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# HOUSE BILL No. 1033

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-1-17.

**Synopsis:** Local government ethics codes. Requires municipalities and counties to establish a code of ethics not later than July 1, 2005.

**Effective:** July 1, 2004.

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December 4, 2003, read first time and referred to Committee on Local Government.

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Second Regular Session 113th General Assembly (2004)

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

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

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

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# HOUSE BILL No. 1033



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

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

1 SECTION 1. IC 36-1-17 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2004]:

4 **Chapter 17. Code of Ethics**

5 **Sec. 1. As used in this chapter, "public employee" means an**  
6 **employee of a municipality or a county. The term does not include**  
7 **an independent contractor or an individual employed by an**  
8 **independent contractor.**

9 **Sec. 2. As used in this chapter, "public officer" means an elected**  
10 **or appointed officer of a municipality or a county.**

11 **Sec. 3. The legislative body of a municipality or a county shall**  
12 **adopt an ordinance establishing a code of ethics that governs**  
13 **public officers and public employees of the municipality or county.**

14 **Sec. 4. A code of ethics adopted under this chapter must include**  
15 **the following provisions:**

16 (1) **A statement that the purpose and intent of the ethics code**  
17 **is to establish:**



1 (A) ethical standards; and  
2 (B) a system of enforcement of the ethics code;  
3 to promote public confidence in the integrity of the local  
4 government.

5 (2) The appointment of an ethics officer or an ethics  
6 commission to investigate and enforce violations of the ethics  
7 code.

8 (3) Ethics training for all public employees and public officers  
9 of the municipality or county.

10 Sec. 5. A code of ethics adopted under this chapter shall  
11 establish ethical standards for public officers and public  
12 employees. The standards shall address the following issues:

13 (1) The solicitation and acceptance of gifts, loans, honoraria,  
14 or other unauthorized compensation by public officers and  
15 public employees.

16 (2) Disclosure of public officers' and public employees'  
17 financial interests that may present a conflict of interest with  
18 the municipality or county.

19 (3) Disqualification of a public officer or public employee  
20 from acting on public business if the officer or employee has  
21 a pecuniary interest in a contract or other business of the  
22 municipality or county.

23 (4) Improper influence of or by a public officer or public  
24 employee.

25 (5) Misuse of a public office or public employment.

26 (6) Election campaigning by public officers and public  
27 employees.

28 Sec. 6. A code of ethics adopted under this chapter shall provide  
29 sanctions for violating the code of ethics, which may include fines,  
30 penalties, removal from office or employment, or public  
31 reprimands.

32 SECTION 2. [EFFECTIVE JULY 1, 2004] (a) This SECTION  
33 applies to a municipality or county that has adopted an ordinance  
34 establishing a code of ethics before July 1, 2004.

35 (b) If the code of ethics of a municipality or county does not  
36 include the provisions described in IC 36-1-17-4 and IC 36-1-17-5,  
37 both as added by this act, the municipality or county shall:

38 (1) adopt a new ordinance establishing a code of ethics in  
39 compliance with IC 36-1-17, as added by this act; or

40 (2) amend its code of ethics to include the provisions described  
41 in IC 36-1-17-4 and IC 36-1-17-5, both as added by this act.

42 (c) Notwithstanding IC 36-1-17, as added by this act, a county

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1 or municipality shall comply with this SECTION not later than  
2 July 1, 2005.  
3 (d) This SECTION expires July 1, 2006.  
4 SECTION 3. [EFFECTIVE JULY 1, 2004] (a) This SECTION  
5 applies to a municipality or county that has not adopted an  
6 ordinance establishing a code of ethics before July 1, 2004.  
7 (b) Notwithstanding the addition of IC 36-1-17 by this act  
8 effective July 1, 2004, a municipal or county legislative body shall  
9 adopt an ordinance establishing a code of ethics in compliance with  
10 IC 36-1-17, as added by this act, not later than July 1, 2005.  
11 (c) This SECTION expires July 1, 2006.

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