
HOUSE BILL No. 1221

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-30-16-3; IC 6-8.1-9-5; IC 10-16-7-8.5; IC 10-17.

Synopsis: Veterans affairs trust. Provides a \$150,000 death benefit for a member of the national guard or a reserve component who dies while on military duty, beginning September 11, 2001. Appropriates a sufficient amount from the state general fund for the death benefit. Establishes the veterans' affairs trust fund to finance certain benefits and services to eligible veterans and to fund veteran related projects authorized by the veterans' affairs commission. Funds the trust fund by: (1) taxpayer designation of all or part of a state income tax refund; (2) a quarterly allocation of 0.5% of the surplus revenue in the lottery's administrative trust fund; (3) donations; and (4) appropriations or other amounts provided for the fund. Provides that benefits available to eligible veterans from the fund include: (1) tuition reimbursement; (2) temporary emergency aid grants for subsistence and health care; (3) personal loans; (4) an assistance program for veterans in need of services; (5) retraining grants; (6) allocations to the state armory board for use by the military department of the Indiana ceremonial unit in rendering appropriate military honors at state functions and veteran funeral services; (7) grants to veterans associations, veterans organizations, and memorial corporations; and (8) grants to county service officers to improve services to veterans. Requires the department of veterans' affairs to establish a program to reimburse a medal of honor awardee who is a resident of Indiana for participating in patriotic and other official events. Appropriates a sufficient amount from the state general fund to reimburse medal of honor awardees.

Effective: July 1, 2006.

Reske, Richardson

January 10, 2006, read first time and referred to Committee on Public Policy and Veterans Affairs.

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Second Regular Session 114th General Assembly (2006)

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 2005 Regular Session of the General Assembly.

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HOUSE BILL No. 1221



A BILL FOR AN ACT to amend the Indiana Code concerning public safety and to make an appropriation.

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

1 SECTION 1. IC 4-30-16-3, AS AMENDED BY P.L.246-2005,
2 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2006]: Sec. 3. (a) The commission shall transfer the surplus
4 revenue in the administrative trust fund as follows:

5 **(1) Before the last business day of January, April, July, and**
6 **October, the commission shall transfer to the treasurer of**
7 **state, for deposit in the veterans' affairs trust fund established**
8 **by IC 10-17-12-9, an amount equal to one-half percent (0.5%)**
9 **of the surplus revenue in the administrative trust fund on the**
10 **first day of January, April, July, and October.**

11 **(2) Before the last business day of January, April, July, and**
12 **October, the commission shall transfer to the treasurer of state, for**
13 **deposit in the Indiana state teachers' retirement fund**
14 **(IC 21-6.1-2), seven million five hundred thousand dollars**
15 **(\$7,500,000). Notwithstanding any other law, including any**
16 **appropriations law resulting from a budget bill (as defined in**
17 **IC 4-12-1-2), the money transferred under this subdivision shall**



1 be set aside in the pension stabilization fund (IC 21-6.1-2-8) to be
 2 used as a credit against the unfunded accrued liability of the
 3 pre-1996 account (as defined in IC 21-6.1-1-6.9) of the Indiana
 4 state teachers' retirement fund. The money transferred is in
 5 addition to the appropriation needed to pay benefits for the state
 6 fiscal year.

7 ~~(2)~~ **(3)** Before the last business day of January, April, July, and
 8 October, the commission shall transfer:

9 (A) two million five hundred thousand dollars (\$2,500,000) of
 10 the surplus revenue to the treasurer of state for deposit in the
 11 "k" portion of the pension relief fund (IC 5-10.3-11); and

12 (B) five million dollars (\$5,000,000) of the surplus revenue to
 13 the treasurer of state for deposit in the "m" portion of the
 14 pension relief fund (IC 5-10.3-11).

15 ~~(3)~~ **(4)** The surplus revenue remaining in the fund on the last day
 16 of January, April, July, and October after the transfers under
 17 subdivisions (1), ~~and~~ (2), **and (3)** shall be transferred by the
 18 commission to the treasurer of state for deposit on that day in the
 19 build Indiana fund.

20 (b) The commission may make transfers to the treasurer of state
 21 more frequently than required by subsection (a). However, the number
 22 of transfers does not affect the amount that is required to be transferred
 23 for the purposes listed in subsection (a)(1), ~~and~~ (a)(2), **or (a)(3)**. Any
 24 amount transferred during the month in excess of the amount required
 25 to be transferred for the purposes listed in subsection (a)(1), ~~and~~ (a)(2),
 26 **or (a)(3)** shall be transferred to the build Indiana fund.

