similar type cork that is reinserted in the bottle and can only be removed by a corkscrew or similar device; and

(B) places the resealed bottle of wine in a bag or

other container that is secured in such a manner that it is visibly apparent if the container has been subsequently opened or tampered with.

(3) The permittee provides to the patron a dated receipt for the resealed bottle of wine and meal.

(c) If transported in a motor vehicle, the container with the resealed bottle of wine must be placed in a locked trunk or the area behind the last upright seat of a motor vehicle that is not equipped with a trunk."

Page 4, after line 25, begin a new paragraph and insert: "SECTION 5. IC 9-30-15-3, AS AMENDED BY P.L.198-2016, SECTION 605, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) This section does not apply to the following:

(1) A container possessed by a person, other than the operator of the motor vehicle, who is in the:

- (A) passenger compartment of a motor vehicle designed, maintained, or used primarily for the transportation of persons for compensation; or
- (B) living quarters of a house coach or house trailer.

(2) A container located in a fixed center console or other similar fixed compartment that is locked.

(3) A container located:

- (A) behind the last upright seat; or
- (B) in an area not normally occupied by a person; in a motor vehicle that is not equipped with a trunk.

(4) A bottle of wine that has been recorked and resealed as described in IC 7.1-3-20-9.6.

(b) A person in a motor vehicle who, while the motor vehicle is in operation or while the motor vehicle is located on the right-of-way of a public highway, possesses a container:

- (1) that has been opened;
- (2) that has a broken seal; or
- (3) from which some of the contents have been removed;

in the passenger compartment of the motor vehicle commits a Class C infraction.

(c) A violation of this section is not considered a moving traffic violation:

- (1) for purposes of IC 9-14-12-3; and
- (2) for which points are assessed by the bureau under the point system.

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

Re-number all SECTIONS consecutively.

(Reference is to SB 358 as printed February 3, 2017.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 4.

SMALTZ, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 416, 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 1 through 33 with "[EFFECTIVE JULY 1, 2017]".

(Reference is to ESB 416 as printed March 24, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 22, nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Utilities, Energy and Telecommunications, to which was referred Senate Bill 478, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, delete "the following:" and insert "an electricity supplier (as defined in section 6 of this chapter)".

Page 1, delete lines 6 through 11.

Page 2, between lines 13 and 14, begin a new line block indented and insert:

"(4) Any physical damage to property that occurs during the installation, maintenance, or servicing of communications infrastructure under this chapter.

(5) Property owned by a railroad company.

(6) The installation of new poles, towers, or other structures that are required for the exclusive support of communications infrastructure that is intended to provide communications service."

Page 2, line 21, after "infrastructure" insert "on above ground electric facilities".

Page 2, line 31, delete "facilities and equipment" and insert "wires, cable, and other similar facilities".

Page 2, line 33, delete "other facilities and" and insert "any requisite ancillary".

Page 2, line 33, delete "are" and insert "is".

Page 3, line 26, delete "is:" and insert "is sent by certified mail by the electricity supplier to the property owner; and".

Page 3, delete lines 27 through 31.

Page 4, between lines 27 and 28, begin a new line double block indented and insert:

"(H) A statement indicating the name of:

(i) the entity that will install the new communications infrastructure; and

(ii) any entity that will make communications service available in the affected area;

as applicable."

Page 4, line 38, delete "mailed or sent electronically" and insert "sent by certified mail".

Page 4, line 42, delete "electronically, including a time stamped electronic" and insert "electronically by the electricity supplier."

Page 5, line 1, delete "message."

Page 7, line 1, delete "the interference with" and insert "a decrease in value".

Page 7, line 2, delete "the use of the property owner's property" and insert "of the property owner's real property".

Page 7, line 9, delete "the" and insert "a decrease in value".

Page 7, line 10, delete "interference with the use of the property owner's property" and insert "of the property owner's real property".

Page 8, line 4, after "value" insert "of the property owner's real property".

Page 8, line 29, delete "property," and insert "property owner's real property,".

Page 8, line 41, delete "due to the increased interference, if any, with the owner's" and insert "owner's real property".

Page 8, line 42, delete "use of the property".

Page 9, line 8, after "owner's" insert "real".

Page 9, delete lines 15 through 32.

Page 9, line 33, delete "16." and insert "15."

Page 9, line 38, delete "land:" and insert "land on which a manufacturing facility is located."

Page 9, delete lines 39 through 40.

Page 10, line 15, delete "17. This chapter shall not be

interpreted as changing or" and insert "**16. When installing communications infrastructure under this chapter, an electricity supplier shall comply with all applicable rules and standards included in the National Electric Safety Code most recently adopted by the state.**"

Page 10, delete lines 16 through 28.

(Reference is to SB 478 as reprinted February 28, 2017.)
and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

OBER, Chair

Report adopted.

RESOLUTIONS ON FIRST READING

House Resolution 52

Representative Ellington introduced House Resolution 52:

A HOUSE RESOLUTION recognizing Phi Delta Kappa International.

Whereas, Phi Delta Kappa International's founding chapter was organized at Indiana University in 1906, serving graduate students and undergraduates in the field of education;

Whereas, Phi Delta Kappa International's first Amalgamation Conference was held in Indianapolis, Indiana, in 1910, and Phi Delta Kappa International was incorporated in the state in March 1911;

Whereas, Phi Delta Kappa International moved its headquarters in 1954 from Homewood, Illinois, to Bloomington, Indiana, where it continued to support educators based on three tenets — leadership, research, and service;

Whereas, Phi Delta Kappa International's efforts were further supported after the creation of the Phi Delta Kappa Educational Foundation, resulting in numerous publications, summer institutes, the Phi Delta Kappa education poll, prospective educator scholarships, study tours, and leadership activities;

Whereas, Phi Delta Kappa International has published a national magazine, Phi Delta Kappan, for over 100 years that still focuses on classroom practice, policy, research, professional issues, and innovations in education; and

Whereas, Phi Delta Kappa International continues as the umbrella organization for Pi Lambda Theta, a collegiate honor society for education students, and Educators Rising (formerly Future Educators Association) for precollegiate prospective educators: 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 acknowledges the many contributions made by Phi Delta Kappa International throughout the years and encourages the organization to continue the effort.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the local chapter of Phi Delta Kappa International.

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

House Concurrent Resolution 68

Representative Clere introduced House Concurrent Resolution 68:

A CONCURRENT RESOLUTION memorializing Vince Klein.

Whereas, Vincent W. Klein, New Albany, passed away on May 26, 2016, at the age of 62;

Whereas, Vincent Klein graduated from Flaget High School in Louisville, Kentucky, in 1971, and attended Bellarmine College in Louisville, Kentucky, receiving a Bachelor of Arts degree;

Whereas, Vincent Klein also attended Indiana University Southeast in New Albany and earned a Master of Science degree in social work from the University of Louisville (Kent School of Social Work) in Louisville, Kentucky;

Whereas, With the help of some dedicated community members, Vincent Klein established the Floyd County Youth Services Bureau and helped develop many community programs, including after school programming and the local youth shelter;

Whereas, Vincent Klein also served as chairperson for the Step Ahead Council from its inception;

Whereas, When the funding for the initiative was eliminated, Vincent Klein felt it was vital to continue the council and continued to chair the Step Ahead Council until his death;

Whereas, In recognition of his devoted service and countless contributions to the children of Floyd County, Vincent Klein was honored with numerous awards including a Sagamore of the Wabash presented by Evan Bayh, Indiana's 46th governor; and

Whereas, Vincent Klein spent his entire professional career as a devoted advocate for children and their families: Therefore,

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

SECTION 1. That the Indiana General Assembly recognizes the many contributions and accomplishments of Vincent Klein.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the family of Vincent Klein.

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

House Concurrent Resolution 69

Representative Klinker introduced House Concurrent Resolution 69:

A CONCURRENT RESOLUTION recognizing the many contributions of WBAA, a National Public Radio station from Purdue University.

Whereas, WBAA, a Purdue University National Public Radio station, provides essential public services to a significant portion of North and Central Indiana including Greater Lafayette;

Whereas, WBAA is an invaluable component of Greater Lafayette's priority missions in public safety, emergency services, information dissemination, community education, cultural vitality, and entertainment;

Whereas, WBAA contributes to the local economy by actively engaging in economic development, supporting local businesses, and directly providing employment and volunteer opportunities;

Whereas, WBAA is operated by local professionals who are accountable to local leaders and listeners;

Whereas, WBAA prioritizes its capability to provide emergency, crisis, and disaster communication services that are crucial to public safety officials and the community in times of crisis;

Whereas, WBAA delivers its support for nonprofit, charitable, public service projects and events in the community throughout the year;

Whereas, WBAA provides local citizens of all ages and from all walks of life significant benefit from the wide array of noncommercial programming and services that encourage lifelong learning;

Whereas, WBAA is deeply rooted in the local community and continuously strives to be an effective, positive, and productive organization that citizens can count on at all times; and

Whereas, WBAA was licensed to operate on April 4, 1922, making it the oldest continuously operating radio station in Indiana: Therefore,

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

SECTION 1. That the Indiana General Assembly recognizes WBAA for its 95 years of service to the community, its outstanding programming and services, and the indispensable role and position the station has in Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the administration of WBAA Radio.

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

House Concurrent Resolution 70

Representative Mayfield introduced House Concurrent Resolution 70:

A CONCURRENT RESOLUTION recognizing Dave Keister on the occasion of his 50th year in the radio industry.

Whereas, Dave Keister, who started the first and only radio service in Martinsville, Indiana, on April 18, 1967, is celebrating 50 years in business this year. The station became a success, as well as a friend of the community; Dave Keister, as president of Mid-America Radio Group, currently owns 10 stations in Martinsville, Bloomington, and Logansport;

Whereas, Dave Keister has also owned stations in Kokomo, Marion, Richmond, and Connersville, along with stations in Illinois and Ohio. Dave Keister has owned more radio stations in Indiana than any other individual or corporation;

Whereas, In 2012, the Indiana Broadcasters Association inducted Dave Keister into the Pioneer Hall of Fame for his 50 plus years of service and presented him with the Lifetime Achievement Award, which is the highest and most prestigious award given by the Indiana Broadcasters Association;

Whereas, The Mid-America Radio Group corporate headquarters is located in Martinsville, the community Dave loves and cares about. At one time, Mid-America Radio Group employed more than 100 people throughout the state of Indiana and Dave Keister is sought after by broadcasters all across the country for his knowledge and insight into the radio business;

Whereas, Dave Keister has always led all of his radio stations into community service because he believes the success of the radio station depends on the success of the community. Dave has served on the boards of the Martinsville Chamber of

Commerce, the Morgan County Fall Foliage Festival, Eastview Christian Church, the Morgan County Community Foundation, and the Barbara B. Jordan YMCA; and

Whereas, Dave Keister has received many awards and honors, including Sagamore of the Wabash, Sertoma Service to Mankind, Greater Martinsville Chamber of Commerce Businessman of the Year, Distinguished Hoosier Award from State Representative Ralph Foley, American Cancer Society, Rotary Four-Way Test Award, Community Foundation Millennium Society Charter Member, State of Indiana 40th Anniversary Award, Morgan County Fair Friend of the Fair, United Way of Central Indiana Community Partner Award, Civil Air Patrol Certificate of Appreciation, Reader's Choice Award, Habitat for Humanity of Morgan County Community Service Award, Mothers Against Drunk Driving Central Indiana Chapter Public Awareness Award, and grand marshal of the 2007 Fall Foliage Festival parade: Therefore,

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

SECTION 1. That the Indiana General Assembly recognizes the many accomplishments of Dave Keister and his many contributions to the communities his radio stations have served.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to Dave Keister and his family.