27 SECTION 2. IC 6-8.1-9-5 IS ADDED TO THE INDIANA CODE
 28 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 29 1, 2006]: **Sec. 5. (a) As used in this section, "trust fund" refers to**
 30 **the veterans' affairs trust fund established by IC 10-17-12-9.**

31 **(b) An individual who:**

32 **(1) is a resident of Indiana;**

33 **(2) files an individual income tax return; and**

34 **(3) is entitled to a refund from the department because of an**
 35 **overpayment of income tax for a taxable year;**

36 **may designate on the individual's annual state income tax return**
 37 **that all or part of a refund to which the individual is entitled be**
 38 **paid to the trust fund. If the individual designates an amount that**
 39 **is greater than the amount to which the individual is entitled as a**
 40 **refund, the entire amount of the individual's refund must be paid**
 41 **to the trust fund.**

42 **(c) A husband and wife who:**

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1 (1) are residents of Indiana;
 2 (2) file a joint income tax return; and
 3 (3) are entitled to a refund from the department because of an
 4 overpayment of income tax for a taxable year;
 5 may designate on their annual state income tax return that all or
 6 part of a refund to which they are entitled be paid to the trust fund.
 7 If the husband and wife designate an amount that is greater than
 8 the amount to which they are entitled as a refund, the entire
 9 amount of their refund must be paid to the trust fund.

10 (d) If an individual or a husband and wife who designate a
 11 donation to the trust fund under this section also designate a
 12 donation to the nongame fund under section 4 of this chapter, the
 13 department shall first apply the refund to the payment of the
 14 donation to the trust fund. The balance, if any, of the refund
 15 remaining after payment of the donation to the trust fund shall be
 16 applied to payment of the donation made by the individual or the
 17 husband and wife to the nongame fund under section 4 of this
 18 chapter.

19 (e) The instructions for the preparation of individual income tax
 20 returns must include a description of the purposes and uses of the
 21 trust fund that is written in cooperation with the Indiana
 22 department of veterans' affairs.

23 SECTION 3. IC 10-16-7-8.5 IS ADDED TO THE INDIANA CODE
 24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 25 1, 2006]: **Sec. 8.5. (a) If a member of the Indiana National Guard
 26 or a member of any reserve component of the Indiana National
 27 Guard or armed forces of the United States who is a resident of
 28 Indiana dies after September 10, 2001, while on a day of military
 29 duty, a special death benefit of one hundred fifty thousand dollars
 30 (\$150,000) shall be paid in a lump sum from the state general fund
 31 to the following relative of the member:**

- 32 (1) The surviving spouse.
- 33 (2) If there is no surviving spouse, the surviving children (to
 34 be shared equally).
- 35 (3) If there is no surviving spouse and there are no surviving
 36 children, the parent or parents in equal shares.

37 (b) The adjutant general shall adopt rules under the authority
 38 given to the adjutant general under IC 10-16-2-9 to make the
 39 payments under subsection (a).

40 (c) There is annually appropriated to the adjutant general an
 41 amount sufficient from the state general fund to make the
 42 payments under subsection (a).

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1 SECTION 4. IC 10-17-1-4 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The commission
3 may do acts necessary or reasonably incident to the fulfillment of the
4 purposes of this chapter, including the following:

- 5 (1) Adopt rules under IC 4-22-2 to administer this chapter.
- 6 (2) Advise the veterans' state service officer in problems
7 concerning the welfare of veterans.
- 8 (3) Determine general administrative policies within the
9 department.

10 **(b) The commission's duties also include performance of the**
11 **duties described in IC 10-17-12 for the veterans' affairs trust fund.**

12 SECTION 5. IC 10-17-1-6 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) The director of
14 veterans' affairs:

- 15 (1) is the executive and administrative head of the department of
16 veterans' affairs; and
- 17 (2) shall direct and supervise the administrative and technical
18 activities of the department;

19 subject to the general supervision of the commission.