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

House Concurrent Resolution 71

Representatives Macer, Steuerwald and Errington introduced House Concurrent Resolution 71:

A CONCURRENT RESOLUTION recognizing the Constructing Our Future program.

Whereas, Constructing Our Future (COF) is a program conceived and developed by women enrolled in a public policy class at the Indiana Women's Prison;

Whereas, Constructing Our Future provides a pathway for current and formerly incarcerated people to be reintegrated back into society with basic skills to build, repair, and revitalize abandoned homes and neighborhoods;

Whereas, Constructing Our Future participants value sobriety, honest communication, and learning new skills to manage their lives, which once may have become unmanageable;

Whereas, The program helps current and formerly incarcerated people to be independent, law-abiding citizens who give back to our communities, and in the process helps reduce recidivism and rebuild communities one house, one project, one neighborhood at a time; and

Whereas, One of the key components of the Constructing Our Future program is that participants must accumulate an estimated total of 5,000 participation and service hours in order to obtain their own homes: Therefore,

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

SECTION 1. That the Indiana General Assembly recognizes the benefits of the Constructing Our Future program that provides a pathway for current and formerly incarcerated people to be reintegrated back into society.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the commissioner of the Indiana Department of Correction.

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

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 29, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 6, delete "accredited nonpublic school;" and insert "**eligible school (as defined in IC 20-51-1-4.7);**";

Page 1, line 8, delete "Except".

Page 1, delete lines 9 through 15, begin a new paragraph and insert:

"(b) The course described in subsection (a) may be offered by the school corporation, charter school, or eligible school (as defined in IC 20-51-1-4.7) through a course access program administered by the department.

SECTION 2. IC 20-32-4-12, AS ADDED BY P.L.160-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 12. (a) Beginning with the 2017-2018 school year, a student who successfully completes Spanish language courses that include the elements set forth in subsection (b) is eligible to receive a functional ~~and practicable~~ workplace Spanish designation on the student's transcript for ~~each~~ the course described in subsection (b).

(b) The department shall develop a Spanish language ~~courses~~ **course description and corresponding academic standards** under this section that include:

~~(1) one (1) year of basic grammar and vocabulary, with a focus on the present tense and appropriate greetings; and~~
~~(2) one (1) year of additional vocabulary and conversation, with a focus on vocabulary that is necessary for various types of work environments.~~

(1) appropriate salutations, structures, vocabulary, and conversation, with a focus on vocabulary that is necessary for various work environments;

(2) culturally appropriate communications for a variety of work related interactions; and

(3) skills related to all language domains, including:

(A) speaking;

(B) listening;

(C) reading; and

(D) writing.

(c) A school corporation may ~~use the courses implement a curriculum based upon the course standards developed by the department or any other courses that include the elements set forth in subsection (b)~~ to allow a student to receive a functional ~~and practicable~~ workplace Spanish designation on the student's transcript **upon the successful completion of the course of study.**

SECTION 3. IC 20-33-5-11, AS AMENDED BY P.L.286-2013, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. (a) A school corporation may not:

(1) withhold curricular materials and supplies;

(2) require any special services from a child; or

(3) deny the child any benefit or privilege;

because the parent fails to pay required fees.

(b) Notwithstanding subsection (a), a school corporation may take any action authorized by law to collect unpaid fees from parents who are determined to be ineligible for assistance, including recovery of reasonable attorney's fees and court costs in addition to a judgment award against those parents.

(c) A school corporation may designate a full-time employee of the school corporation to represent the school corporation in a small claims court action under subsection (b) if the claim does not exceed one thousand five hundred dollars (\$1,500). The employee designated under this subsection is not required to be an attorney."

Renumber all SECTIONS consecutively.

(Reference is to SB 29 as printed January 13, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 30, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 11, delete "may" and insert "**shall**".

(Reference is to SB 30 as printed January 24, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 246, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 3, delete ";" and insert "**or in the death of a dependent of any age who has a mental or physical disability;**".

Renumber all SECTIONS consecutively.

(Reference is to SB 246 as printed February 21, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

MCNAMARA, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 322, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure and sheriff fees.

Page 5, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 6. IC 33-37-5-15, AS AMENDED BY P.L.165-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) The sheriff shall collect a service of process fee of ~~twenty-five dollars (\$25)~~ **thirty-eight dollars (\$38)** from a party requesting service of a writ, an order, a process, a notice, a tax warrant, or any other paper completed by the sheriff. A service of process fee collected under this subsection may be collected only one (1) time per case for the duration of the case. However, a sheriff may collect an additional service of process fee of twenty-five dollars (\$25) per case for any postjudgment service.

(b) The sheriff shall collect from the person who filed the civil action a service of process fee of ~~sixty dollars (\$60)~~ **seventy-three dollars (\$73)** in addition to any other fee for service of process, if:

(1) a person files a civil action outside Indiana; and

(2) a sheriff in Indiana is requested to perform a service of process associated with the civil action in Indiana.

(c) A sheriff shall transfer fees collected under this section to the county auditor of the county in which the sheriff has jurisdiction.

(d) The county auditor shall deposit fees collected under this section:

(1) in the pension trust established by the county under IC 36-8-10-12; or

(2) if the county has not established a pension trust under IC 36-8-10-12, in the county general fund."

Page 7, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 9. IC 33-37-7-11 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 11. (a) This section applies to a county in which there is established a pension trust under IC 36-8-10-12.

(b) For each service of a writ, an order, a process, a notice, a tax warrant, or other paper completed by the sheriff of a county described in subsection (a), the sheriff shall submit to the county fiscal body a verified claim of service.

(c) From the county share distributed under section 4 of this chapter and deposited into the county general fund, the county fiscal body shall appropriate thirteen dollars (\$13) for each verified claim submitted by the sheriff under subsection (b). Amounts appropriated under this subsection shall be deposited by the county auditor into the pension trust established under IC 36-8-10-12."

Renumber all SECTIONS consecutively.

(Reference is to ESB 322 as printed March 31, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 3.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 337, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 10, delete "accredited nonpublic school;" and insert "eligible school (as defined in IC 20-51-1-4.7);"

Page 2, line 13, delete "Except as provided under subsection (c), a".

Page 2, delete lines 14 through 20, begin a new paragraph and insert:

"(c) The course described in subsection (b) may be offered by the school corporation, charter school, or eligible school (as defined in IC 20-51-1-4.7) through a course access program administered by the department."

(Reference is to SB 337 as reprinted February 14, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 1.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 516, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 7, after line 22, begin a new paragraph and insert:

"SECTION 6. IC 32-17-13-7, AS AMENDED BY P.L.6-2010, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) A proceeding under this chapter may not be commenced unless the

personal representative of the decedent's estate has received a written demand for the proceeding from the surviving spouse or a surviving child, to the extent that statutory allowances are affected, or a creditor.

(b) A new proceeding in a separate cause under this chapter may not be commenced unless the following occur:

(1) Letters testamentary or letters of administration have been issued to the personal representative of the decedent's estate not later than nine (9) months after the decedent's death.

(2) The personal representative of the decedent's estate has received the written demand for the proceeding required under this section not later than thirty (30) days after the later of:

(A) the issuance of letters testamentary or letters of administration to the personal representative of the decedent's estate; or

(B) in the case of a creditor other than a surviving spouse or a surviving child seeking statutory allowances, the date of the creditor's timely filing of a claim under IC 29-1-14-1.

(b) (c) If the personal representative declines or fails to commence a proceeding within sixty thirty (60) (30) days after receiving the demand, a person making the demand may commence the proceeding in the name of the decedent's estate at the expense of the person making the demand and not of the estate.

(c) (d) A personal representative who declines in good faith to commence a requested proceeding incurs no personal liability for declining.

SECTION 7. IC 32-17-13-8, AS AMENDED BY P.L.6-2010, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. A proceeding under this chapter must be commenced not later than nine (9) months after the person's decedent's death, but a proceeding on behalf of a creditor whose claim was timely filed may be commenced within:

(1) sixty (60) days after final allowance of the claim; or

(2) ninety sixty (90) (60) days after demand is made under section 7 of this chapter if the personal representative declines or fails to commence a proceeding after receiving the demand."

Renumber all SECTIONS consecutively.

(Reference is to SB 516 as printed February 14, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

MCNAMARA, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 558, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 5 and 6, begin a new paragraph and insert:

"(h) Nothing in this section shall be construed to prevent a housing authority established under IC 36-7-18 from enforcing rights or remedies established by contract or federal law against a landlord or owner of a rental unit.

(i) Nothing in this section shall be construed to prevent an attorney representing a city, county, or town from bringing a nuisance action described under IC 32-30-6-7(b) against a landlord or owner of a rental unit when all of the following conditions are met:

(1) Prohibited contacts (as described in subsection (e)) requesting law enforcement assistance or other emergency assistance are made by a tenant of the landlord or owner of the rental unit.

- (2) **The landlord or owner of the rental unit:**
 (A) **knew of the tenant's prohibited contacts;**
 (B) **could have stopped the prohibited contacts; and**
 (C) **unreasonably failed to stop the prohibited contacts."**

Page 3, delete lines 31 through 42, begin a new paragraph and insert:

"SECTION 4. IC 36-1-24 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]:

Chapter 24. Sales or Leases of Real Property; Prohibited Regulations

Sec. 1. A county or municipality may not adopt or enforce a land use or planning ordinance or regulation that would have the effect of:

- (1) **controlling the amount of rent charged or the purchase price agreed upon for a transaction pertaining to the lease or purchase of privately owned residential or commercial real property; or**
 (2) **requiring real property to be designated or reserved for lease or sale to a group of occupants, owners, or residents classified by income or assets.**

Sec. 2. A county or municipality may not require an owner of privately owned real property to agree to:

- (1) **a requirement that would have an effect described in section 1(1) or 1(2) of this chapter; or**
 (2) **the payment of a fee, in lieu of a requirement described in section 1(1) or 1(2) of this chapter, as a prerequisite to the approval or consideration of:**

- (A) **any building or land use permit;**
 (B) **any land use petition including, but not limited to, variances, special exceptions, conditional use permits, zoning ordinances, or rezoning ordinances; or**
 (C) **any primary, secondary, or revised plats.**

Sec. 3. This chapter does not impair the right of a county or municipality to:

- (1) **manage or control the development of commercial or residential real property in which the county or municipality has an ownership interest; or**
 (2) **enact, enforce, or maintain a general land use regulation or zoning ordinance that does not have an effect described in section 1(1) or 1(2) of this chapter.**

Sec. 4. This chapter does not impair the right of an owner to voluntarily agree to a requirement that would have an effect described in section 1(1) or 1(2) of this chapter in exchange for incentives or grants provided by the county or municipality to the owner of the privately owned real property."