20 (b) The duties of the director include the following:

- 21 (1) To attend all meetings of the commission and to act as
22 secretary and keep minutes of the commission's proceedings.
- 23 (2) To appoint, by and with the consent of the commission, under
24 this chapter and notwithstanding IC 4-15-2, the employees of the
25 department necessary to carry out this chapter and to fix the
26 compensation of the employees. Employees of the department
27 must be:
 - 28 (A) honorably discharged veterans who have had at least six
29 (6) months service in the armed forces of the United States and
30 who are citizens of the United States and Indiana; or
 - 31 (B) spouses, surviving spouses, parents, or children of an
32 individual described in clause (A).

33 An employee must qualify for the job concerned.

- 34 (3) To carry out the program for veterans' affairs as directed by
35 the governor and the commission.
- 36 (4) To carry on field direction, inspection, and coordination of
37 county and city service officers as provided in this chapter.
- 38 (5) To prepare and conduct service officer training schools with
39 the voluntary aid and assistance of the service staffs of the major
40 veterans' organizations.
- 41 (6) To maintain an information bulletin service to county and city
42 service officers for the necessary dissemination of material

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1 pertaining to all phases of veterans' rehabilitation and service
2 work.

3 (7) To perform the duties described in IC 10-17-11 for the Indiana
4 state veterans' cemetery.

5 **(8) To perform the duties described in IC 10-17-12 for the**
6 **veterans' affairs trust fund.**

7 **(9) To establish a program and set guidelines under which a**
8 **medal of honor awardee who is a resident of Indiana may**
9 **receive compensation when called on to attend and participate**
10 **in official ceremonies in Indiana. There is annually**
11 **appropriated to the Indiana department of veterans' affairs**
12 **from the state general fund an amount sufficient to cover**
13 **expenses incurred under this subdivision.**

14 SECTION 6. IC 10-17-12 IS ADDED TO THE INDIANA CODE
15 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2006]:

17 **Chapter 12. Veterans' Affairs Trust Fund**

18 **Sec. 1. As used in this chapter, "active duty" means full-time**
19 **service in the armed forces, excluding full-time service for training**
20 **purposes.**

21 **Sec. 2. As used in this chapter, "armed forces" includes the**
22 **active and reserve components of the following:**

- 23 (1) The United States Army.
24 (2) The United States Navy.
25 (3) The United States Marine Corps.
26 (4) The United States Air Force.
27 (5) The United States Coast Guard.

28 **Sec. 3. As used in this chapter, "commission" refers to the**
29 **veterans' affairs commission established by IC 10-17-1-3.**

30 **Sec. 4. As used in this chapter, "department" refers to the**
31 **Indiana department of veterans' affairs established by**
32 **IC 10-17-1-2.**

33 **Sec. 5. As used in this chapter, "director" refers to the director**
34 **of veterans' affairs.**

35 **Sec. 6. As used in this chapter, "fund" refers to the veterans'**
36 **affairs trust fund established by section 9 of this chapter.**

37 **Sec. 7. As used in this chapter, "veteran" means a person who:**
38 (1) served in the armed forces; and
39 (2) was discharged or separated from service under other
40 than dishonorable conditions.

41 **Sec. 8. (a) As used in this chapter, "war" includes the following**
42 **periods:**

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- 1 (1) Spanish-American War - April 21, 1898, to July 4, 1902.
- 2 (2) Mexican border period - May 9, 1916, to April 5, 1917.
- 3 (3) World War I - April 6, 1917, to November 11, 1918.
- 4 (4) World War II - December 7, 1941, to December 31, 1946.
- 5 (5) Korean Conflict - June 27, 1950, to January 31, 1955.
- 6 (6) Vietnam era - August 5, 1964, to May 7, 1975.
- 7 (7) Persian Gulf War - August 2, 1990, to a date to be set by
- 8 presidential proclamation or federal law.
- 9 (8) Afghanistan War - September 11, 2001, to a date to be set
- 10 by presidential proclamation or federal law.
- 11 (9) Iraq War - March 19, 2003, to a date to be set by
- 12 presidential proclamation or federal law.
- 13 (10) The period beginning on the date of any declaration of
- 14 war, after June 30, 2006, by the United States Congress and
- 15 ending on the date prescribed by presidential proclamation or
- 16 concurrent resolution of the United States Congress.
- 17 (11) Actual combat or duty equally hazardous, regardless of
- 18 time, or service in any foreign war, insurrection, or
- 19 expedition, for which service is recognized by the award of a
- 20 service or campaign medal of the United States.
- 21 (12) Service on a vessel of the United States on ocean,
- 22 coastwise, or intercoastal voyages, regardless of time, under
- 23 conditions of danger to life and property or subjected to
- 24 hostile action by an enemy government or hostile force.
- 25 (b) As used in this section, "vessel of the United States" means
- 26 a vessel documented or numbered under the laws of the United
- 27 States or titled under the laws of a state.
- 28 **Sec. 9. (a) The veterans' affairs trust fund is established for the**
- 29 **purpose of:**
- 30 (1) financing the education, economic assistance, and other
- 31 benefits and services that the state provides to veterans; and
- 32 (2) funding various veteran related projects authorized by the
- 33 commission;
- 34 **under this chapter.**
- 35 (b) The department may expend the money in the fund
- 36 exclusively to provide the programs and projects described in
- 37 subsection (a).
- 38 (c) The director shall administer the fund.
- 39 **Sec. 10. (a) The fund consists of the following:**
- 40 (1) Refunds designated for the fund under IC 6-8.1-9-5.
- 41 (2) Allocations to the fund under IC 4-30-16-3.
- 42 (3) Appropriations made by the general assembly.

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1 (4) Donations to the fund.

2 (5) Interest as provided in subsection (c).

3 (6) Money transferred to the fund from other funds.

4 (7) Money from any other source authorized or appropriated
5 for the fund.

6 (b) The expenses of administering the fund and this chapter
7 shall be paid from the fund.

8 (c) The treasurer of state shall invest the money in the fund not
9 currently needed to meet the obligations of the fund in the same
10 manner as other public money may be invested. Interest that
11 accrues from these investments shall be deposited in the fund.

12 (d) Money in the fund at the end of a state fiscal year does not
13 revert to the state general fund or to any other fund.

14 (e) Except as provided by an enactment of the general assembly,
15 there is annually appropriated to the department all money in the
16 fund for purposes of this chapter.

17 Sec. 11. (a) To receive the education, economic assistance, and
18 other benefits and services that the state provides to veterans
19 under this chapter, a veteran must establish eligibility based on:

20 (1) required service in the armed forces as described in
21 subsection (b); and

22 (2) state residency requirements as described in subsection (c).

23 (b) A veteran must establish eligibility based on service in the
24 armed forces in one (1) of the following ways:

25 (1) At least two (2) years of continuous active duty service.

26 (2) Less than two (2) years of active duty service, if the
27 veteran received a discharge based on:

28 (A) a service connected disability;

29 (B) hardship; or

30 (C) a reduction in force.

31 (3) Completion of the veteran's initial service obligation of less
32 than two (2) years.

33 (4) At least ninety (90) days of active duty service during a
34 war.

35 (c) A veteran must establish eligibility based on state residency
36 in one (1) of the following ways:

37 (1) Residency at the time the veteran entered or reentered
38 active duty in the armed forces.

39 (2) Residency for twelve (12) consecutive months any time
40 after entering or reentering active duty in the armed forces.

41 (d) In addition to establishing state residency under subsection
42 (c), a veteran must live in Indiana when the veteran applies for

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benefits under this chapter.

Sec. 12. (a) As used in this section, "approved institution of higher learning" has the meaning set forth in IC 20-12-21-3.

(b) As used in this section, "part-time study" means enrollment by an eligible veteran in courses for which not more than eleven (11) semester hours (or the equivalent trimester or quarter credits) will be granted upon satisfactory completion.

(c) A veteran is eligible for tuition reimbursement under this section if:

- (1) the annual income of the veteran and the veteran's spouse does not exceed the Indiana median household income (as determined by the department of workforce development);
- (2) the veteran applies for tuition reimbursement for courses begun at an approved institution of higher learning not later than ten (10) years after the veteran's date of discharge or separation from service; and
- (3) the veteran demonstrates that the course work or course of study is related to the veteran's occupational, professional, or employment objectives.

(d) A veteran who is receiving:

- (1) a National Guard tuition supplement grant under IC 20-12-74; or
 - (2) a retraining grant under section 16 of this chapter;
- is not eligible for tuition reimbursement under this section.

(e) A veteran who:

- (1) meets the eligibility requirements of:
 - (A) this section; and
 - (B) section 11 of this chapter; and
- (2) completes an application for tuition reimbursement in a form specified by the department;

is entitled to reimbursement equal to the total cost of tuition (minus the amount of any grants or scholarships the veteran receives specifically for the payment of tuition) for full-time or part-time study.

(f) The maximum reimbursement available under this section to an eligible veteran is based on the veteran's cumulative total of active duty and may not exceed the following:

- (1) For less than ninety (90) days of active duty, no reimbursement.
- (2) For at least ninety (90) days but less than one hundred eighty (180) days of active duty, thirty (30) semester hours (or the equivalent trimester or quarter credits) or two (2)

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- 1 semesters (or the equivalent trimesters or quarters).
- 2 (3) For at least one hundred eighty (180) days but less than
- 3 two (2) years of active duty, sixty (60) semester hours (or the
- 4 equivalent trimester or quarter credits) or four (4) semesters
- 5 (or the equivalent trimesters or quarters).
- 6 (4) For at least two (2) years of active duty, one hundred
- 7 twenty (120) semester hours (or the equivalent trimester or
- 8 quarter credits) or eight (8) semesters (or the equivalent
- 9 trimesters or quarters).
- 10 (g) Not later than sixty (60) days after a course or semester,
- 11 trimester, or quarter is successfully completed, a veteran must
- 12 submit evidence of completion to receive the tuition
- 13 reimbursement, unless there is good cause for the delay.
- 14 (h) The commission may adjust the tuition reimbursement rate
- 15 if the amount in the fund is insufficient to pay for the full
- 16 reimbursement for all eligible veterans.
- 17 Sec. 13. (a) Subject to the limitations in this chapter, a veteran
- 18 who meets the eligibility requirements of this section and section 11
- 19 of this chapter is entitled to receive either or both of the following
- 20 temporary emergency aid grants:
- 21 (1) A subsistence aid grant.
- 22 (2) A health care aid grant.
- 23 (b) The maximum amounts that a veteran may receive under
- 24 this section are as follows:
- 25 (1) The cumulative lifetime total for temporary aid grants is
- 26 five thousand dollars (\$5,000).
- 27 (2) For subsistence aid grants, the maximum amount is two
- 28 thousand dollars (\$2,000) in a twelve (12) month period.
- 29 (3) For health care aid grants, the maximum amounts are the
- 30 following:
- 31 (A) Dental and dentures: two thousand five hundred
- 32 dollars (\$2,500).
- 33 (B) Hearing aids: one thousand five hundred dollars
- 34 (\$1,500).
- 35 (C) Eyeglasses: five hundred dollars (\$500).
- 36 (c) The department may not award a temporary aid grant to a
- 37 veteran if:
- 38 (1) the expense for which the grant is sought is covered by
- 39 insurance or other third party payment;
- 40 (2) the veteran is eligible for any other federal, state, or
- 41 veterans' assistance program that would cover the expense for
- 42 which the grant is sought; or

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1 (3) the combined liquid assets of the veteran, the veteran's
 2 spouse, and the veteran's dependents who are living in the
 3 same household with the veteran exceed one thousand dollars
 4 (\$1,000). For purposes of this subdivision, liquid assets include
 5 all readily available financial resources, such as cash,
 6 checking, savings, money market accounts, stocks, bonds, and
 7 individual retirement accounts.

8 (d) The department may award a subsistence aid grant to an
 9 eligible veteran for up to ninety (90) days after a loss of income
 10 that is the result of:

- 11 (1) an illness;
 12 (2) a disability;
 13 (3) a death;
 14 (4) substance abuse, if the veteran is participating in a
 15 treatment program approved by the department; or
 16 (5) a natural disaster.

17 (e) The amount of a subsistence aid grant is the lesser of:

- 18 (1) the veteran's lost income; or
 19 (2) the amount required to provide basic subsistence to the
 20 veteran, such as food, housing, utilities, medication, and basic
 21 transportation.

22 (f) The department may award a health care aid grant to an
 23 eligible veteran to pay for essential medical and dental care,
 24 including:

- 25 (1) emergency care provided to the veteran not more than
 26 ninety (90) days before the veteran files an application for a
 27 health care grant; or
 28 (2) treatment of substance abuse or health care required
 29 because of substance abuse.

30 (g) A medical authority acceptable to the department shall
 31 verify:

- 32 (1) a veteran's illness or disability, for purposes of a
 33 subsistence aid grant; or
 34 (2) whether the medical or dental care is essential, for
 35 purposes of a health care aid grant.

36 Sec. 14. (a) The loan program established under this section is
 37 a special purpose credit program for an economically
 38 disadvantaged class of persons for purposes of the federal Equal
 39 Credit Opportunity Act, 15 U.S.C. 1691-1691f.