Page 4, delete lines 1 through 33, begin a new paragraph and insert:

"SECTION 5. IC 36-7-2-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: **Sec. 11. Any:**

- (1) **land use ordinance or regulation;**
 (2) **general or specific planning ordinance or regulation; or**
 (3) **land use petition (as described in IC 36-1-24-2) conditioned upon the:**
 (A) **payment of a fee; or**
 (B) **assumption of a requirement described in IC 36-1-24-1(1) or IC 36-1-24-1(2);**

that is adopted by a county or municipality after December 31, 2016, and that violates IC 36-1-24 is void."

Renumber all SECTIONS consecutively.

(Reference is to SB 558 as reprinted February 14, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 5, nays 3.

MCNAMARA, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Resolution 3, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said resolution be amended as follows:

Page 2, delete line 9.

Page 2, line 10, delete "base to include services" and insert "the following topics".

Page 2, line 11, delete "." and insert ":

- (1) **Examining whether to expand the sales and use tax base to include services.**
 (2) **Examining the effects of marketing, technology, and new platforms on the reporting and collecting of sales and lodging taxes.**
 (3) **Analyzing options available to Indiana to collect sales tax on Internet transactions, including a study of legislation from Colorado and other states."**

(Reference is to HR 3 as printed January 10, 2017.) and when so amended that said resolution do pass.

Committee Vote: yeas 21, nays 0.

BROWN T, Chair

Report adopted.

Representative M. Smith, who had been excused, is now present.

**ENGROSSED SENATE BILLS
ON THIRD READING**

Engrossed Senate Bill 59

Representative Frizzell called down Engrossed Senate Bill 59 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 346: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 61

Representative Clere called down Engrossed Senate Bill 61 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 347: yeas 93, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 112

Representative Morris called down Engrossed Senate Bill 112 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 348: yeas 92, nays 2. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 129

Representative DeVon called down Engrossed Senate Bill 129 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 349: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 175

Representative Kirchhofer called down Engrossed Senate Bill 175 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 350: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 182

Representative Behning called down Engrossed Senate Bill 182 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

HOUSE MOTION

Mr. Speaker: Pursuant to House Rule 46, I request to be excused from voting on the question of Engrossed Senate Bill 182, 3rd Reading, R.C. #351. Pursuant to House Rule 168, the reason for the request is the following:

I have a duty to conduct my official duties in a manner that avoids the appearance of impropriety. I am a school corporation superintendent.

GOODIN

Motion prevailed.

Roll Call 351: yeas 89, nays 4. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 222

Representative Lehman called down Engrossed Senate Bill 222 for third reading:

A BILL FOR AN ACT concerning elections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 352: yeas 90, nays 4. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 231

Representative Smaltz called down Engrossed Senate Bill 231 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 353: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 283

Representative Lehman called down Engrossed Senate Bill 283 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 354: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Speedy, who had been present, is now excused.

Engrossed Senate Bill 355

Representative Olthoff called down Engrossed Senate Bill 355 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 355: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Speedy, who had been excused, is now present.

Engrossed Senate Bill 455

Representative Engleman called down Engrossed Senate Bill 455 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 356: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 497

Representative Clere called down Engrossed Senate Bill 497 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 357: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 499

Representative Kirchhofer called down Engrossed Senate Bill 499 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 358: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Arnold, who had been excused, is now present.

Engrossed Senate Bill 505

Representative Zent called down Engrossed Senate Bill 505 for third reading:

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

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 359: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

ENGROSSED SENATE BILLS ON SECOND READING

Pursuant to House Rule 143.1, the following bills which had no amendments filed, were read a second time by title and ordered engrossed: Engrossed Senate Bills 90, 156, 242, 303, 457, 466 and 479.

RECESS

The House was called back to order at 4:49 p.m. by the Speaker.

REPORTS FROM COMMITTEES**COMMITTEE REPORT**

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 567, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 20, delete "an emergency manager appointed under".

Page 2, line 21, delete "IC 6-1.1-20.3-7.5 or".

Page 2, line 24, delete "emergency manager or".

Page 2, line 26, delete "emergency".

Page 2, line 27, delete "manager or".

Page 2, between lines 34 and 35, begin a new paragraph and insert:

"SECTION 2. IC 5-11-1-24.4, AS ADDED BY P.L.181-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 24.4. (a) This section applies only to an audited entity (excluding a school corporation or a college or university (as defined in IC 21-7-13-10)) that has:

(1) an internal control officer; and

(2) an internal control department;

established by the legislative body of the audited entity. However, the requirements of this section do not apply to a consolidated city that hires an internal auditor or an independent certified public accountant, or both, as authorized under

IC 36-3-4-24 to examine the books and records of the consolidated city.

(b) An audited entity may request in writing that the state board of accounts authorize the audited entity to:

(1) opt out of examinations by the state board of accounts; and

(2) engage a certified public accountant to conduct the examinations.

The request must be approved by resolution adopted by the legislative body for the audited entity.

(c) The state board of accounts shall, not more than sixty (60) days after receiving a written request under subsection (b):

(1) acknowledge receipt of the request; and

(2) notify the requesting audited entity that the request is:

(A) approved; or

(B) disapproved.

(d) The state board of accounts shall approve a request under subsection (b) by an audited entity if the state examiner determines that:

(1) the audited entity filed the written request under subsection (b) with the state board of accounts more than one hundred eighty (180) days before the beginning of the audited entity's fiscal year;

(2) the audited entity selects the certified public accountant in accordance with the selection procedure under this section;

(3) the certified public accountant selected by the audited entity is:

(A) licensed in Indiana; and

(B) qualified to conduct examinations in accordance with the government auditing standards adopted by the state board of accounts;

(4) the certified public accountant's examination shall:

(A) be conducted in accordance with the guidelines established by the state board of accounts; and

(B) make findings regarding the audited entity's compliance with the uniform compliance guidelines established by the state board of accounts;

(5) the certified public accountant's examination is paid for by the audited entity; and

(6) the certified public accountant's examination of the audited entity includes:

(A) all associated component units;

(B) audits required or necessary for federal financial assistance;

(C) findings of noncompliance with state law and uniform compliance guidelines as required by IC 5-11-5-1; and

(D) a separate report in accordance with the guidelines established by the state board of accounts for any items of noncompliance identified.

(e) The audited entity must use the following selection procedures:

(1) The legislative body of the audited entity shall establish an audit committee to facilitate the selection of a certified public accountant. The audit committee shall be composed of the following three (3) members:

(A) One (1) member of the legislative body appointed by the legislative body.

(B) One (1) certified public accountant appointed by the legislative body who is not the fiscal officer or an employee of the audited entity.

(C) One (1) person appointed by the executive of the audited entity who is qualified due to an involvement with financial matters, and who is not the fiscal officer or an employee of the audited entity.

Each member shall be appointed for a three (3) year term and shall serve without compensation. However, a member appointed under subdivision (1)(A) who ceases to hold the office of legislative body member ceases to be a

member of the audit committee. A member may not have a contractual relationship, financial interest, or political affiliation with the certified public accountant selected.

(2) The audit committee established under subdivision (1) shall do the following:

(A) Establish factors to evaluate the audit services provided by a certified public accountant, including:

- (i) experience;
- (ii) ability to perform the required services;
- (iii) capability to follow the guidelines and standards adopted by the state board of accounts;
- (iv) ability to timely complete all necessary components of the examination; and
- (v) any other factors considered necessary by the audit committee.

(B) Publish notice of a request for proposals under IC 5-3-1 that includes:

- (i) a brief description of the audit requirements;
- (ii) a time frame;
- (iii) application procedures;
- (iv) evaluation criteria; and
- (v) any other items considered necessary by the audit committee.

(C) Evaluate the proposals submitted by qualified certified public accountants. If compensation is a factor established under clause (A), it may not be the sole factor used to evaluate proposals.

(D) Rank and recommend in order of preference not fewer than three (3) certified public accountants considered most highly qualified on the factors established under clause (A). If fewer than three (3) certified public accountants respond to the request for proposals, the audit committee shall recommend the remaining qualified certified public accountants in order of preference.

(3) The legislative body of the audited entity shall select a qualified certified public accountant from the list recommended by the audit committee and shall negotiate a contract with the certified public accountant using one (1) of the following methods:

(A) If compensation is a factor established under subdivision (2)(A), the legislative body shall:

- (i) select; or
- (ii) document the reason for not selecting; the highest ranked certified public accountant.

(B) If compensation is not a factor established under subdivision (2)(A), the legislative body shall negotiate a contract with the highest ranked qualified certified public accountant. If unable to negotiate a satisfactory contract with the highest ranked qualified certified public accountant, the legislative body shall:

- (i) formally terminate negotiations; and
- (ii) negotiate with the second highest ranked certified public accountant.

Negotiations with the other ranked certified public accountants shall be undertaken in the same manner. The legislative body may reopen formal negotiations with any of the top three (3) ranked certified public accountants but may not negotiate with more than one (1) certified public accountant at a time.

(C) The legislative body may select a certified public accountant recommended by the audit committee and negotiate a contract using an appropriate alternative negotiation method for which compensation is not the sole or predominant factor.

(D) In negotiations with a certified public accountant, the legislative body may allow a designee, who is not the fiscal officer of the audited entity, to conduct negotiations on its behalf.

(4) If the legislative body is unable to negotiate a

satisfactory contract with any of the recommended certified public accountants, the audit committee shall recommend additional certified public accountants, and negotiations shall continue in accordance with this section until an agreement is reached.

(5) The procurement of audit services shall be evidenced by a written contract embodying all provisions and conditions. For purposes of this section, an engagement letter signed and executed by both parties shall constitute a written contract. The written contract shall include the following provisions:

(A) Specification of services to be provided and fees or other compensation for the services.

(B) Invoices for fees or other compensation shall be submitted in sufficient detail to demonstrate compliance with the terms of the contract.

(C) Specification of the contract period and conditions under which the contract may be terminated or renewed.