40 (b) The department may make one (1) or more personal loans
 41 to a veteran who meets the eligibility requirements of this section
 42 and section 11 of this chapter.

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- 1 (c) The total amount of all personal loans made to a veteran
- 2 under this section may not exceed five thousand dollars (\$5,000).
- 3 (d) The commission shall prescribe the conditions of a loan
- 4 made under subsection (b), except that:
- 5 (1) the term of the loan may not exceed ten (10) years;
- 6 (2) the borrower must sign a promissory note as evidence of
- 7 the loan; and
- 8 (3) the loan must be secured by a guarantor.
- 9 (e) The department may charge the expenses of making a loan
- 10 under this section to the borrower.
- 11 (f) The department shall ensure that the proceeds of a loan
- 12 made under this section are first applied to pay delinquent:
- 13 (1) court ordered child support; and
- 14 (2) amounts due to a federal, state, or local unit of
- 15 government.
- 16 (g) The department may exercise the following powers and
- 17 duties in connection with loans made under this section:
- 18 (1) Execute the necessary instruments.
- 19 (2) Collect interest and principal.
- 20 (3) Compromise indebtedness.
- 21 (4) Sue and be sued.
- 22 (5) Post bonds.
- 23 (6) Write off indebtedness that the department determines is
- 24 not collectible.
- 25 (h) The department shall pay into the fund all:
- 26 (1) interest and principal repaid on; and
- 27 (2) amounts received for expenses incurred in making;
- 28 a loan under this section.
- 29 (i) The commission may adopt rules under IC 4-22-2 for the
- 30 distribution of loans under this section, including the following:
- 31 (1) Underwriting criteria.
- 32 (2) Application procedures.
- 33 (3) Other provisions that the commission determines
- 34 necessary to ensure the efficient administration of this section.
- 35 Sec. 15. (a) The department shall administer a program to
- 36 provide assistance to veterans:
- 37 (1) who are eligible under this chapter; and
- 38 (2) whose need for services is based on the veteran's
- 39 homelessness, incarceration, or other circumstances as
- 40 determined by the commission.
- 41 (b) The commission shall designate the assistance available
- 42 under this section, which may include any or all of the following:

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- 1 (1) Medical care.
- 2 (2) Dental care.
- 3 (3) Education.
- 4 (4) Employment.
- 5 (5) Transitional housing.
- 6 (c) The commission may:
 - 7 (1) charge fees for; or
 - 8 (2) make grants to providers to facilitate;
- 9 the assistance provided under this section.
- 10 Sec. 16. (a) The department may award to a veteran who meets
- 11 the eligibility requirements of this section and section 11 of this
- 12 chapter one (1) or more grants for retraining to enable the veteran
- 13 to obtain gainful employment.
- 14 (b) The department shall determine the amount of a grant based
- 15 on the veteran's financial need. However, the following are the
- 16 maximum amounts a veteran may receive under this section:
 - 17 (1) For each program or course, three thousand dollars
 - 18 (\$3,000).
 - 19 (2) For a veteran's lifetime, six thousand dollars (\$6,000).
- 20 (c) The department may make a grant under this section if a
- 21 veteran meets all the following requirements:
 - 22 (1) The veteran is unemployed, is underemployed, or has
 - 23 received a notice of termination of employment.
 - 24 (A) For purposes of this subdivision, a veteran is
 - 25 unemployed if the veteran was involuntarily laid off or
 - 26 discharged (not because of the veteran's willful conduct)
 - 27 not more than twelve (12) months before filing an
 - 28 application for a retraining grant and after at least six (6)
 - 29 months of employment:
 - 30 (i) with the same employer; or
 - 31 (ii) in the same or a similar occupation.
 - 32 (B) For purposes of this subdivision, a veteran is
 - 33 underemployed if:
 - 34 (i) the veteran is currently employed, but the veteran's
 - 35 current annual income does not exceed the federal
 - 36 poverty guidelines that apply to the veteran's household;
 - 37 and
 - 38 (ii) the veteran's income was involuntarily reduced in the
 - 39 year before the current year.
 - 40 (2) The veteran has been accepted or is enrolled in:
 - 41 (A) a technical education program that is not part of or
 - 42 creditable toward a baccalaureate degree program at:

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- 1 (i) a state educational institution (as defined in
2 IC 20-12-0.5-1);
3 (ii) a postsecondary proprietary education institution
4 accredited under IC 20-12-76; or
5 (iii) Ivy Tech Community College of Indiana established
6 by IC 20-12-61-2; or
7 (B) a structured on-the-job training program that meets
8 the requirements established by the commission.
9 (3) The veteran meets the financial assistance criteria
10 established by the commission.
11 (4) The veteran has not received:
12 (A) tuition reimbursement under section 12 of this chapter;
13 or
14 (B) another federal, state, or local grant;
15 for the program or course work for which the veteran has
16 applied for a grant under this section.
17 (5) The department determines that the veteran's proposed
18 program or course work will provide retraining that could
19 enable the veteran to find gainful employment. In making the
20 determination, the department shall consider whether the
21 proposed program:
22 (A) provides adequate employment skills; and
23 (B) is in an occupation for which favorable employment
24 opportunities are anticipated.
25 (d) A veteran who receives a grant under this section shall
26 submit evidence of successful completion of the program or course
27 work for which the grant was received to the department. If the
28 veteran does not provide the department with evidence of
29 successful completion of the program or course work for which the
30 grant was received, the department shall seek repayment of the
31 grant.
32 (e) The commission may adopt rules under IC 4-22-2 for the
33 distribution of grants under this section, including the following:
34 (1) Selection procedures.
35 (2) Uniform need determination procedures.
36 (3) Application procedures.
37 (4) Repayment procedures.
38 (5) Coordination with other occupational training programs.
39 (6) Other areas in which the department determines that rules
40 are necessary to ensure the uniform administration of the
41 grant program under this section.
42 **Sec. 17. In accordance with rules adopted by the commission**

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1 under IC 4-22-2, the commission may allocate money in the fund
2 to the state armory board for use by the military department of
3 Indiana ceremonial unit established by IC 10-16-5-1 in rendering
4 appropriate military honors at:

- 5 (1) state functions; and
- 6 (2) funeral services for those who served in the armed forces.

7 Sec. 18. (a) This section applies to the following organizations:

- 8 (1) A veterans association established under IC 10-18-6.
- 9 (2) A memorial corporation established under IC 10-18-7.
- 10 (3) A veterans organization listed in IC 10-18-8-1.

11 (b) An organization listed in subsection (a) may apply to the
12 department for a grant to:

- 13 (1) develop, maintain, or expand services for veterans; or
- 14 (2) undertake veteran related projects.

15 (c) The commission may adopt rules under IC 4-22-2 specifying
16 the eligibility criteria and application procedures for grants under
17 this section.

18 Sec. 19. (a) A county may annually apply to the department for
19 a grant to improve the services to veterans of the county provided
20 by the county service officer designated under IC 10-17-1-9.

21 (b) A county may not:

- 22 (1) allocate any part of a grant received under this section for
23 use by another county department or agency; or
- 24 (2) reduce the county's funding of the county's service officer
25 based upon the receipt of a grant under this section.

26 (c) The county service officer of a county that receives a grant
27 under this section shall enter into an agreement with the
28 department. The agreement must state the goals and objectives the
29 county service officer expects to achieve using the grant. The
30 department shall develop a reasonable budget and operation
31 standards for the county service officer to ensure improved
32 services, but full operating control of the county service officer
33 shall remain with the county.

34 (d) The county may annually apply for the renewal of a grant
35 awarded under this section if the county meets the goals,
36 objectives, and standards developed under subsection (c).

37 (e) The commission may adopt rules under IC 4-22-2 specifying
38 the eligibility criteria and application procedures for grants under
39 this section.

40 Sec. 20. The commission may do the following:

- 41 (1) Adopt rules under IC 4-22-2 to carry out this chapter.
- 42 (2) Contract with persons or agencies to carry out the duties

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established under this chapter.
SECTION 7. [EFFECTIVE JULY 1, 2006] **IC 6-8.1-9-5, as added by this act, applies to taxable years beginning after December 31, 2006.**
SECTION 8. [EFFECTIVE JULY 1, 2006] **(a) Notwithstanding IC 10-17-12-20, as added by this act, the director of veterans' affairs shall carry out the duties imposed upon:**
(1) the director of veterans' affairs; or
(2) the Indiana department of veterans' affairs;
under IC 10-17-12, as added by this act, under interim written guidelines approved by the veterans' affairs commission.
(b) This SECTION expires on the earlier of the following:
(1) The date rules are adopted under IC 10-17-12-20, as added by this act.
(2) June 30, 2007.

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