(D) The certified public accountant shall perform the examination in accordance with:

(i) the guidelines and standards adopted by the state board of accounts;

(ii) auditing standards generally accepted in the United States; and

(iii) if applicable, government auditing standards, Office of Management and Budget Circular A-133, and any other guidelines required by the industry.

(E) If the certified public accountant discovers or suspects instances of fraud, abuse of public funds, or the commission of a crime, the certified public accountant shall notify the state board of accounts:

(i) immediately; and

(ii) before disclosing the discovery or suspicion to the audited entity.

(F) The certified public accountant shall deliver the completed examination report to the state board of accounts:

(i) at the same time as the audited entity; and

(ii) not later than thirty (30) days after completion of the examination.

The report shall be in a readable format prescribed by the state board of accounts.

(G) All work papers supporting the examination report shall be available for review by the state board of accounts.

(6) If a legislative body of an audited entity renews a written contract with a certified public accountant that was entered into in accordance with this section, the legislative body may renew the contract without complying with the selection procedures in this subsection.

(f) The certified public accountant must deliver the completed examination report to the state board of accounts not later than thirty (30) days after completion of the examination. The state board of accounts shall review the examination report and may:

(1) ask questions of the certified public accountant;

(2) review the examination work papers; and

(3) take any other actions necessary to verify that the guidelines and standards adopted by the state board of accounts have been satisfied.

(g) If the certified public accountant's examination:

(1) satisfies the guidelines and standards adopted by the state board of accounts, the state examiner shall publicly file the examination report under IC 5-11-5-1; or

(2) fails to satisfy the guidelines and standards adopted by the state board of accounts:

(A) the state board of accounts shall perform the audit; and

(B) the audited entity shall reimburse the state board of

accounts for the actual and direct cost of performing the examination.

(h) An audited entity that engages a certified public accountant under this section shall reimburse the state board of accounts for all direct and indirect costs incurred by the state board of accounts for any technical assistance and support requested by the audited entity.

(i) An audited entity may terminate the use of a certified public accountant engaged under this section if:

- (1) the termination is approved by resolution adopted by the legislative body of the audited entity; and
- (2) written notice of the termination is provided to the state board of accounts more than one hundred eighty (180) days before the beginning of the audited entity's fiscal year.

(j) Conducting an examination of an audited entity by a certified public accountant does not prohibit the state board of accounts from conducting a compliance review of the audited entity or an examination under section 9.5 of this chapter on the schedule determined by the state board of accounts.

SECTION 3. IC 5-11-1-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 24.5. (a) An independent examination report issued by a certified public accountant for a school corporation:**

- (1) for examined year 2015 or 2016;
- (2) that is done in accordance with all the requirements of section 24.4(d) of this chapter, other than section 24.4(d)(1) of this chapter; and
- (3) that meets all the other requirements of section 24.4 of this chapter;

is considered to have been approved under section 24.4(d) of this chapter.

(b) A school corporation for which an independent examination report was issued as described in subsection (a) shall notify the state board of accounts of the issuance as soon as practicable after the legislative body approves the report.

(c) This section expires June 30, 2019."

Page 2, line 40, delete "political subdivision" and insert "school corporation".

Page 2, line 40, after "distressed" delete "political".

Page 2, line 41, delete "subdivision" and insert "school corporation".

Page 2, delete line 42.

Delete pages 3 through 9.

Page 10, delete lines 1 through 28, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-20.3-4, AS AMENDED BY P.L.145-2012, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The distressed unit appeal board is established.

(b) The distressed unit appeal board consists of the following members:

- (1) The director of the office of management and budget or the director's designee. The director or the director's designee shall serve as chairperson of the distressed unit appeal board.
- (2) The commissioner of the department of local government finance or the commissioner's designee.
- (3) The state examiner of the state board of accounts or the state examiner's designee.
- (4) The state superintendent of public instruction or the superintendent's designee.
- (5) An individual appointed by the ~~chairman of the legislative council~~ **governor**.
- (6) A member of the house of representatives appointed by speaker of the house of representatives, who shall serve as a nonvoting member.**
- (7) A member of the senate appointed by the president**

pro tempore of the senate, who shall serve as a nonvoting member.

(8) A member to serve a one (1) year term in each even-numbered year who:

- (A) is a member of the house of representatives; and**
- (B) is appointed by the minority leader of the house of representatives.**

The member is a nonvoting member.

(9) A member to serve a one (1) year term in each odd-numbered year who:

- (A) is a member of the senate; and**
- (B) is appointed by the minority leader of the senate.**

The member is a nonvoting member.

(c) Each member of the ~~commission board~~ **who is not a member of the general assembly** is entitled to reimbursement for:

- (1) traveling expenses as provided under IC 4-13-1-4; and
- (2) other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(d) Each member of the board who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to legislative members of interim study committees. Per diem, mileage, and travel allowances paid under this section shall be paid from appropriations made to the legislative council or the legislative services agency.

SECTION 4. IC 6-1.1-20.3-6, AS AMENDED BY P.L.257-2013, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The fiscal body and the executive of a political subdivision may jointly file a petition with the board seeking to have the political subdivision designated as a distressed political subdivision under this chapter.

(b) The governing body ~~and~~ **or** the superintendent of a school corporation may do any of the following:

- (1) ~~Jointly~~ File a petition with the board seeking relief under section 8.3 of this chapter.
- (2) ~~Jointly~~ File a petition with the board seeking to have the school corporation designated as a distressed political subdivision under this chapter.
- (3) ~~Jointly~~ File a petition with the board requesting authority to transfer before July 1, 2015, excess funds in the school corporation's debt service fund to the school corporation's transportation fund as provided in section 8.4 of this chapter.

(c) If the treasurer of state has reason to believe that a school corporation will not be able to pay the school corporation's debt service obligations (as defined in IC 20-48-1-11) as those debt service obligations become due, the treasurer of state may file a petition with the board seeking to have the school corporation designated as a distressed political subdivision under this chapter.

(d) The Indiana education employment relations board established by IC 20-29-3-1 may file a petition with the board seeking to have a school corporation considered for designation as a distressed political subdivision under this chapter.

~~(e)~~ **(e)** The board may adopt procedures governing the timing and required content of a petition under subsection (a), **(c)**, or **(d)**.

SECTION 5. IC 6-1.1-20.3-6.5, AS AMENDED BY P.L.257-2013, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) After the board receives a petition concerning a political subdivision under section 6(a), ~~or~~ **6(b)(2), 6(c), or 6(d)** of this chapter, the board may designate the political subdivision as a distressed political subdivision if at least one (1) of the

following conditions applies to the political subdivision:

- (1) The political subdivision has defaulted in payment of principal or interest on any of its bonds or notes.
- (2) The political subdivision has failed to make required payments to payroll employees for thirty (30) days or two (2) consecutive payrolls.
- (3) The political subdivision has failed to make required payments to judgment creditors for sixty (60) days beyond the date of the recording of the judgment.
- (4) The political subdivision, for at least thirty (30) days beyond the due date, has failed to do any of the following:
 - (A) Forward taxes withheld on the incomes of employees.
 - (B) Transfer employer or employee contributions due under the Federal Insurance Contributions Act (FICA).
 - (C) Deposit the political subdivision's minimum obligation payment to a pension fund.
- (5) The political subdivision has accumulated a deficit equal to eight percent (8%) or more of the political subdivision's revenues. For purposes of this subdivision, "deficit" means a negative fund balance calculated as a percentage of revenues at the end of a budget year for any governmental or proprietary fund. The calculation must be presented on an accrual basis according to generally accepted accounting principles.
- (6) The political subdivision has sought to negotiate a resolution or an adjustment of claims that in the aggregate:
 - (A) exceed thirty percent (30%) of the political subdivision's anticipated annual revenues; and
 - (B) are ninety (90) days or more past due.
- (7) The political subdivision has carried over interfund loans for the benefit of the same fund at the end of two (2) successive years.
- (8) The political subdivision has been severely affected, as determined by the board, as a result of granting the property tax credits under IC 6-1.1-20.6.
- (9) In addition to the conditions listed in subdivisions (1) through (8), and in the case of a school corporation, the board may also designate a school corporation as a distressed political subdivision if at least one (1) of the following conditions applies:
 - (A) The school corporation has:
 - (i) issued refunding bonds under IC 5-1-5-2.5; or
 - (ii) adopted a resolution under IC 5-1-5-2.5 making the determinations and including the information specified in IC 5-1-5-2.5(g).
 - (B) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's 2011 ADM ranks in the highest ten (10) among all school corporations.
 - (C) The ratio that the amount of the school corporation's debt (as determined in December 2010) bears to the school corporation's total assessed valuation for calendar year 2011 ranks in the highest ten (10) among all school corporations.
 - (D) The amount of homestead assessed valuation in the school corporation for calendar year 2011 was at least sixty percent (60%) of the total amount of assessed valuation in the school corporation for calendar year 2011.

The board may consider whether a political subdivision has fully exercised all the local options available to the political subdivision, such as a local option income tax or a local option income tax rate increase or, in the case of a school corporation, an operating referendum.

(b) If the board designates a political subdivision as distressed under subsection (a), the board shall review the designation annually to determine if the distressed political subdivision meets at least one (1) of the conditions listed in subsection (a).

(c) If the board designates a political subdivision as a distressed political subdivision under subsection (a), the board shall immediately notify:

- (1) the treasurer of state; ~~and~~
- (2) the county auditor and county treasurer of each county in which the distressed political subdivision is wholly or partially located; ~~and~~
- (3) **in the case of a school corporation, the Indiana education employment relations board established by IC 20-29-3-1;**

that the board has designated the political subdivision as a distressed political subdivision.

SECTION 6. IC 6-1.1-20.3-6.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 6.8. (a) This section applies to a distressed school corporation.**

(b) As used in this section, the following definitions apply:

- (1) "Chief academic officer" means the chief academic officer appointed under subsection (i).
- (2) "Chief financial officer" means the chief financial officer appointed under subsection (h).
- (3) "Governing body" refers to the governing body of a school corporation.

(c) The Gary Community School Corporation and Muncie Community Schools are each designated as a distressed political subdivision for purposes of this chapter until the school corporation's designation as a distressed political subdivision is terminated as provided in section 13(b) of this chapter. This designation as a distressed political subdivision is effective regardless of whether the school corporation has submitted a petition requesting to be designated as a distressed political subdivision. Until the school corporation's designation as a distressed political subdivision is terminated as provided in section 13(b) of this chapter, the governing body of the school corporation may not meet more often than once each month.

(d) Until the school corporation's designation as a distressed political subdivision is terminated as provided in section 13(b) of this chapter, the following apply to the emergency manager appointed under section 7.5 of this chapter for the school corporation:

- (1) The emergency manager has the powers and duties specified in this chapter.
- (2) The emergency manager shall consult with and consider recommendations from the fiscal management board and the governing body, but the emergency manager has full responsibility and authority related to financial and academic matters of the school corporation, and the emergency manager may act, as specified in this chapter, on these financial and academic matters without the approval of the fiscal management board or the governing body. The school corporation's superintendent, or the superintendent's designee, shall work with the emergency manager and serve as a resource in an administrative capacity.
- (3) Notwithstanding section 7.5(d) of this chapter, the distressed unit appeal board shall:
 - (A) determine the compensation of the emergency manager, chief financial officer, and chief academic officer; and
 - (B) subject to subsections (h) and (i), pay the emergency manager's, chief financial officer's, and chief academic officer's compensation and reimburse the emergency manager, chief financial officer, and chief academic officer for actual and necessary expenses from funds appropriated to the distressed unit appeal board.

The appointment of the emergency manager for the school corporation is terminated on the date the school corporation's designation as a distressed political

subdivision is terminated as provided in section 13(b) of this chapter.

(e) In addition to any other actions that the distressed unit appeal board may take under this chapter concerning a distressed political subdivision, for a distressed school corporation, the distressed unit appeal board may also do any of the following:

(1) The distressed unit appeal board may delay or suspend, for a period determined by the board, any payments of principal or interest, or both, that would otherwise be due from the school corporation on loans or advances from the common school fund.

(2) The distressed unit appeal board may recommend to the state board of finance that the state board of finance make an interest free loan to the school corporation from the common school fund. The distressed unit appeal board shall determine the payment schedule and the commencement date for the loan. If the distressed unit appeal board makes a recommendation that such a loan be made, the state board of finance may, notwithstanding IC 20-49, make such a loan for a term of not more than ten (10) years.

(3) The distressed unit appeal board may establish benchmarks of financial improvement for the school corporation.

(f) The fiscal management board is established. The fiscal management board consists of the following four (4) members:

(1) One (1) member appointed by the governing body.

(2) One (1) member appointed by the mayor of the city in which the school corporation is located.

(3) One (1) member, who must have experience working with or for an urban school corporation, appointed by the superintendent of public instruction.

(4) One (1) member, who must have experience working with or for an urban school corporation, appointed by the state board of education.

(g) The following apply to the fiscal management board and to the members of the fiscal management board:

(1) The term of office of a member of the fiscal management board is four (4) years, beginning on the date of appointment. A member of the fiscal management board may be reappointed to the fiscal management board. A member of the fiscal management board may be removed for cause by the appointing authority.

(2) A member of the fiscal management board must have the following:

(A) At least three (3) years experience in financial management.

(B) A meaningful background and work experience in finance and business.

(C) An understanding of government contracts.

(D) Knowledge and experience in organizational effectiveness, operations management, and implementing best practices.

(E) Experience in budget development and oversight.

(F) A demonstrated commitment to high professional and ethical standards and a diverse workplace.

(G) An understanding of tax and other compliance implications.

(3) A member of the governing body may not serve as a member of the fiscal management board.

(4) The fiscal management board:

(A) shall make recommendations to the emergency manager; and

(B) shall advise the emergency manager as requested by the emergency manager.

(5) The members of the fiscal management board are

not entitled to any compensation for their service on the fiscal management board.

(6) The fiscal management board is abolished, and the terms of the members of the fiscal management board are terminated on the date the school corporation's designation as a distressed political subdivision is terminated as provided in section 13(b) of this chapter.

(h) The emergency manager shall employ a chief financial officer for the school corporation. The chief financial officer is an employee of the school corporation. The chief financial officer shall report to the emergency manager and shall assist the emergency manager appointed for the school corporation and the fiscal management board in carrying out the day to day financial operations of the school corporation. Before July 1, 2019, the compensation of the chief financial officer shall be determined by the distressed unit appeal board. Before July 1, 2019, the compensation of the chief financial officer shall be paid from the funds appropriated to the distressed unit appeal board. After June 30, 2019, the compensation of the chief financial officer shall be determined by and paid by the school corporation. The chief financial officer:

(1) must possess, through both education and experience, an understanding of finance and financial management; and

(2) must possess any other experience and must meet any other requirements as required by the distressed unit appeal board to ensure that the chief financial officer is qualified to carry out the financial restructuring of the school corporation.

(i) The emergency manager shall employ a chief academic officer for the school corporation, after consultation with the department of education, who must have experience working with or for an urban school corporation. The chief academic officer is an employee of the school corporation. The chief academic officer shall report to the emergency manager and shall assist the emergency manager appointed for the school corporation and the fiscal management board in carrying out the academic matters of the school corporation. Before July 1, 2019, the compensation of the chief academic officer shall be determined by the distressed unit appeal board. Before July 1, 2019, the compensation of the chief academic officer shall be paid from the funds appropriated to the distressed unit appeal board. After June 30, 2019, the compensation of the chief academic officer shall be determined by and paid by the school corporation. The chief academic officer must:

(1) hold a valid license to teach in a public school under IC 20-28-5;

(2) possess, through both education and experience, an understanding of curriculum and academics; and

(3) possess any other experience and meet any other requirements as required by the distressed unit appeal board to ensure that the chief academic officer is qualified to carry out the academic goals of the school corporation.

(j) The chief financial officer and chief academic officer shall assist the emergency manager in carrying out the emergency manager's duties under this chapter.

(k) The annual budget adopted by the emergency manager for the school corporation must dedicate a significant part of the school corporation's budget to eliminating the school corporation's outstanding financial obligations. The emergency manager shall attempt to negotiate with the creditors of the school corporation to establish a plan specifying the schedule for paying each creditor. The emergency manager shall submit the plan to the distressed unit appeal board for approval. The distressed unit appeal board must:

(1) review the plan submitted by the emergency manager; and

(2) not later than sixty (60) days after the plan is submitted, either:

- (A) approve the plan as submitted by the emergency manager; or
- (B) modify the plan as submitted by the emergency manager and then approve the modified plan.

(l) The emergency manager shall consult with the governing body, the fiscal management board, and the mayor of the city in which the school corporation is located in developing the school corporation's annual budget. The distressed unit appeal board must review and approve the school corporation's annual budget that is proposed by the emergency manager.

(m) In consultation with the fiscal management board, the governing body, and the mayor of the city in which the school corporation is located, the emergency manager shall do the following:

- (1) Conduct a financial and compliance audit of the operations of the school corporation.
- (2) Develop a written financial plan for the school corporation. The object of the plan must be to achieve financial stability for the school corporation, and the plan must include provisions for paying all of the school corporation's outstanding obligations and for paying all future obligations of the school corporation (including any federal, state, or local taxes or assessments) in a timely manner.

(n) In addition to the report required by section 8.5(c)(5) of this chapter, the emergency manager, the chief financial officer, and the chief academic officer shall report quarterly to the distressed unit appeal board in a format specified by the distressed unit appeal board. The report must include:

- (1) information concerning the actions that the school corporation is taking to improve the financial condition of the school corporation; and
- (2) any other information required by the distressed unit appeal board.

The emergency manager shall report more frequently than quarterly if requested by the distressed unit appeal board. The emergency manager shall provide copies of the report to the governing body, the fiscal management board, and the mayor of the city in which the school corporation is located. The emergency manager shall present each report at a public meeting of the fiscal management board.

(o) The school corporation shall do the following:

- (1) Publish a copy of each report under subsection (n) on the school corporation's Internet web site, along with a link to the main page of the Indiana transparency Internet web site established under IC 5-14-3.7 to provide access to financial data for local schools.
- (2) Make copies of each report available free of charge to the public upon request.
- (3) Provide copies of each report to the mayor of the city in which the school corporation is located. The mayor of the city shall make copies of the reports available free of charge to the public upon request.

(p) The chief academic officer shall develop an education plan to provide academic services to students in the school corporation and to achieve academic progress. The education plan must include at least the following components:

- (1) An academic program designed to meet Indiana's academic standards and to assist students in meeting those academic standards.
- (2) A plan to improve the academic performance of all students, including improvement in the performance of students on standardized tests.
- (3) A plan to engage parents in school performance and school activities, including regular meetings at each school involving administrators, teachers,

parents, and interested members of the community.

(4) A plan to implement performance standards that will attract students and families to the school corporation.

(5) A plan specifying how the school corporation will work directly with the city in which the school corporation is located:

- (A) to make the schools a successful component of life within the city; and
- (B) to develop a sense of pride and progress in the operations and accomplishments of the school corporation.

The chief financial officer and the chief academic officer shall confer with the governing body at least once each month. The chief financial officer and chief academic officer shall meet at least quarterly with the executive committee of the bargaining unit to inform the executive committee of the academic progress of the school corporation."

Page 10, line 39, after "board." insert "For purposes of IC 34-13, an emergency manager appointed under this section is acting on behalf of the distressed political subdivision and not the state."

Page 11, between lines 2 and 3, begin a new paragraph and insert:

"(e) A member of a fiscal management board, an emergency manager, a chief financial officer, or a chief academic officer is immune from civil liability for an act or omission within the scope and arising out of the performance of duties prescribed by the board under this chapter. This subsection does not apply to an act or omission that constitutes gross negligence or willful misconduct.

(f) The attorney general may represent a member of a fiscal management board, an emergency manager, a chief financial officer, or a chief academic officer in a legal action arising out of the exercise of powers granted under this chapter, if the member of a fiscal management board, emergency manager, chief financial officer, or chief academic officer makes a written request to the attorney general requesting representation. The attorney general may not represent a member of a fiscal management board, an emergency manager, a chief financial officer, or a chief academic officer under this subsection if the legal action is initiated or the claim is asserted by the member of the fiscal management board, emergency manager, or the distressed political subdivision. If the attorney general represents a member of a fiscal management board, an emergency manager, a chief financial officer, or a chief academic officer under this subsection, the member of a fiscal management board, emergency manager, chief financial officer, or chief academic officer is entitled to recover attorney's fees from the losing party to the extent the member of the fiscal management board, emergency manager, chief financial officer, or chief academic officer prevails. Any attorney's fees recovered shall be deposited in the state general fund."

Page 11, delete lines 3 through 42.

Page 12, delete lines 1 through 34, begin a new paragraph and insert:

"SECTION 6. IC 6-1.1-20.3-8.5, AS AMENDED BY P.L.2-2014, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. (a) This section does not apply to a school corporation designated before July 1, 2013, as a distressed political subdivision.

(b) Notwithstanding any other law, an emergency manager of a distressed political subdivision appointed under section 7.5 of this chapter shall ~~do~~ assume and exercise all of the power, authority, and responsibilities of both the executive and the fiscal body of the political subdivision during the time the political subdivision is a distressed political subdivision. An

emergency manager's power, authority, and responsibilities include the following:

(1) Assume and exercise the authority and responsibilities of both the executive and the fiscal body of the political subdivision concerning the adoption, amendment, and enforcement of **Adopting, amending, and enforcing** ordinances and resolutions relating to or affecting the fiscal stability of the political subdivision. However, the emergency manager does not have the power to may impose **only those** taxes or fees in addition to the taxes or fees authorized by **that** the political subdivision before the political subdivision was designated a distressed political subdivision: **is authorized by law to impose.**

(2) Review the political subdivision's budget.

(3) Review (2) Subject to existing labor contracts, setting the salaries and other compensation of the political subdivision's employees.

(4) Conduct a financial and compliance audit of the internal operations of the political subdivision.

(5) Develop a written financial plan in consultation with the officials of the political subdivision not later than six (6) months after appointment.

(6) Develop a plan for paying all the political subdivision's outstanding obligations.

(7) Review (3) **Reviewing existing labor contracts and collective bargaining agreements, and negotiating and entering into labor contracts and collective bargaining agreements.**

(8) **Adopt (4) Adopting** a budget for the political subdivision for each calendar or fiscal year, as applicable, that the political subdivision remains a distressed political subdivision.

(9) Review (5) **Approving** payrolls and other claims against the political subdivision before payment.

(10) **Make, approve, or disapprove (6) Making, approving, or disapproving** the following:

(A) A contract.

(B) An expenditure.

(C) A loan.

(D) The creation of any new position.

(E) The filling of any vacant position.

(11) **Submit a written report to the board every three (3) months concerning:**

(A) actions taken by the emergency manager;

(B) expenditures made by the distressed political subdivision; and

(C) the work that has been done to remove the distressed political subdivision from distressed status.

(7) **Identifying and implementing labor force reductions.**

(8) **Outsourcing services performed by employees of the distressed political subdivision.**

(9) **Renegotiating existing labor contracts and acting as an agent of the political subdivision in collective bargaining.**

(10) **Reducing or suspending salaries of the political subdivision's employees.**

(11) **Entering into agreements with other political subdivisions for the provision of services.**

(12) **Selling assets, including real property, of the distressed political subdivision. If real property is being sold, any political subdivision that has territory where the real property is located and institutions of higher education with real property located in Indiana shall be given a thirty (30) day first right to make an offer to purchase the real property. The emergency manager shall determine whether it is appropriate to accept one (1) of these offers and shall negotiate the terms and conditions of the sale of the real property to the offeror.**

(13) **Closing facilities of the distressed political subdivision.**

(14) **Requesting technical assistance from the board and state agencies to assist in carrying out the powers and duties outlined in this subsection, including assistance from the Indiana department of administration in evaluating and assessing facilities.**

(15) **Reviewing each contract that is in effect and not covered by subdivision (3) and, if prudent, renegotiating or canceling the contract to the extent permitted by the contract.**

(16) **Transferring property not needed by the distressed political subdivision.**

(17) **Acquiring real property that is necessary to achieve the goals expressed in the financial plan.**

(18) **Implementing the Governmental Accounting Standards Board generally accepted accounting principles.**

(19) **Requesting a waiver from the application of IC 6-1.1-20.6-9.8 in order to use IC 6-1.1-20.6-13 regarding the allocation of protected taxes. To request a waiver, the emergency manager must submit, before May 1 of the year for which a waiver is sought, a written request to the board. The board shall make a determination concerning the request, and if the waiver is granted the board shall provide, before June 1 of that year, a written certification of the determination to the department of local government finance.**

(20) **If the distressed political subdivision is a school corporation, requesting a loan from the counter-cyclical revenue and economic stabilization fund under IC 6-1.1-21.4-3(b) as provided in section 8.3 of this chapter.**

(12) **Petition (21) Petitioning** the board to terminate a political subdivision's status as a distressed political subdivision when the conditions found in section 6.5 of this chapter are no longer applicable to the political subdivision **and the conditions set forth in section 13(b) of this chapter are met.**

(c) An emergency manager of a distressed political subdivision appointed under section 7.5 of this chapter **may shall** do the following:

(1) **Renegotiate existing labor contracts and act as an agent of the political subdivision in collective bargaining.**

(2) **Reduce or suspend salaries of the political subdivision's employees.**

(3) **Enter into agreements with other political subdivisions for the provision of services.**

(1) **Review the political subdivision's budget.**

(2) **Conduct a financial and compliance audit of the internal operations of the political subdivision.**

(3) **Report and make recommendations to the board regarding the following:**

(A) **A written comprehensive financial plan in consultation with the officials of the political subdivision not later than six (6) months after appointment.**

(B) **A comprehensive long term plan for paying all the political subdivision's outstanding obligations.**

(4) **If the distressed political subdivision is a school corporation, report and make recommendations to the board regarding the following:**

(A) **The geographic boundaries of the school corporation and alternative boundaries.**

(B) **A long term plan for meeting transportation needs.**

(C) **A long term plan for providing educational services.**

(D) **A long term plan for providing noneducational services.**

(E) A long term plan for providing adequate personnel and a plan for compensation.

(F) The capital plant of the school corporation and a long term plan for meeting the long term capital plant needs of the school corporation.

(G) A new governance structure for the distressed political subdivision.

(5) Submit a written report to the board each month concerning the following:

(A) Actions taken by the emergency manager.

(B) Expenditures made by the distressed political subdivision.

(C) The progress that has been made toward removing the distressed political subdivision from distressed status.

(d) Except as provided in section 13(d) of this chapter, an emergency manager of a distressed political subdivision retains the powers and duties described in subsections (b) and (c) until:

- (1) the emergency manager resigns or dies;
- (2) the board removes the emergency manager; or
- (3) the political subdivision's status as a distressed political subdivision is terminated under section 13(b) or 13(c) of this chapter.

SECTION 7. IC 6-1.1-20.3-9, AS ADDED BY P.L.146-2008, SECTION 208, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The board shall keep a record of its proceedings and its orders. **IC 5-14-1.5 (the open door law) applies to the commission's meetings.**

SECTION 8. IC 6-1.1-20.3-9.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.9. (a) A petition may be filed with the board to appeal a decision by the emergency manager.**

(b) Two hundred fifty (250) or more individuals residing within the distressed political subdivision who are of the opinion that the decision by the emergency manager is not fair or reasonable may file a petition in the office of the county auditor within thirty (30) days after the decision is made. The petition must set forth the petitioners' names, addresses, and objections to the decision and the facts showing that the decision is not fair and reasonable.

(c) Upon the filing of a petition under subsection (b), the county auditor shall immediately certify a copy of the petition, together with any other data necessary to present the questions involved, to the board.

(d) The board shall schedule a public meeting as soon as practicable to consider the petition.

SECTION 9. IC 6-1.1-20.3-13, AS AMENDED BY P.L.249-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) If:

- (1) an emergency manager of a distressed political subdivision;
- (2) the fiscal body and executive of the political subdivision jointly; or
- (3) the governing body of a school corporation that:
 - (A) employs a new superintendent; or
 - (B) has a new member elected or appointed to its governing body;

during the time the school corporation is a distressed political subdivision;

files a petition with the board for termination of the political subdivision's status as a distressed political subdivision, the board shall conduct a public hearing on the question of whether to terminate the political subdivision's status as a distressed political subdivision.

(b) In the case of a political subdivision designated as distressed under section 6.5 or 6.8 of this chapter, the board shall terminate the political subdivision's status as a distressed political subdivision if the board finds that the conditions found

in section 6.5 of this chapter are no longer applicable to the political subdivision and all the following conditions are met:

(1) The political subdivision has achieved and maintained financial solvency for a period of at least two (2) years, including the following:

(A) Maintaining a structurally balanced budget for at least two (2) years.

(B) Having no unpaid or past due critical contractual financial obligations or vendor payments.

(2) The political subdivision has a fiscal plan that maintains financial solvency for a period of at least five (5) years after the termination of its distressed status.

(3) The political subdivision has implemented the Governmental Accounting Standards Board generally accepted accounting principles.

(4) The political subdivision meets all other conditions identified by the board.

(5) The board determines that the political subdivision is financially stable.

(c) In the case of a township designated as distressed under section 6.7 of this chapter, the board shall terminate the township's status as a distressed political subdivision if the board finds that the township's township assistance property tax rate (as defined in section 6.7(a) of this chapter) for the current calendar year is not 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).

(d) Notwithstanding any other section of this chapter, not later than ninety (90) days after taking office, a new executive of a distressed political subdivision may petition the board for suspension of the political subdivision's distressed status. In the case of a political subdivision designated as distressed under section 6.5 of this chapter, the executive must include in its petition a written plan to resolve the applicable issues described in section 6.5 of this chapter. In the case of a township designated as distressed under section 6.7 of this chapter, the executive must include in its petition a written plan to lower the township's township assistance property tax rate (as defined in section 6.7(a) of this chapter). If the board approves the executive's written plan, the board may suspend the political subdivision's distressed status for one hundred eighty (180) days. Suspension under this chapter terminates automatically upon expiration of the one hundred eighty (180) day period. The board may consider a petition to terminate the political subdivision's distressed status during a period of suspension.

SECTION 10. IC 6-1.1-20.6-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13. (a) A political subdivision is eligible to allocate credits proportionately under this section if the distressed unit appeal board has approved the waiver request of the emergency manager for the political subdivision under IC 6-1.1-20.3-8.5.**

(b) For a political subdivision that has been granted a waiver under IC 6-1.1-20.3-8.5, the political subdivision may allocate the effect of the credits granted under this chapter proportionately among all the political subdivision's property tax funds that are not exempt under section 7.5(b) or 7.5(c) of this chapter, based on the levy for each fund and without taking into account the requirements of section 9.8 of this chapter regarding protected taxes.

SECTION 11. IC 20-26-7-1, AS AMENDED BY P.L.5-2015, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) As used in this section, "charter school" has the meaning set forth

in IC 20-24-1-4 and includes a group or entity seeking approval from an authorizer to operate a charter school under IC 20-24-3.

(b) Except as otherwise provided in this section, if a governing body of a school corporation determines that any real or personal property:

- (1) is no longer needed for school purposes; or
- (2) should, in the interests of the school corporation, be exchanged for other property;

the governing body may sell or exchange the property in accordance with IC 36-1-11.

(c) Money derived from the sale or exchange of property under this section shall be placed in any school fund:

- (1) established under applicable law; and
- (2) that the governing body considers appropriate.

(d) A governing body may not make a covenant that prohibits the sale of real property to another educational institution.

(e) This subsection does not apply to a school building that on July 1, 2011, is leased or loaned by the school corporation that owns the school building to another entity, if the entity is not a building corporation or other entity that is related in any way to, or created by, the school corporation or the governing body. Except as provided in subsections (k) through (n), 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) either:
 - (A) is not used in whole or in part for classroom instruction at the time the charter school seeks to lease the building; or
 - (B) appears on the list compiled by the department under subsection (f); and
- (2) was previously used for classroom instruction;

in order for the charter school to conduct classroom instruction.

(f) Not later than August 1 each calendar year, each governing body shall inform the department if a school building that was previously used for classroom instruction is closed, unused, or unoccupied. The department shall maintain a list of closed, unused, or unoccupied school buildings and make the list available on the department's Internet web site. Each school corporation shall provide a list of closed, unused, or unoccupied buildings to the department by the date set by the department. The department must update the list not later than fifteen (15) days after being notified of a closed, unused, or unoccupied building.

(g) A school building that appears for the first time on the department's list under subsection (f) shall be designated as "Unavailable until (a date two (2) years after the school building first appears on the list)" if the governing body of the school corporation that owns the school building indicates to the department, on a form prescribed by the department, that the school building may be reclaimed during that period for classroom instruction. If a governing body does not indicate that a school building may be reclaimed, the governing body shall designate the school building as "Available" on the department's list. The governing body may change the designation of a building from unavailable to available at any time. If a school building that is designated as unavailable on the department's list remains unused for classroom instruction one (1) year after being reclaimed under this subsection, the governing body shall designate the school building as "Available" on the department's list. A governing body may reclaim a school building only one (1) time under this subsection.

(h) If a charter school wishes to use a school building on the list created under subsection (f), the charter school shall send a letter of intent to the department. Within thirty (30) days after receiving a letter from a charter school, the department shall notify the school corporation of the charter school's intent, and, within thirty (30) days after receiving notification from the

department, the school corporation that owns the school building shall lease the school building to the charter school for one dollar (\$1) per year for as long as the charter school uses the school building for classroom instruction or for a term at the charter school's discretion, or sell the school building to the charter school for one dollar (\$1). The charter school must begin to use the school building for classroom instruction not later than two (2) years after acquiring the school building. If the school building is not used for classroom instruction within two (2) years after acquiring the school building, the school building shall be placed on the department's list under subsection (f). If during the term of the lease the charter school closes or ceases using the school building for classroom instruction, the school building shall be placed on the department's list under subsection (f). If a school building is sold to a charter school under this subsection and the charter school or any entity related to the charter school subsequently sells or transfers the school building to a third party, the charter school or related entity must transfer an amount equal to the gain in the property minus the adjusted basis (including costs of improvements to the school building) to the school corporation that initially sold the vacant school building to the charter school. Gain and adjusted basis shall be determined in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service regulations and guidelines.

(i) During the term of a lease under subsection (h), the charter school is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. The school corporation is responsible for any debt incurred for or liens that attached to the school building before the charter school leased the school building.

(j) Notwithstanding anything to the contrary in this section, and with the sole exception of a waiver provided in subsection (n), when a school building is designated as "Available" under subsection (g), the school building must remain designated as "Available" and may not be sold or otherwise disposed of for at least two (2) years. When the two (2) year period has elapsed, the school corporation may sell or otherwise dispose of the school building in accordance with IC 36-1-11.

(k) Notwithstanding subsection (e), a governing body may request a waiver from the department from the requirements of subsection (e). In order for a governing body to receive a waiver under subsection (n), the governing body must apply to the department, on a form prescribed by the department, for the waiver. The application must include a statement that the governing body believes that a charter school would not be interested in leasing or purchasing the vacant or unused school building.

(l) If the department receives a waiver request under subsection (k), the department, within five (5) days after receiving the waiver request under subsection (k), shall notify each charter school authorizer and statewide organization representing charter schools in Indiana by certified mail of the waiver request received under subsection (k). The notice must include a copy of the governing body's waiver request.

(m) Not later than thirty (30) days after a charter school authorizer or statewide organization representing charter schools in Indiana receives a notice described in subsection (l), the charter school authorizer or a statewide organization representing charter schools may submit a qualified objection to the governing body's request for a waiver under subsection (k). The qualified objection must be submitted to the department in writing. In order for an objection to be considered a qualified objection by the department, the objection must include:

- (1) the name of the charter school that is interested in leasing or purchasing the vacant or unused school building; and
- (2) a time frame, which may not exceed one (1) year from the date of the objection, in which the charter school

intends to begin providing classroom instruction in the vacant or unused school building.

(n) If the department receives a qualified objection under subsection (m), the vacant or unused school building shall remain on the department's list under subsection (f) with the designation with which the building is listed under subsection (g) at the time the department receives the waiver request. If the department does not receive a qualified objection, the department shall grant the governing body's request for a waiver. A governing body that receives a waiver under this subsection may sell or otherwise dispose of the unused or vacant school building in accordance with IC 36-1-11.

(o) An emergency manager of a distressed school corporation under IC 6-1.1-20.3 may sell an existing school building without complying with the requirements of subsection (e)."

Renumber all SECTIONS consecutively.

(Reference is to SB 567 as printed February 7, 2017.) and when so amended that said bill do pass.

Committee Vote: yeas 19, nays 3.

BROWN T, Chair

Report adopted.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 72

Representative Jordan introduced House Concurrent Resolution 72:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to rename the section of road along U.S. Highway 30 from the intersection with Pine Road in Plymouth to the intersection with Oak Road as the "Ralph 'Ray' Reed Memorial Drive".

Whereas, Ralph "Ray" Reed was born in Plymouth on May 24, 1947, and was killed in a work-related accident on August 3, 1995;

Whereas, While patrolling U.S. Highway 30 near Plymouth, Master Motor Carrier Inspector Ralph Reed stopped to inspect a semi-tractor trailer;

Whereas, As Inspector Reed walked around the tractor trailer, an oncoming semi-tractor trailer carrying cattle struck and killed him;

Whereas, Inspector Reed was the first Indiana State Police Motor Carrier Inspector to be killed in the line of duty;

Whereas, Inspector Reed was appointed as an Indiana State Police Motor Carrier Inspector on April 16, 1968, and served for 27 years and three months;

Whereas, Ralph "Ray" Reed left behind his wife, Cathy, son, Ralph Reed III, and daughter, Becky Reed Bockman; and

Whereas, Inspector Ralph "Ray" Reed gave his life in service to his state: Therefore,

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

SECTION 1. That the members of the Indiana General Assembly honor the memory of Inspector Ralph "Ray" Reed by renaming that section of road along U.S. Highway 30 from the intersection with Pine Road in Plymouth to the intersection with Oak Road as the "Ralph 'Ray' Reed Memorial Drive".

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the family of Ralph "Ray" Reed and the commissioner of the Indiana Department of Transportation.

The resolution was read a first time and referred to the Committee on Roads and Transportation.

House Concurrent Resolution 73

Representatives Braun, Bacon and Washburne introduced House Concurrent Resolution 73:

A CONCURRENT RESOLUTION recognizing the Bicentennial of Petersburg, Indiana.

Whereas, An act of the Indiana legislature dated February 10, 1817, empowered Pike County commissioners Paul Tislow, James Campbell, and Harrison Blagrove to select the best location for the permanent seat of Pike County. In execution of this order, the commissioners convened on March 1, 1817, and, after due consideration, affixed their signatures to their report. This report legally and officially created the town "Petersburg, II" known today as the city of Petersburg, Indiana, and designated it as the permanent seat of Pike County government;

Whereas, The new town was surveyed April 3, 1817, and the first public sale of lots was held April 14, 1817. The choice to locate at this site was due to the generous offer of four public spirited men, Peter Brenton, Henry Miley Sr., Henry Miley Jr., and John Coonrod, and was located about a mile from the White River, at or very near the Buffalo Trace, a point where migrating buffalo traversed the White River. Main Street, 100 feet wide, follows the broad, beaten track of the historic Buffalo Trace, from the northeast to the southwest. The town was named Petersburg in honor of Peter Brenton, the donor of the largest tract, 83 1/2 acres in Section 27. Many ancient Native American trails, villages, and routes were nearby at one time;

Whereas, The Buffalo Trace would give way to stagecoach routes, highways, and railroads, and the town would thrive. From the early 1800s to the early 1900s, it would be known as a place of commerce and residence and for its numerous shops, factories, mines, hotels, places of worship, and its beautifully wide Main Street and tree lined streets;

Whereas, The town's lifeblood being varied and active, many fine people have lived in and around the now "City" of Petersburg as the 20th century came into its own;

Whereas, The 20th century would continue to see prosperity and growth in industry and mining, but then came the hard times of the Great Depression, and seeing young men sent off to war twice on foreign shores, engaging and sacrificing in world wars. The 1950s and thereafter saw social change, technological advances, additional wars, and the rise of commercial agriculture and great mining machines; and

Whereas, Petersburg has seen, at times its declines, but never in its spirit, even after a devastating tornado and flood in 1990. The small town, now a city, at the north end of Pike County, with its rich history and people of goodwill, now embarks upon its bicentennial celebration: Therefore,

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

SECTION 1. That the Indiana General Assembly recognizes that Petersburg has seen, at times its declines, but never in its spirit, even after a devastating tornado and flood in 1990. The small town, now a city, at the north end of Pike County, with its rich history and people of goodwill, now embarks upon its bicentennial celebration.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Mayor of Petersburg.

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

Representative M. Smith, who had been present, is now excused.

ENGROSSED SENATE BILLS ON SECOND READING

Engrossed Senate Bill 20

Representative Friend called down Engrossed Senate Bill 20 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 20-3)

Mr. Speaker: I move that Engrossed Senate Bill 20 be amended to read as follows:

Page 1, line 4, after "A" insert "**minister or**".
Page 1, line 4, after "if the" insert "**minister or**".
(Reference is to ESB 20 as printed March 28, 2017.)

PIERCE

Motion failed. The bill was ordered engrossed.

Engrossed Senate Bill 51

Representative Davisson called down Engrossed Senate Bill 51 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 60

Representative Friend called down Engrossed Senate Bill 60 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 60-2)

Mr. Speaker: I move that Engrossed Senate Bill 60 be amended to read as follows:

Page 2, between lines 34 and 35, begin a new line block indented and insert:

"(5) Study and take testimony regarding the current salaries, and make recommendations for suitable salaries, for the following:

- (A) State employees.**
- (B) State law enforcement officers.**
- (C) Public school teachers.**
- (D) Local elected officials and employees.**
- (E) Private sector salaries in the Hoosier workforce."**

(Reference is to ESB 60 as printed March 31, 2017.)

PRYOR

Upon request of Representatives Mahan and Behning, the Speaker ordered the roll of the House to be called. Roll Call 360: yeas 28, nays 66. Motion failed. The bill was ordered engrossed.

Engrossed Senate Bill 128

Representative Braun called down Engrossed Senate Bill 128 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 128-1)

Mr. Speaker: I move that Engrossed Senate Bill 128 be amended to read as follows:

Page 18, delete lines 7 through 8, begin a new line block indented and insert:

"that the authority considers necessary to carry out the purposes of this chapter."

Page 25, line 5, delete "long-range" and insert "**long range**".
Page 36, line 42, delete "chapter," and insert "**chapter**".
Page 37, line 1, delete "IC 36-9-43.5, IC 36-9-43.7,".
(Reference is to ESB 128 as printed March 31, 2017)

BRAUN

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 151

Representative Clere called down Engrossed Senate Bill 151 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 151-1)

Mr. Speaker: I move that Engrossed Senate Bill 151 be amended to read as follows:

Page 4, line 40, strike "an individual" and insert "**a person**".
Page 5, line 8, delete "may not include personally identifying" and insert "**must be released to the extent disclosure of the information is not prohibited by applicable federal law.**".

Page 5, delete line 9.
(Reference is to ESB 151 as printed March 17, 2017.)

CLERE

Motion prevailed.

HOUSE MOTION
(Amendment 151-2)

Mr. Speaker: I move that Engrossed Senate Bill 151 be amended to read as follows:

Page 7, line 35, delete "and".
Page 7, line 36, delete "." and insert ";".

Page 7, between lines 36 and 37, begin a new line block indented and insert:

- "(8) a representative of the National Association of Boards of Pharmacy;**
- (9) a representative of the Indiana board of pharmacy (created by IC 25-26-13-3);**
- (10) a representative of the office of technology (established by IC 4-13.1-2-1);**
- (11) a representative of the Indiana Hospital Association;**
- (12) a representative of a health information exchange; and**
- (13) any other persons selected by the agency."**

Page 7, line 37, after "evaluate the" insert "**following:**".

Page 7, delete line 38.

Page 7, line 39, after "(1)" insert "**The cost and feasibility of using the INSPECT data base to**".

Page 7, line 40, delete ";" and insert ".".

Page 7, delete line 41.

Page 7, line 42, after "(2)" insert "**The cost and feasibility of using the INSPECT data base to**".

Page 8, between lines 8 and 9, begin a new line block indented and insert:

"(3) INSPECT operations and interoperability of data, including:

- (A) the security requirements for data sharing; and**
- (B) the use of identifiable data and data that has been de-identified."**

(Reference is to ESB 151 as printed March 17, 2017.)

DAVISSON

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 154

Representative Olthoff called down Engrossed Senate Bill 154 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 213

Representative Ober called down Engrossed Senate Bill 213 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 309

Representative Ober called down Engrossed Senate Bill 309 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 409

Representative Torr called down Engrossed Senate Bill 409 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 409-5)

Mr. Speaker: I move that Engrossed Senate Bill 409 be amended to read as follows:

Page 4, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 4. IC 20-29-6-16, AS AMENDED BY P.L.239-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 16. (a) If an agreement has not been reached on the items to be bargained collectively by November 1, as provided in IC 6-1.1-17-5, the parties shall continue the terms of the current contract that is in effect, and the school employer may issue tentative individual contracts and prepare its budget on that basis. During this period, in order to allow the successful resolution of the dispute, the school employer may not unilaterally change the terms or conditions of employment that are issues in dispute.

(b) Upon the expiration of the current contract that is in effect, except for performance stipends and additions to base salary provided under IC 20-43-10-3, the school employer shall continue under the terms of the current contract that is in effect, with no increase or increment in salary, wages, or benefits for any bargaining unit employee until a new contract is executed. ~~unless continuation would put the school employer in a position of deficit financing due to a reduction in the employer's actual general fund revenue or an increase in an employer's expenditures when the expenditures exceed the current year actual general fund revenue.~~

(c) The only parts of the contract that must continue under this section are the items contained in the contract and listed in section 4 of this chapter.

(d) This section may not be construed as relieving the school employer or the school employee organization from the duty to bargain collectively until a mutual agreement has been reached and a contract entered as called for in this chapter.

SECTION 5. IC 20-29-6-16.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 16.5. The board shall amend 560 IAC 2-2-13(d) to provide that a petition for representation filed under 560 IAC 2-2-3(c) shall not be dismissed if the petition is filed:**

(1) after January 14 and before February 16 of the calendar year of the expiration of the collective bargaining agreement; or

(2) during a period not to exceed thirty (30) days, as determined by the board, in the calendar year of the expiration of the collective bargaining agreement."

Renumber all SECTIONS consecutively.

(Reference is to ESB 409 as printed March 21, 2017.)

BEHNING

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 449

Representative Slager called down Engrossed Senate Bill 449 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 449-1)

Mr. Speaker: I move that Engrossed Senate Bill 449 be amended to read as follows:

Page 2, between lines 14 and 15, begin a new line block indented and insert:

"(2) Except as provided in subdivision (3), for a contract for services entered into after June 30, 2017, including any extensions, the contract must specify a monetary threshold set by the county assessor and that when the money in the fund exceeds the threshold then the county auditor shall distribute the money in excess of the threshold to the appropriate taxing units in the county using the property tax rates of each taxing unit in effect at the time of the distribution."

Page 2, line 15, strike "(2)" and insert "(3)".

Page 2, line 27, delete "years." and insert **"years, including any extensions."**

(Reference is to ESB 449 as printed March 28, 2017.)

PRYOR

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 498

Representative Wesco called down Engrossed Senate Bill 498 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 498-3)

Mr. Speaker: I move that Engrossed Senate Bill 498 be amended to read as follows:

Page 2, line 18, after "in" insert **"elementary education with an endorsement of at least twelve (12) credit hours or the equivalent in"**.

(Reference is to ESB 498 as printed March 28, 2017.)

V. SMITH

Motion withdrawn. The bill was ordered engrossed.

Engrossed Senate Bill 514

Representative Siegrist called down Engrossed Senate Bill 514 for second reading. The bill was read a second time by title.

HOUSE MOTION
(Amendment 514-1)

Mr. Speaker: I move that Engrossed Senate Bill 514 be amended to read as follows:

x Page 3, line 26, delete "IC 6-1.1-46." and insert **"IC 6-1.1-46.2."**

Page 8, line 20, delete "IC 5-28-15.5-3." and insert **"IC 5-28-15.5-1."**

Page 11, line 31, delete "IC 6-1.1-46" and insert **"IC 6-1.1-46.2"**.

Page 11, line 34, delete "46." and insert **"46.2."**

Page 11, line 41, delete "IC 5-28-15.5-5(b)." and insert **"IC 5-28-15.5-2(d)."**

Page 17, line 17, delete "IC 6-1.1-46," and insert **"IC 6-1.1-46.2,"**

(Reference is to ESB 514 as printed March 31, 2017.)

T. BROWN

Motion prevailed.

HOUSE MOTION
(Amendment 514-2)

Mr. Speaker: I move that Engrossed Senate Bill 514 be amended to read as follows:

Page 3, between lines 30 and 31, begin a new line double block indented and insert:

"(D) The city of Elkhart."

(Reference is to ESB 514 as printed March 31, 2017.)

MILLER

Motion prevailed. The bill was ordered engrossed.

**ENGROSSED SENATE BILLS
ON THIRD READING**

Engrossed Senate Bill 404

Representative Mayfield called down Engrossed Senate Bill 404 for third reading:

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

The bill was read a third time by sections and placed upon its passage.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 404 be made a special order of business for Tuesday, April 4, 2017, at 10:30 a.m.

LEHMAN

Motion prevailed.

**ENGROSSED SENATE BILLS
ON SECOND READING**

Engrossed Senate Joint Resolution 7

Representative T. Brown called down Engrossed Senate Bill 7 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

RESOLUTIONS ON SECOND READING

House Concurrent Resolution 7

The Speaker handed down on its passage House Concurrent Resolution 7, introduced by Representative Beumer:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to rename that section of U.S. Highway 27, both north and south, through Lynn, Indiana, as the "Captain Charles Edwin Engle Memorial Mile."

The resolution was read a second time and adopted. Roll Call 361: yeas 93, nays 0. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Raatz.

Representative Austin, who had been present, is now excused.

House Concurrent Resolution 8

The Speaker handed down on its passage House Concurrent Resolution 8, introduced by Representative Ellington:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to rename that part of U.S. Highway 23 from Interstate Highway 69 to the city of Bloomfield the "Donald W. Dean Memorial Highway" ..

The resolution was read a second time and adopted. Roll Call 362: yeas 93, nays 0. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Bassler.

Senate Concurrent Resolution 2

The Speaker handed down on its passage Senate Concurrent Resolution 2, sponsored by Representative Lehe:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to rename the Washington Street Bridge on U.S. 24 in Monticello as the "Chief Master Sergeant Dean A. DuVall Bridge".

The resolution was read a second time and adopted. Roll Call 363: yeas 93, nays 0. The Clerk was directed to inform the Senate of the passage of the resolution.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Referrals to Ways and Means withdrawn

The Speaker announced that the referral of Engrossed Senate Bill 15 to the Committee on Ways and Means, pursuant to Rule 127, had been withdrawn.

Referrals to Ways and Means

The Speaker announced, pursuant to House Rule 127, that Engrossed Senate Bill 62 had been referred to the Committee on Ways and Means.

HOUSE MOTION

Mr. Speaker: I move that Representative Clere be added as cosponsor of Engrossed Senate Bill 29.

COOK

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative DeLaney be added as cosponsor of Engrossed Senate Bill 30.

COOK

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Porter be added as cosponsor of Engrossed Senate Bill 59.

FRIZZELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Ziemke be added as cosponsor of Engrossed Senate Bill 154.

OLTHOFF

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Braun be added as cosponsor of Engrossed Senate Bill 198.

HUSTON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three cosponsors and that Representatives Carbaugh, McNamara, Karickhoff, Soliday, Ziemke, Siegrist, Jordan, Forestal, Errington, Harris and Porter be added as cosponsors of Engrossed Senate Bill 355.

OLTHOFF

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 Bacon be added as cosponsor of Engrossed Senate Bill 404.

MAYFIELD

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Pierce be added as cosponsor of Engrossed Senate Bill 466.

FRIZZELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Summers be added as cosponsor of Engrossed Senate Bill 447.

FRIZZELL

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Frye be added as coauthor of House Concurrent Resolution 7.

BEUMER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Siegrist be added as coauthor of House Concurrent Resolution 69.

KLINKER

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed, without amendments, Engrossed House Bills 1065, 1074 and 1654 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 Engrossed House Bills 1004, 1008, 1024, 1200, 1286, 1415, 1463, 1511, 1516 and 1601 with amendments and the same are herewith returned to the House for concurrence.

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 40 and 44 and the same are herewith transmitted to the House for further action.

JENNIFER L. MERTZ
Principal Secretary of the Senate

On the motion of Representative Torr, the House adjourned at 6:17 p.m., this third day of April, 2017, until Tuesday, April 4, 2017, at 10:00 a.m.

BRIAN C. BOSMA
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives