



Reprinted
April 21, 2011

**ENGROSSED
HOUSE BILL No. 1233**

DIGEST OF HB 1233 (Updated April 20, 2011 11:30 pm - DI 97)

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: State boards, commissions, and professional licensing. Establishes the interim study committee on insurance. Creates the health care facility advisory council and transfers the duties of the hospital council, the home health care services and hospice services council, and the Indiana health facilities council to the health care facility advisory council. Establishes a thirty day grace period for
(Continued next page)

Effective: July 1, 2011.

Wolkins, Welch, Koch

(SENATE SPONSORS — MILLER, ECKERTY, BREAUX)

January 12, 2011, read first time and referred to Committee on Select Committee on Government Reduction.
February 15, 2011, amended, reported — Do Pass.
March 28, 2011, read second time, amended, ordered engrossed.
March 29, 2011, engrossed.
March 30, 2011, read third time, passed. Yeas 77, nays 19.

SENATE ACTION

March 31, 2011, read first time and referred to Committee on Health and Provider Services.
April 14, 2011, amended, reported favorably — Do Pass.
April 20, 2011, read second time, amended, ordered engrossed.

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individuals who do not renew a professional license before expiration under certain conditions. Creates a two month amnesty program for accountants who failed to renew licenses and meet certain requirements during a specified period. Changes the phrase "quality review" to "peer review" for purposes of laws governing public accountancy beginning July 1, 2012. Permits a peer review rating of fail to be used in disciplining a certified public accountant or public accounting firm after June 30, 2012. Specifies that an accountant must return to a client certain client records within 45 days. Provides civil immunity to a person engaged in a quality review or peer review or administering a quality review or peer review program. Requires occupational therapist assistants to be licensed. Specifies requirements for outpatient pharmacy drug therapy protocols. Changes the requirements for a physician to provide supervision for a physician assistant (PA). Allows the medical licensing board to: (1) grant a waiver to the requirement concerning physical location of a supervisory physician in relation to a PA's onsite location; and (2) deny supervisory agreements. (Current law requires the board to approve supervisory agreements.) Removes certain limitations on PA prescribing and dispensing certain drugs and controlled substances. Requires that the supervising physician or physician designee review PA patient encounters within 72 hours. Allows for electronic prescriptions from a practitioner for certain drugs. Requires the medical licensing board to adopt rules concerning continuing competency requirements for physical therapists and physical therapist assistants before license or certification renewal. Eliminates the law enforcement training board advisory council. Repeals the public officers compensatory advisory commission (IC 2-5-1.5); personnel advisory board (IC 4-15-1, IC 4-15-2-2.2, and IC 4-15-2.5-2); motor vehicle sales advisory board (IC 9-23-1); operation lifesaver program (IC 9-27-2-12; Medicaid work incentives council (IC 12-15-42); New Harmony commission (IC 14-20-4); hospital council (IC 16-21-1); home health care services and hospice services council (IC 16-27-0.5); Indiana health facilities council (IC 16-28-1); and mandated health benefits task force (IC 27-1-3-30). Repeals the following entities: (1) Indiana tobacco use prevention and cessation advisory board; (2) Indiana health care account advisory board; (3) Indiana occupational information coordinating committee; (4) White River State Park Development Commission advisory councils; and (5) Indiana organic peer review panel. Combines the Lake Michigan marina development commission and the shoreline development commission into a Lake Michigan marina and shoreline development commission. Makes conforming changes.

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First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1233

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

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

1 SECTION 1. IC 2-5-33.3 IS ADDED TO THE INDIANA CODE
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2011]:

4 **Chapter 33.3. Interim Study Committee on Insurance**

5 **Sec. 1. As used in this chapter, "committee" refers to the**
6 **interim study committee on insurance established by section 2 of**
7 **this chapter.**

8 **Sec. 2. (a) There is established the interim study committee on**
9 **insurance.**

10 **(b) The committee shall study insurance in Indiana as follows:**

11 **(1) Issues determined by the chairperson of the committee.**

12 **(2) Issues assigned by the legislative council.**

13 **(3) Issues regulated under IC 27.**

14 **(4) Worker's compensation insurance.**

15 **(c) The committee shall, not later than November 1 of each year,**
16 **report the committee's findings and recommendations concerning**
17 **the committee's study under subsection (b) to the legislative council**

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1 in an electronic format under IC 5-14-6.

2 Sec. 3. Except as otherwise provided in this chapter, the
3 committee shall operate under the policies governing study
4 committees adopted by the legislative council.

5 Sec. 4. (a) The committee consists of the following voting
6 members:

7 (1) Four members of the senate standing committee having
8 primary responsibility for insurance matters, not more than
9 two (2) of whom may be members of the same political party,
10 appointed by the president pro tempore of the senate.

11 (2) Four (4) members of the house of representatives standing
12 committee having primary responsibility for insurance
13 matters, not more than two (2) of whom may be members of
14 the same political party, appointed by the speaker of the
15 house of representatives.

16 (b) The chairperson of the senate standing committee having
17 primary responsibility for insurance matters shall serve as:

18 (1) chairperson of the committee beginning on May 1 of each
19 odd numbered year; and

20 (2) vice chairperson of the committee beginning on May 1 of
21 each even numbered year.

22 (c) The chairperson of the house of representatives standing
23 committee having primary responsibility for insurance matters
24 shall serve as:

25 (1) chairperson of the committee beginning on May 1 of each
26 even numbered year; and

27 (2) vice chairperson of the committee beginning on May 1 of
28 each odd numbered year.

29 Sec. 5. The affirmative votes of a majority of the voting
30 members appointed to the committee are required for the
31 committee to take action on any measure, including final reports.

32 SECTION 2. IC 4-5-1-11, AS AMENDED BY P.L.106-2008,
33 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2011]: Sec. 11. The secretary of state may adopt and enforce
35 rules under IC 4-22-2 that are necessary to carry out:

36 (1) IC 9-18-26;

37 (2) IC 9-22-4;

38 ~~(3) IC 9-23-1;~~

39 ~~(4)~~ (3) IC 9-23-2;

40 ~~(5)~~ (4) IC 9-23-3; and

41 ~~(6)~~ (5) IC 9-23-6.

42 SECTION 3. IC 4-10-18-10, AS AMENDED BY P.L.182-2009(ss),

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1 SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2011]: Sec. 10. (a) The state board of finance may lend money
3 from the fund to entities listed in subsections (e) through (k) for the
4 purposes specified in those subsections.

5 (b) An entity must apply for the loan before May 1, 1989, in a form
6 approved by the state board of finance. As part of the application, the
7 entity shall submit a plan for its use of the loan proceeds and for the
8 repayment of the loan. Within sixty (60) days after receipt of each
9 application, the board shall meet to consider the application and to
10 review its accuracy and completeness and to determine the need for the
11 loan. The board shall authorize a loan to an entity that makes an
12 application if the board approves its accuracy and completeness and
13 determines that there is a need for the loan and an adequate method of
14 repayment.

15 (c) The state board of finance shall determine the terms of each
16 loan, which must include the following:

- 17 (1) The duration of the loan, which must not exceed twelve (12)
18 years.
- 19 (2) The repayment schedule of the loan, which must provide that
20 no payments are due during the first two (2) years of the loan.
- 21 (3) A variable rate of interest to be determined by the board and
22 adjusted annually. The interest rate must be the greater of:
23 (A) five percent (5%); or
24 (B) two-thirds (2/3) of the interest rate for fifty-two (52) week
25 United States Treasury bills on the anniversary date of the
26 loan, but not to exceed ten percent (10%).
- 27 (4) The amount of the loan or loans, which may not exceed the
28 maximum amounts established for the entity by this section.
- 29 (5) Any other conditions specified by the board.

30 (d) An entity may borrow money under this section by adoption of
31 an ordinance or a resolution and, as set forth in IC 5-1-14, may use any
32 source of revenue to repay a loan under this section. This section
33 constitutes complete authority for the entity to borrow from the fund.
34 If an entity described in subsection (i) fails to make any repayments of
35 a loan, the amount payable shall be withheld by the auditor of state
36 from any other money payable to the consolidated city. If any other
37 entity described in this section fails to make any repayments of a loan,
38 the amount payable shall be withheld by the auditor of state from any
39 other money payable to the entity. The amount withheld shall be
40 transferred to the fund to the credit of the entity.

41 (e) A loan under this section may be made to a city located in a
42 county having a population of more than twenty-four thousand (24,000)

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1 but less than twenty-five thousand (25,000) for the city's waterworks
2 facility. The amount of the loan may not exceed one million six
3 hundred thousand dollars (\$1,600,000).

4 (f) A loan under this section may be made to a city the territory of
5 which is included in part within the Lake Michigan corridor (as defined
6 in IC 14-13-3-2, **before its repeal**) for a marina development project.
7 As a part of its application under subsection (b), the city must include
8 the following:

9 (1) Written approval by the Lake Michigan marina development
10 commission of the project to be funded by the loan proceeds.

11 (2) A written determination by the commission of the amount
12 needed by the city, for the project and of the amount of the
13 maximum loan amount under this subsection that should be lent
14 to the city.

15 The maximum amount of loans available for all cities that are eligible
16 for a loan under this subsection is eight million six hundred thousand
17 dollars (\$8,600,000).

18 (g) A loan under this section may be made to a county having a
19 population of more than one hundred seventy thousand (170,000) but
20 less than one hundred eighty thousand (180,000) for use by the airport
21 authority in the county for the construction of runways. The amount of
22 the loan may not exceed seven million dollars (\$7,000,000). The
23 county may lend the proceeds of its loan to an airport authority for the
24 public purpose of fostering economic growth in the county.

25 (h) A loan under this section may be made to a city having a
26 population of more than fifty-nine thousand (59,000) but less than
27 fifty-nine thousand seven hundred (59,700) for the construction of
28 parking facilities. The amount of the loan may not exceed three million
29 dollars (\$3,000,000).

30 (i) A loan or loans under this section may be made to a consolidated
31 city, a local public improvement bond bank, or any board, authority, or
32 commission of the consolidated city, to fund economic development
33 projects under IC 36-7-15.2-5 or to refund obligations issued to fund
34 economic development projects. The amount of the loan may not
35 exceed thirty million dollars (\$30,000,000).

36 (j) A loan under this section may be made to a county having a
37 population of more than thirteen thousand five hundred (13,500) but
38 less than fourteen thousand (14,000) for extension of airport runways.
39 The amount of the loan may not exceed three hundred thousand dollars
40 (\$300,000).

41 (k) A loan under this section may be made to Covington Community
42 School Corporation to refund the amount due on a tax anticipation

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1 warrant loan. The amount of the loan may not exceed two million seven
2 hundred thousand dollars (\$2,700,000), to be paid back from any
3 source of money that is legally available to the school corporation.
4 Notwithstanding subsection (b), the school corporation must apply for
5 the loan before June 30, 2010. Notwithstanding subsection (c),
6 repayment of the loan shall be made in equal installments over five (5)
7 years with the first installment due not more than six (6) months after
8 the date loan proceeds are received by the school corporation.

9 (l) IC 6-1.1-20 does not apply to a loan made by an entity under this
10 section.

11 (m) As used in this section, "entity" means a governmental entity
12 authorized to obtain a loan under subsections (e) through (k).

13 SECTION 4. IC 4-12-4-9 IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2011]: Sec. 9. In addition to any other power
15 granted by this chapter, the executive board may:

16 (1) adopt an official seal and alter the seal at its pleasure;

17 (2) adopt rules, under IC 4-22-2, for the regulation of its affairs
18 and the conduct of its business and prescribe policies in
19 connection with the performance of its functions and duties;

20 (3) accept gifts, devises, bequests, grants, loans, appropriations,
21 revenue sharing, other financing and assistance, and any other aid
22 from any source and agree to and comply with conditions attached
23 to that aid;

24 (4) make, execute, and effectuate any and all contracts,
25 agreements, or other documents with any governmental agency or
26 any person, corporation, limited liability company, association,
27 partnership, or other organization or entity necessary or
28 convenient to accomplish the purposes of this chapter, including
29 contracts for the provision of all or any portion of the services the
30 executive board considers necessary for the management and
31 operations of the executive board;

32 (5) recommend legislation to the governor and general assembly;
33 ~~and~~

34 **(6) make recommendations to the governor, the budget**
35 **agency, and the general assembly concerning the priorities for**
36 **appropriation and distribution of money from the Indiana**
37 **health care account established by IC 4-12-5-3; and**

38 ~~(6)~~ (7) do any and all acts and things necessary, proper, or
39 convenient to carry out this article.

40 SECTION 5. IC 4-12-5-1.5 IS ADDED TO THE INDIANA CODE
41 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
42 1, 2011]: Sec. 1.5. As used in this chapter, "board" refers to the

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1 **Indiana tobacco use prevention and cessation executive board**
2 **created by IC 4-12-4-4.**

3 SECTION 6. IC 4-12-5-4 IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2011]: Sec. 4. Subject to appropriation by the
5 general assembly, review by the budget committee, and approval by the
6 budget agency, the auditor of state shall distribute money from the
7 account to public or private entities or individuals for the
8 implementation of programs concerning one (1) or more of the
9 following purposes:

- 10 (1) The children's health insurance program established under
- 11 IC 12-17.6.
- 12 (2) Cancer detection tests and cancer education programs.
- 13 (3) Heart disease and stroke education programs.
- 14 (4) Assisting community health centers in providing:
 - 15 (A) vaccinations against communicable diseases, with an
 - 16 emphasis on service to youth and senior citizens;
 - 17 (B) health care services and preventive measures that address
 - 18 the special health care needs of minorities (as defined in
 - 19 IC 16-46-6-2); and
 - 20 (C) health care services and preventive measures in rural
 - 21 areas.
- 22 (5) Promoting health and wellness activities.
- 23 (6) Encouraging the prevention of disease, particularly tobacco
- 24 related diseases.
- 25 (7) Addressing the special health care needs of those who suffer
- 26 most from tobacco related diseases, including end of life and long
- 27 term care alternatives.
- 28 (8) Addressing minority health disparities.
- 29 (9) Addressing the impact of tobacco related diseases, particularly
- 30 on minorities and females.
- 31 (10) Promoting community based health care, particularly in areas
- 32 with a high percentage of underserved citizens, including
- 33 individuals with disabilities, or with a shortage of health care
- 34 professionals.
- 35 (11) Enhancing local health department services.
- 36 (12) Expanding community based minority health infrastructure.
- 37 (13) Other purposes recommended by the ~~Indiana health care trust~~
- 38 ~~fund advisory board. established by section 5 of this chapter.~~

39 SECTION 7. IC 4-12-5-6 IS AMENDED TO READ AS FOLLOWS
40 [EFFECTIVE JULY 1, 2011]: Sec. 6. A public or private entity or an
41 individual may submit an application to the board for a grant from the
42 account. Each application must be in writing and contain the following

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- 1 information:
- 2 (1) A clear objective to be achieved with the grant.
- 3 (2) A plan for implementation of the specific program.
- 4 (3) A statement of the manner in which the proposed program will
- 5 further the goals of the ~~Indiana tobacco use prevention and~~
- 6 ~~cessation~~ board's mission statement and long range state plan
- 7 under IC 4-12-4.
- 8 (4) The amount of the grant requested.
- 9 (5) An evaluation and assessment component to determine the
- 10 program's performance.
- 11 (6) Any other information required by the ~~advisory~~ board.

12 The ~~advisory~~ board may adopt written guidelines to establish
 13 procedures, forms, additional evaluation criteria, and application
 14 deadlines.

15 SECTION 8. IC 4-15-1.8-7, AS AMENDED BY P.L.158-2006,
 16 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 17 JULY 1, 2011]: Sec. 7. (a) The department shall do the following:

- 18 (1) Develop personnel policies, methods, procedures, and
- 19 standards for all state agencies.
- 20 (2) Formulate, establish, and administer position classification
- 21 plans and salary and wage schedules, all subject to final approval
- 22 by the governor.
- 23 (3) Allocate positions in the state agencies to their proper
- 24 classifications.
- 25 (4) Approve employees for transfer, demotion, promotion,
- 26 suspension, layoff, and dismissal.
- 27 (5) Rate employees' service.
- 28 (6) Arrange with state agency heads for employee training.
- 29 (7) Investigate the need for positions in the state agencies.
- 30 (8) Promulgate and enforce personnel rules.
- 31 (9) Make and administer examinations for employment and for
- 32 promotions.
- 33 (10) Maintain personnel records and a roster of the personnel of
- 34 all state agencies.
- 35 (11) Render personnel services to the political subdivisions of the
- 36 state.
- 37 (12) Investigate the operation of personnel policies in all state
- 38 agencies.
- 39 (13) Assist state agencies in the improvement of their personnel
- 40 procedures.
- 41 (14) Conduct a vigorous program of recruitment of qualified and
- 42 able persons for the state agencies.

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- 1 (15) Advise the governor and the general assembly of legislation
- 2 needed to improve the personnel system of this state.
- 3 (16) Furnish any information and counsel requested by the
- 4 governor or the general assembly.
- 5 (17) Establish and administer an employee training and career
- 6 advancement program.
- 7 (18) Administer the state personnel law, IC 4-15-2.
- 8 (19) Institute an employee awards system designed to encourage
- 9 all state employees to submit suggestions that will reduce the
- 10 costs or improve the quality of state agencies.
- 11 (20) Survey the administrative organization and procedures,
- 12 including personnel procedures, of all state agencies, and submit
- 13 to the governor measures to secure greater efficiency and
- 14 economy, to minimize the duplication of activities, and to effect
- 15 better organization and procedures among state agencies.
- 16 (21) Establish, implement, and maintain the state aggregate
- 17 prescription drug purchasing program established under
- 18 IC 16-47-1, as approved by the budget agency.
- 19 (b) Salary and wage schedules established by the department under
- 20 subsection (a) must provide:
- 21 (1) for the establishment of overtime policies, which must
- 22 include:
- 23 (A) definition of overtime;
- 24 (B) determination of employees or classes eligible for
- 25 overtime pay;
- 26 (C) procedures for authorization;
- 27 (D) methods of computation;
- 28 (E) procedures for payment; and
- 29 (F) a provision that there shall be no mandatory adjustments
- 30 to an employee's established work schedule in order to avoid
- 31 the payment of overtime; and
- 32 (2) that an appointing authority is not required to reduce the
- 33 salary of an employee who is demoted, unless the appointing
- 34 authority determines that the salary reduction is warranted for
- 35 disciplinary reasons or other good cause.
- 36 ~~(c) The state personnel advisory board shall advise the director and~~
- 37 ~~cooperate in the improvement of all the personnel policies of the state.~~
- 38 ~~(d)~~ (c) The department shall establish programs of temporary
- 39 appointment for employees of state agencies. A program established
- 40 under this subsection must contain at least the following provisions:
- 41 (1) A temporary appointment may not exceed one hundred eighty
- 42 (180) working days in any twelve (12) month period.

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- 1 (2) The department may allow exceptions to the prohibition in
- 2 subdivision (1) with the approval of the state budget agency.
- 3 (3) A temporary appointment in an agency covered by IC 4-15-2
- 4 is governed by the procedures of that chapter.
- 5 (4) A temporary appointment does not constitute creditable
- 6 service for purposes of the public employees' retirement program
- 7 under IC 5-10.2 and IC 5-10.3. However, an employee who
- 8 served in an intermittent form of temporary employment after
- 9 June 30, 1986, and before July 1, 2003, shall receive creditable
- 10 service for the period of temporary employment.

11 SECTION 9. IC 4-15-2-2 IS AMENDED TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2011]: Sec. 2. Except as provided in
 13 ~~IC 4-15-1.8-7(d)~~, **IC 4-15-1.8-7(c)**, all persons covered on January 1,
 14 1966, by this chapter or coming under the provisions of this chapter
 15 after January 1, 1966, shall be eligible for, shall participate in, and shall
 16 receive the benefits of the public employees retirement program as
 17 provided by IC 5-10.2 and IC 5-10.3.

18 SECTION 10. IC 4-15-2-2.6 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2.6. "Department"
 20 means ~~the Indiana personnel advisory board~~; the state personnel
 21 director, and the employees of the ~~board and the~~ director.

22 SECTION 11. IC 4-15-2-5 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. The ~~board~~
 24 **department** is authorized and required to do the following:

- 25 (1) To make investigations concerning the enforcement and effect
- 26 of the provisions of this chapter.
- 27 (2) To keep minutes of its proceedings which shall be open to
- 28 public inspection.
- 29 ~~(3) To advise the state personnel director on matters pertaining to~~
- 30 ~~state personnel policies and practices.~~

31 SECTION 12. IC 4-15-2-6 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) The director shall
 33 direct and supervise all administrative and technical activities. In
 34 addition to the duties imposed elsewhere in this chapter, the director
 35 shall do the following:

- 36 (1) Establish and maintain a roster of all employees in the state
- 37 service. Prepare or cause to be prepared and recommend a
- 38 classification and pay plan. Administer the classification and pay
- 39 plan. Allocate all positions in the state service to their proper
- 40 class. Formulate eligible lists. Certify persons qualified for
- 41 appointment. Certify employees for transfer, demotion,
- 42 promotion, suspension, layoff, and dismissal. Rate employees'

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- 1 services. Arrange with heads of the divisions of the service for
 2 employee training. Attend to and perform all other duties imposed
 3 by this chapter.
- 4 (2) Appoint, under this chapter, such employees of the department
 5 and such experts and special assistants as may be necessary to
 6 carry out effectively this chapter.
- 7 (3) Investigate systems of appointment and promotion already in
 8 operation in various departments or divisions of the state
 9 government.
- 10 (4) Investigate and approve the need for positions, existing and to
 11 be created, in the state service.
- 12 (5) Investigate from time to time the operation and effect of this
 13 chapter and of the rules. ~~and report the director's findings and~~
 14 ~~recommendations to the board.~~
- 15 (6) Administer, enforce, and make effective this chapter and the
 16 rules. ~~Discharge all duties imposed upon the director by the~~
 17 ~~board, and perform~~ **Perform** any other lawful acts which the
 18 director may consider necessary or desirable to carry out the
 19 purposes of this chapter.
- 20 (b) The director shall appoint one (1) or more employees of the
 21 department to be the director's deputies.
- 22 (c) The director shall employ such expert or special examiners for
 23 the conduct of tests as may be required. The director may select
 24 officers or employees in the state service to act as examiners in the
 25 preparation and rating of tests. An appointing authority may excuse any
 26 employee in the authority's division of the service from the employee's
 27 regular duties for the time required for work as an examiner. Officers
 28 and employees shall not be entitled to extra pay for their service as
 29 examiners, but shall be entitled to reimbursement for necessary
 30 traveling and other expense.
- 31 (d) The director shall adopt rules under IC 4-22-2 as the director
 32 may consider necessary, appropriate, or desirable to carry out this
 33 chapter.
- 34 (e) The director shall institute an employee awards system designed
 35 to encourage state employees to submit suggestions that will reduce the
 36 costs, or improve the quality, of state services. All full-time employees
 37 are eligible to receive suggestion awards except:
- 38 (1) members of boards and commissions;
- 39 (2) the chief executive officer of any agency or institution, the
 40 officer's principal deputies or assistants; or
- 41 (3) persons whose normal job duties include cost analyses.
- 42 (f) A state suggestion committee shall determine the amount of any

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1 award to be given under subsection (e). The state suggestion committee
2 consists of the state personnel director, the director of the budget
3 agency, and the state examiner of the state board of accounts. Any
4 officer of state who is made a member of the suggestion committee
5 may delegate that responsibility to a subordinate employee.

6 SECTION 13. IC 4-15-2-8 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. (a) Whenever
8 additional agencies or institutions are brought within the provisions of
9 this chapter, either through a separate statute or by amendment to this
10 chapter, persons in such agencies or institutions who are in and have
11 been in positions or similar positions in the state service not theretofore
12 subject to the merit provisions of this chapter shall be entitled to
13 continue to hold such positions until they have an opportunity to
14 acquire regular status. Persons who have been in the same or similar
15 positions for six (6) months or more shall receive regular status by
16 passing a noncompetitive qualifying examination for the classification
17 to which their position has been allocated. Persons with less than six
18 (6) months' service in the same or similar positions shall hold their
19 positions temporarily subject to the entrance examination requirements
20 of this chapter. All qualifying examinations shall be held within one (1)
21 year after the agency or institution is brought under this chapter, unless
22 the period for holding such examinations is extended by the board with
23 adequate reasons for such extension made a part of the official minutes
24 of the board.

25 (b) Upon the recommendation of the director, ~~and the approval of~~
26 ~~the board~~, those employees in any department or division of the state
27 government who have been appointed under a merit system
28 satisfactorily complying with the provisions of this chapter may be
29 brought into the classified service without examination and retain their
30 existing position.

31 SECTION 14. IC 4-15-2-18, AS AMENDED BY P.L.3-2008,
32 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2011]: Sec. 18. (a) The rating of each test shall be completed
34 and the resulting list established not later than thirty (30) days after the
35 date on which the test was held, unless such time is extended by the
36 director for reasons which the director shall record in the official
37 records of the department. The final earned rating of each person
38 competing in any test shall be determined by the weighted average of
39 the earned ratings of the test, according to weights for each phase
40 established by the director in advance of the giving of the test. The
41 names of all persons attaining the minimum final earned ratings
42 established by the director in advance of the giving of the tests shall be

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1 placed upon the eligible list in order of their ratings. The names of
 2 persons who have indicated in writing that they are unwilling to accept
 3 appointment may be dropped from the list. All persons competing in
 4 any test shall be given written notice of their final earned ratings.
 5 Statements of former employers of the applicants shall be confidential.
 6 A manifest error in rating a test shall be corrected if called to the
 7 attention of the director, but such correction shall not invalidate any
 8 appointment previously made from such a list.

9 (b) In certification for appointment, in appointment, in
 10 reinstatement, and in reemployment in any state service, preference
 11 shall be given to former members of the military services of the United
 12 States who served on active duty in any branch of the armed forces and
 13 who at no time received a discharge or separation under other than
 14 honorable conditions, except corrected separation or discharge to read
 15 "honorable" as evidenced by appropriate records presented from the
 16 United States Department of Defense or appropriate branch of the
 17 military service.

18 (c) Preference shall be given in the following priorities:

19 (1) Former members of the military service who have established
 20 the present existence of a service connected disability of ten
 21 percent (10%) or more, as evidenced by records of the United
 22 States Department of Veterans Affairs or disability retirement
 23 benefits as evidenced by laws administered by the United States
 24 Department of Defense.

25 (2) The spouse of a veteran with a service connected disability
 26 and the unremarried spouse of a deceased veteran.

27 (3) Those former members of the military service who are
 28 wartime veterans.

29 (4) Veterans of the military service who served more than one
 30 hundred eighty-one (181) days on active duty, regardless of when
 31 served.

32 (d) In all written examinations to determine the qualifications of
 33 applicants for entrance into state service:

34 (1) ten (10) points shall be added to the earned rating of persons
 35 taking the competitive examination under subsection (c)(1) or
 36 (c)(2);

37 (2) five (5) points shall be added to the earned ratings of persons
 38 taking the competitive examination under subsection (c)(3); and

39 (3) two (2) points shall be added to the earned rating of persons
 40 taking the competitive examination under subsection (c)(4).

41 (e) All points specified in subsection (d) shall be added to the total
 42 combined test scores of the person and shall not be allocated to any

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1 single feature or part of the competitive examination. Rating shall be
2 based on a scale of one hundred (100) points as the maximum
3 attainable.

4 (f) When veterans preference in state service employment is limited
5 to wartime veterans, this subsection applies for the purpose of defining
6 "war":

7 (1) World War II - December 7, 1941, to December 31, 1946.

8 (2) Korean Conflict - June 27, 1950, to January 31, 1955.

9 (3) Viet Nam Conflict - August 5, 1964, to May 7, 1975.

10 (4) Actual combat or duty equally hazardous, regardless of time,
11 or service in any foreign war, insurrection, or expedition, which
12 service is recognized by the award of a service or campaign medal
13 of the United States.

14 (5) Participation as a regularly assigned crew member of any
15 military craft in a mission in support of a military operation,
16 regardless of time, as designated by the armed forces of the
17 United States.

18 (g) Active duty consists of:

19 (1) ninety (90) days or more wartime service;

20 (2) ninety (90) days or more consecutive service which began or
21 ended during wartime period;

22 (3) ninety (90) days or more combined service in two (2) or more
23 wartime periods;

24 (4) service of less than ninety (90) days, if discharged for a
25 disability in the line of duty; or

26 (5) service qualifying under subsection (f)(4) or (f)(5), which
27 must be documented by appropriate records of the United States
28 Department of Defense.

29 (h) In examinations where experience is an element of qualification,
30 time spent in the armed forces of the United States shall be credited in
31 a veteran's rating where the veteran's actual employment in a similar
32 vocation to that for which the veteran is examined was interrupted by
33 such service. In all examinations to determine the qualifications of a
34 veteran applicant, credit shall be given for all valuable experience,
35 including experience gained in religious, civic, welfare, service, and
36 organizational activities, regardless of whether any compensation was
37 received for the experience.

38 (i) In determining qualifications for examination, appointment,
39 promotion, retention, transfer, or reinstatement, with respect to
40 preference eligibles, the department shall waive requirements as to age,
41 height, and weight, if the requirement is not essential to the
42 performance of the duties of the position for which examination is

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1 given. The department, after giving due consideration to the
 2 recommendation of any accredited physician, shall waive the physical
 3 requirements in the case of any veteran, if the veteran is, in the opinion
 4 of the director, physically able to discharge efficiently the duties of the
 5 position for which the examination is given. No minimum educational
 6 requirement may be prescribed in any civil service examination except
 7 for such scientific, technical, or professional positions, the duties of
 8 which the department decides cannot be performed by a person who
 9 does not have such education. The director shall make a part of the
 10 department's public records the director's reasons for such decision.

11 (j) The names of preference eligibles shall be entered on the
 12 appropriate registers or lists of eligibles in accordance with their
 13 respective augmented ratings. The name of a preference eligible shall
 14 be entered ahead of all others having the same rating.

15 (k) The director shall adopt appropriate rules under IC 4-22-2 for
 16 the administration and enforcement of this section.

17 (l) In any reduction in personnel in any state service, competing
 18 employees shall be released in accordance with ~~board regulations~~
 19 **rules**, which shall give due effect to tenure of employment, military
 20 preference, length of service, and efficiency ratings. The length of time
 21 spent in active service in the armed forces of the United States of each
 22 such employee shall be credited in computing length of total service.
 23 Veteran's preference points shall be added to the retention score of a
 24 preference eligible. When any of the functions of any state agency are
 25 transferred to, or when any state agency is replaced by, some other state
 26 agency or agencies, all preference employees in the function or
 27 functions transferred or in the agency replaced shall first be transferred
 28 to the replacing agency or agencies for employment in positions for
 29 which they are qualified, before the agency or agencies appoint
 30 additional employees from any other sources for such positions.

31 (m) Any preference eligible who has resigned may, at the request of
 32 any appointing officer, be certified for and appointed to any position
 33 for which the preference eligible has been a regular employee in the
 34 state service.

35 (n) Any preference eligible who has been furloughed or separated
 36 without delinquency or misconduct, upon request, shall have the
 37 preference eligible's name placed on all appropriate registers and
 38 employment lists, for every position for which the preference eligible's
 39 qualifications have been established.

40 (o) Applicants claiming preference of their own service must submit
 41 either:

42 (1) original discharge or separation or certified copies or photostat

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- 1 copies of the originals;
- 2 (2) an official statement from the United States Department of
- 3 Defense showing record of service; or
- 4 (3) an official statement from the United States Department of
- 5 Veterans Affairs supporting the claim for disability.

6 SECTION 15. IC 4-15-2-27 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 27. (a) In cooperation
 8 with appointing authorities, the director shall establish, and may from
 9 time to time amend, standards of performance and output for
 10 employees in each class of positions in the classified service or for
 11 groups of classes, and a system of service ratings based upon these
 12 standards. In such manner and with such weight as shall be provided
 13 in the rules, service ratings shall be considered:

- 14 (1) in determining salary increases and decreases within the limits
- 15 established by law and by the pay plan;
- 16 (2) as a factor in promotion tests;
- 17 (3) as a factor in determining the order of lay-off when forces are
- 18 reduced because of lack of funds or work, and the order in which
- 19 names are to be placed on reemployment lists; and
- 20 (4) as a means of discovering employees who should be
- 21 promoted, transferred, or who, because of their low-service value,
- 22 should be demoted or dismissed.

23 In such manner and at such time as the rules may require, each
 24 appointing authority shall make and report to the director the service
 25 ratings of employees in his division of the service or such information
 26 as the director may request as a basis for determining the service
 27 ratings.

28 (b) All officers and employees of the state, shall, during usual
 29 business hours, grant to ~~the members of the board;~~ the director ~~and any~~
 30 ~~agent or employee of the board designated by it or him;~~ free access to
 31 the premises and records pertaining to personnel matters under their
 32 control and shall furnish them such facilities, assistance, and
 33 information as may be required in administering the provisions of this
 34 chapter.

35 SECTION 16. IC 4-15-2-30 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 30. Every appointment,
 37 transfer, promotion, demotion, dismissal, change of salary rate, absence
 38 from duty, and other temporary or permanent changes in the status of
 39 employees in both the unclassified and the classified service shall be
 40 reported to the director at such time, in such form, and together with
 41 such supporting or pertinent information, as the director may prescribe.
 42 The director shall maintain a perpetual roster of all officers and

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1 employees in the unclassified service and the classified service,
 2 showing for each such person the title of the position held, his
 3 departmental or other agency assignment, his salary rate, date of
 4 appointment, complete employment history, and such other data as the
 5 director considers pertinent. The director ~~shall also maintain such other~~
 6 ~~personnel records as he may consider desirable or as the board shall~~
 7 ~~direct, and~~ shall make available to the governor, the general assembly,
 8 the budget director, department and institution executives, and other
 9 persons having a proper interest therein tabulations and analyses of
 10 such personnel data as ~~he~~ **the director** has available.

11 SECTION 17. IC 4-15-2-31 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 31. (a) A public
 13 disbursing officer, auditing officer, or other fiscal officer of the state
 14 shall not draw, sign, or issue or authorize the drawing, signing, or
 15 issuing of any warrant or check upon the treasurer of state or another
 16 disbursing officer of the state for the payment of a salary or other
 17 compensation for personal services within the state service. The
 18 treasurer of state or another disbursing officer of the state shall not pay
 19 any salary or other compensation for personal services unless a payroll
 20 or account for the salary or other compensation containing the name of
 21 every person to be paid and the accounts to be paid to the person has
 22 been certified by the director or a person designated by the director to
 23 the effect that the persons named on the payroll or account are either
 24 in the unclassified service or have been appointed or otherwise
 25 established in their positions according to the provisions of this
 26 chapter, and that the payment of the amounts shown on the payroll or
 27 account will not violate the provisions of the pay plan or the rules
 28 pertaining to the payment.

29 (b) Any payment violating the provisions of the pay plan or the rules
 30 pertaining to the payment, or made to a person appointed or established
 31 in the person's position in a manner contrary to the provisions of this
 32 chapter, may be recovered from the appointing authority, the director,
 33 or any officer or person making the payment, whichever is liable, or
 34 from the sureties on the official bond for the officer or person. Action
 35 for recovery may be maintained by ~~the board or any member of the~~
 36 ~~board~~, any officer or employee of the state service, or any citizen of the
 37 state. All money recovered under this section shall be paid into the
 38 state treasury. Any citizen may maintain a suit to restrain a disbursing
 39 officer from making any payment in contravention of any provision of
 40 this chapter or of any lawful rule or order under this chapter.

41 (c) Any person appointed or employed in contravention of any
 42 provision of this chapter or of any rule or order under this chapter who

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1 performs service for which the person is not paid shall have and may
2 maintain an action against the officer or officers who purported so to
3 appoint or employ the person to recover the agreed pay for services, or
4 the reasonable value of the services if no pay was agreed upon. No
5 officer shall be reimbursed by the state at any time for any sum paid to
6 the person on account of the services.

7 (d) If the director wrongfully withholds certification of the payroll
8 voucher or account of any employee, the employee may maintain a
9 proceeding to compel the director to certify the payroll voucher or
10 account.

11 SECTION 18. IC 4-15-2-40 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 40. (a) In applying the
13 provisions of this chapter or in doing any of the things provided for in
14 this chapter, no officer or employee shall give any weight whatsoever
15 to political, religious or racial considerations. No person holding a
16 position in the state service ~~nor any member of the board~~ shall be
17 forced to make political contributions, nor be required to participate in
18 any form of political activity whatsoever other than to express freely his
19 views as a citizen and to cast his vote in any election.

20 (b) No person elected to state or federal public office may, during
21 the term for which he was elected, be appointed to any position in the
22 classified service.

23 (c) Any employee in the classified service who becomes a candidate
24 for local office shall, upon request, be granted a leave of absence; any
25 employee in the classified service who is elected to a state or federal
26 public office shall be considered to have resigned from the service.
27 This subsection does not apply to precinct committeemen, state or
28 national party convention delegates, or candidates for these party
29 positions.

30 SECTION 19. IC 4-15-2.5-1 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. As used in this
32 chapter, unless a different meaning appears from the context:

33 (a) The term "director" means the state personnel director as
34 established by IC 4-15-1.8.

35 ~~(b) The term "board" means the Indiana personnel advisory board~~
36 ~~established by IC 4-15-1-1.~~

37 ~~(e)~~ (b) The term "appointing authority" means the head of a
38 department, division, board, commission, person or group of persons
39 who has the power by law or by lawfully delegated authority to make
40 appointments to positions in state service.

41 ~~(d)~~ (c) The term "political affiliation" means the political party to
42 which an individual recognizes a relationship either by act of primary

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1 election voting or by affirmation of the chairman of the state committee
2 of the party with which the employee states he is affiliated.

3 SECTION 20. IC 4-15-2.5-3 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. ~~(Director's Duties)~~
5 The personnel director, in addition to all other duties imposed by law,
6 ~~and subject to the rules promulgated by the board;~~ shall administer the
7 provisions of this chapter. The director shall:

8 (1) conduct the entrance and promotion tests which are required
9 for the carrying out of the provisions of this chapter;

10 (2) verify the political affiliation of each applicant for
11 employment and each employee being considered for promotion
12 which otherwise qualify for employment or promotion; however,
13 no applicant or employee shall be verified if the employment or
14 promotion would disrupt or postpone the attainment of the
15 required political balance of the department or pay classification;
16 ~~therein unless the required political affiliation of an applicant or~~
17 ~~employee has been waived by the board;~~

18 (3) classify all positions of employment in all agencies or
19 institutions operating under this chapter by the procedure
20 established by IC 4-15-2;

21 (4) develop a pay plan for all employees operating under the
22 provisions of this chapter, which pay plan shall be subject to the
23 approval of the budget agency and the governor; and

24 (5) certify all individuals employed under the provisions of this
25 chapter as provided by IC 4-15-2, except that:

26 (A) The director shall certify five (5) qualified applicants and
27 indicate each applicant's political affiliation.

28 (B) If the director cannot certify the required number of
29 individuals with the political affiliation because there are not
30 enough individuals that qualified after testing, who are willing
31 to accept appointment or because there are peculiar and
32 exceptional qualifications of a scientific, professional, or
33 educational character required for the position and it is evident
34 that the required number of individuals cannot be certified, the
35 director may authorize the appointing authority to fill the
36 vacancy with any individual who meets the qualifications for
37 the position, without regard to the applicant's political
38 affiliation.

39 (C) For positions involving unskilled or semi-skilled labor
40 when the character or place of the work makes it impracticable
41 to supply the needs of the service by appointments made in
42 accordance with the procedure prescribed by this chapter, the

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1 director may make appointments by the procedure provided by
2 IC 4-15-2.

3 SECTION 21. IC 4-15-2.5-14 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (~~Payment in~~
5 ~~Violation; Action for Recovery~~) Action for such recovery may be
6 maintained by ~~the board or any member thereof~~; any officer or
7 employee of the state service or any citizen of the state.

8 SECTION 22. IC 4-15-2.5-20 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 20. (~~Exemptions; Other~~
10 ~~Positions~~) (a) All positions in the state agency or any part of a state
11 agency, which operates under the provisions of this chapter, that
12 determine administrative policies shall be exempt from the provisions
13 of this chapter by rules promulgated by the ~~board~~: **department**.

14 (b) One (1) personal secretary for each position that is exempt from
15 the provisions of this chapter by this section and section 18 shall be
16 exempt from the provisions of this chapter.

17 SECTION 23. IC 4-15-2.5-21 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 21. (~~Agency Request;~~
19 ~~Inclusion~~) The administrative head of any state agency may submit a
20 request to the personnel director to have ~~his~~ **the administrative head's**
21 entire agency or any part thereof operate under the provisions of this
22 chapter. Upon the approval of the ~~personnel board~~ **department** and the
23 governor, any state agency or any part of a state agency may operate
24 under the provisions of this chapter.

25 SECTION 24. IC 4-15-2.5-22 IS AMENDED TO READ AS
26 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 22. (~~Agency Request;~~
27 ~~Exemption~~) The administrative head of any state may submit a request
28 to the personnel director to have ~~his~~ **the administrative head's** entire
29 agency or any part exempt from the provision of this chapter. Upon the
30 approval of the ~~personnel board~~ **director** and the governor, any state
31 agency or any part thereof may be exempt from the provisions of this
32 chapter.

33 SECTION 25. IC 4-15-2.5-23 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 23. (~~Agency Request;~~
35 ~~Petition for Change~~) (a) The administrative head of any state agency or
36 any part thereof that operates under the provisions of this chapter may
37 submit a petition to the ~~personnel board~~ **department** to increase or
38 decrease the number of employees exempt from the provisions of this
39 chapter.

40 (b) The ~~board~~ **director** shall have the authority to decrease or
41 increase the number of employees exempt from this chapter. However,
42 the ~~board~~ **director** shall not exempt positions which do not formulate

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1 policy and they shall not exempt policy positions if such action would
2 impede the operation of the agency.

3 SECTION 26. IC 5-2-1-2, AS AMENDED BY P.L.77-2009,
4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2011]: Sec. 2. For the purposes of this chapter, and unless the
6 context clearly denotes otherwise, the following definitions apply
7 throughout this chapter:

8 (1) "Law enforcement officer" means an appointed officer or
9 employee hired by and on the payroll of the state, any of the
10 state's political subdivisions, or a public or private postsecondary
11 educational institution whose board of trustees has established a
12 police department under IC 21-17-5-2 or IC 21-39-4-2 who is
13 granted lawful authority to enforce all or some of the penal laws
14 of the state of Indiana and who possesses, with respect to those
15 laws, the power to effect arrests for offenses committed in the
16 officer's or employee's presence. However, the following are
17 expressly excluded from the term "law enforcement officer" for
18 the purposes of this chapter:

19 (A) A constable.

20 (B) A special officer whose powers and duties are described
21 in IC 36-8-3-7 or a special deputy whose powers and duties are
22 described in IC 36-8-10-10.6.

23 (C) A county police reserve officer who receives compensation
24 for lake patrol duties under IC 36-8-3-20(f)(4).

25 (D) A conservation reserve officer who receives compensation
26 for lake patrol duties under IC 14-9-8-27.

27 (E) An employee of the gaming commission whose powers
28 and duties are described in IC 4-32.2-9.

29 (F) A correctional police officer described in IC 11-8-9.

30 (2) "Board" means the law enforcement training board created by
31 this chapter.

32 ~~(3) "Advisory council" means the law enforcement advisory
33 council created by this chapter.~~

34 ~~(4) (3) "Executive training program" means the police chief
35 executive training program developed by the board under section
36 9 of this chapter.~~

37 ~~(5) (4) "Law enforcement training council" means one (1) of the
38 confederations of law enforcement agencies recognized by the
39 board and organized for the sole purpose of sharing training,
40 instructors, and related resources.~~

41 ~~(6) (5) "Training regarding the lawful use of force" includes
42 classroom and skills training in the proper application of hand to~~

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- 1 hand defensive tactics, use of firearms, and other methods of:
- 2 (A) overcoming unlawful resistance; or
- 3 (B) countering other action that threatens the safety of the
- 4 public or a law enforcement officer.
- 5 ~~(7)~~ (6) "Hiring or appointing authority" means:
- 6 (A) the chief executive officer, board, or other entity of a
- 7 police department or agency with authority to appoint and hire
- 8 law enforcement officers; or
- 9 (B) the governor, mayor, board, or other entity with the
- 10 authority to appoint a chief executive officer of a police
- 11 department or agency.

12 SECTION 27. IC 5-2-1-3, AS AMENDED BY P.L.22-2005,
 13 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2011]: Sec. 3. ~~(a)~~ There is created, as a criminal justice
 15 agency of the state, a law enforcement training board to carry out the
 16 provisions of this chapter. The board members are to be selected as
 17 provided by this chapter. The board is composed of the following
 18 members:

- 19 (1) The superintendent of the Indiana state police department,
- 20 who shall serve as chairperson of the board.
- 21 (2) The deputy director of the division of preparedness and
- 22 training of the department of homeland security. The deputy
- 23 director shall serve as the vice chair of the board.
- 24 (3) The chief of police of a consolidated city.
- 25 (4) One (1) county sheriff from a county with a population of at
- 26 least one hundred thousand (100,000).
- 27 (5) One (1) county sheriff from a county of at least fifty thousand
- 28 (50,000) but less than one hundred thousand (100,000)
- 29 population.
- 30 (6) One (1) county sheriff from a county of under fifty thousand
- 31 (50,000) population.
- 32 (7) One (1) chief of police from a city of at least thirty-five
- 33 thousand (35,000) population, who is not the chief of police of a
- 34 consolidated city.
- 35 (8) One (1) chief of police from a city of at least ten thousand
- 36 (10,000) but under thirty-five thousand (35,000) population.
- 37 (9) One (1) chief of police, police officer, or town marshal from
- 38 a city or town of under ten thousand (10,000) population.
- 39 (10) One (1) prosecuting attorney.
- 40 (11) One (1) judge of a circuit or superior court exercising
- 41 criminal jurisdiction.
- 42 (12) One (1) member representing professional journalism.

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- 1 (13) One (1) member representing the medical profession.
- 2 (14) One (1) member representing education.
- 3 (15) One (1) member representing business and industry.
- 4 (16) One (1) member representing labor.
- 5 (17) One (1) member representing Indiana elected officials of
- 6 counties, cities, and towns.

7 (b) The following members constitute an advisory council to assist
 8 the members of the board in an advisory, nonvoting capacity:

- 9 (1) The special agent in charge of the Federal Bureau of
 10 Investigation field office covering the state of Indiana, subject to
 11 the agent's approval to serve in such capacity.
- 12 (2) The attorney general of Indiana.
- 13 (3) One (1) member representing forensic science, to be
 14 appointed by the governor.
- 15 (4) One (1) member representing theology, to be appointed by the
 16 governor.
- 17 (5) The director of the law enforcement division of the
 18 department of natural resources.

19 SECTION 28. IC 5-2-1-4, AS AMENDED BY P.L.52-2005,
 20 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2011]: Sec. 4. (a) All members of the board shall be appointed
 22 to the board by the governor. The appointments shall be made on a
 23 bipartisan basis so that not more than one-half (1/2) of the members of
 24 the board shall at any time be members of either of the two (2) major
 25 political parties. All appointments shall be for terms of four (4) years
 26 or while maintaining the position held at the time of appointment to the
 27 board, whichever is the lesser period. Appointees to the board shall
 28 serve as members of the board only while holding the office or position
 29 held at the time of appointment to the board in order that the
 30 representative nature of the board outlined in section 3 of this chapter
 31 may be maintained. However, each member of the board shall serve
 32 until the member's successor has been appointed and qualified, unless
 33 the member's services are terminated earlier for sufficient reason.
 34 Vacancies on the board caused by expiration of a term, termination of
 35 the office or position held at time of appointment, or for any other
 36 reason shall be filled in the same manner as original appointments. A
 37 member appointed to fill a vacancy created other than by expiration of
 38 a term shall be appointed for the unexpired term of the member
 39 succeeded in the same manner as an original appointment. Members of
 40 the board may be reappointed for additional terms. All members of the
 41 board shall serve, unless their services are terminated earlier for
 42 sufficient reason, until their successors have been appointed and

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1 qualified. Members of the board may be removed by the governor for
2 inefficiency, incompetence, neglect of duty, or other good cause after
3 having been accorded a hearing by the governor upon reasonable notice
4 of the charge being made against them.

5 (b) Members of the advisory council who serve by virtue of their
6 office or position shall serve as members of the advisory council only
7 during the term of their office or position as the case may be. The
8 governor is authorized and empowered to appoint members to the
9 advisory council in addition to those enumerated in section 3(b) of this
10 chapter. All members appointed to the advisory council by the
11 governor shall serve only during the pleasure of the governor. Advisory
12 council appointments need not be made on a bipartisan basis.

13 SECTION 29. IC 5-2-1-5 IS AMENDED TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2011]: Sec. 5. Membership on the law
15 enforcement training board or the advisory council shall not constitute
16 holding a public office and members of the board and advisory council
17 shall not be required to take and file oaths of office before serving in
18 such capacities. The board and the advisory council shall exercise only
19 the powers granted by this chapter. No member of the board or of the
20 advisory council shall be disqualified from holding any public office or
21 position by reason of his the member's appointment or membership on
22 the board, or advisory council, nor shall any such person forfeit any
23 office, position, or employment by reason of an appointment pursuant
24 to this chapter, notwithstanding the provisions of any statute,
25 ordinance, or city charter.

26 SECTION 30. IC 5-2-1-6, AS AMENDED BY P.L.110-2009,
27 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2011]: Sec. 6. The board and advisory council shall meet at
29 least four (4) times in each year and shall hold special meetings when
30 called by the chairperson. The presence of nine (9) members of the
31 board constitutes a quorum for doing business. At least nine (9)
32 affirmative votes are required for the passage of any matter put to a
33 vote of the board. Advisory council members are entitled to participate
34 in the business and deliberation of the board; but only board members
35 are entitled to vote. The board shall establish its own procedure and
36 requirements with respect to place and conduct of its meetings.

37 SECTION 31. IC 5-2-1-8 IS AMENDED TO READ AS FOLLOWS
38 [EFFECTIVE JULY 1, 2011]: Sec. 8. The members of the board and
39 the advisory council shall serve without compensation except that a
40 salary per diem and actual expenses incurred, in accordance with travel
41 policies and procedures established by the department of
42 administration and the state budget agency, shall be allowed to each

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1 member for attendance at regular or special meetings or otherwise
2 engaging in official business of the board.

3 SECTION 32. IC 6-1.1-10-16, AS AMENDED BY P.L.196-2007,
4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2011]: Sec. 16. (a) All or part of a building is exempt from
6 property taxation if it is owned, occupied, and used by a person for
7 educational, literary, scientific, religious, or charitable purposes.

8 (b) A building is exempt from property taxation if it is owned,
9 occupied, and used by a town, city, township, or county for educational,
10 literary, scientific, fraternal, or charitable purposes.

11 (c) A tract of land, including the campus and athletic grounds of an
12 educational institution, is exempt from property taxation if:

13 (1) a building that is exempt under subsection (a) or (b) is situated
14 on it;

15 (2) a parking lot or structure that serves a building referred to in
16 subdivision (1) is situated on it; or

17 (3) the tract:

18 (A) is owned by a nonprofit entity established for the purpose
19 of retaining and preserving land and water for their natural
20 characteristics;

21 (B) does not exceed five hundred (500) acres; and

22 (C) is not used by the nonprofit entity to make a profit.

23 (d) A tract of land is exempt from property taxation if:

24 (1) it is purchased for the purpose of erecting a building that is to
25 be owned, occupied, and used in such a manner that the building
26 will be exempt under subsection (a) or (b); and

27 (2) not more than four (4) years after the property is purchased,
28 and for each year after the four (4) year period, the owner
29 demonstrates substantial progress and active pursuit towards the
30 erection of the intended building and use of the tract for the
31 exempt purpose. To establish substantial progress and active
32 pursuit under this subdivision, the owner must prove the existence
33 of factors such as the following:

34 (A) Organization of and activity by a building committee or
35 other oversight group.

36 (B) Completion and filing of building plans with the
37 appropriate local government authority.

38 (C) Cash reserves dedicated to the project of a sufficient
39 amount to lead a reasonable individual to believe the actual
40 construction can and will begin within four (4) years.

41 (D) The breaking of ground and the beginning of actual
42 construction.

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1 (E) Any other factor that would lead a reasonable individual to
2 believe that construction of the building is an active plan and
3 that the building is capable of being completed within eight (8)
4 years considering the circumstances of the owner.

5 If the owner of the property sells, leases, or otherwise transfers a tract
6 of land that is exempt under this subsection, the owner is liable for the
7 property taxes that were not imposed upon the tract of land during the
8 period beginning January 1 of the fourth year following the purchase
9 of the property and ending on December 31 of the year of the sale,
10 lease, or transfer. The county auditor of the county in which the tract
11 of land is located may establish an installment plan for the repayment
12 of taxes due under this subsection. The plan established by the county
13 auditor may allow the repayment of the taxes over a period of years
14 equal to the number of years for which property taxes must be repaid
15 under this subsection.

16 (e) Personal property is exempt from property taxation if it is owned
17 and used in such a manner that it would be exempt under subsection (a)
18 or (b) if it were a building.

19 (f) A hospital's property that is exempt from property taxation under
20 subsection (a), (b), or (e) shall remain exempt from property taxation
21 even if the property is used in part to furnish goods or services to
22 another hospital whose property qualifies for exemption under this
23 section.

24 (g) Property owned by a shared hospital services organization that
25 is exempt from federal income taxation under Section 501(c)(3) or
26 501(e) of the Internal Revenue Code is exempt from property taxation
27 if it is owned, occupied, and used exclusively to furnish goods or
28 services to a hospital whose property is exempt from property taxation
29 under subsection (a), (b), or (e).

30 (h) This section does not exempt from property tax an office or a
31 practice of a physician or group of physicians that is owned by a
32 hospital licensed under ~~IC 16-21-1~~ **IC 16-21-2** or other property that
33 is not substantially related to or supportive of the inpatient facility of
34 the hospital unless the office, practice, or other property:

- 35 (1) provides or supports the provision of charity care (as defined
36 in IC 16-18-2-52.5), including providing funds or other financial
37 support for health care services for individuals who are indigent
38 (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
39 (2) provides or supports the provision of community benefits (as
40 defined in IC 16-21-9-1), including research, education, or
41 government sponsored indigent health care (as defined in
42 IC 16-21-9-2).

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1 However, participation in the Medicaid or Medicare program alone
 2 does not entitle an office, practice, or other property described in this
 3 subsection to an exemption under this section.

4 (i) A tract of land or a tract of land plus all or part of a structure on
 5 the land is exempt from property taxation if:

6 (1) the tract is acquired for the purpose of erecting, renovating, or
 7 improving a single family residential structure that is to be given
 8 away or sold:

9 (A) in a charitable manner;

10 (B) by a nonprofit organization; and

11 (C) to low income individuals who will:

12 (i) use the land as a family residence; and

13 (ii) not have an exemption for the land under this section;

14 (2) the tract does not exceed three (3) acres;

15 (3) the tract of land or the tract of land plus all or part of a
 16 structure on the land is not used for profit while exempt under this
 17 section; and

18 (4) not more than four (4) years after the property is acquired for
 19 the purpose described in subdivision (1), and for each year after
 20 the four (4) year period, the owner demonstrates substantial
 21 progress and active pursuit towards the erection, renovation, or
 22 improvement of the intended structure. To establish substantial
 23 progress and active pursuit under this subdivision, the owner must
 24 prove the existence of factors such as the following:

25 (A) Organization of and activity by a building committee or
 26 other oversight group.

27 (B) Completion and filing of building plans with the
 28 appropriate local government authority.

29 (C) Cash reserves dedicated to the project of a sufficient
 30 amount to lead a reasonable individual to believe the actual
 31 construction can and will begin within five (5) years of the
 32 initial exemption received under this subsection.

33 (D) The breaking of ground and the beginning of actual
 34 construction.

35 (E) Any other factor that would lead a reasonable individual to
 36 believe that construction of the structure is an active plan and
 37 that the structure is capable of being:

38 (i) completed; and

39 (ii) transferred to a low income individual who does not
 40 receive an exemption under this section;

41 within eight (8) years considering the circumstances of the
 42 owner.

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1 (j) An exemption under subsection (i) terminates when the property
 2 is conveyed by the nonprofit organization to another owner. When the
 3 property is conveyed to another owner, the nonprofit organization
 4 receiving the exemption must file a certified statement with the auditor
 5 of the county, notifying the auditor of the change not later than sixty
 6 (60) days after the date of the conveyance. The county auditor shall
 7 immediately forward a copy of the certified statement to the county
 8 assessor. A nonprofit organization that fails to file the statement
 9 required by this subsection is liable for the amount of property taxes
 10 due on the property conveyed if it were not for the exemption allowed
 11 under this chapter.

12 (k) If property is granted an exemption in any year under subsection
 13 (i) and the owner:

- 14 (1) ceases to be eligible for the exemption under subsection (i)(4);
- 15 (2) fails to transfer the tangible property within eight (8) years
 16 after the assessment date for which the exemption is initially
 17 granted; or
- 18 (3) transfers the tangible property to a person who:
 - 19 (A) is not a low income individual; or
 - 20 (B) does not use the transferred property as a residence for at
 21 least one (1) year after the property is transferred;

22 the person receiving the exemption shall notify the county recorder and
 23 the county auditor of the county in which the property is located not
 24 later than sixty (60) days after the event described in subdivision (1),
 25 (2), or (3) occurs. The county auditor shall immediately inform the
 26 county assessor of a notification received under this subsection.

27 (l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay,
 28 not later than the date that the next installment of property taxes is due,
 29 an amount equal to the sum of the following:

- 30 (1) The total property taxes that, if it were not for the exemption
 31 under subsection (i), would have been levied on the property in
 32 each year in which an exemption was allowed.
- 33 (2) Interest on the property taxes at the rate of ten percent (10%)
 34 per year.

35 (m) The liability imposed by subsection (l) is a lien upon the
 36 property receiving the exemption under subsection (i). An amount
 37 collected under subsection (l) shall be collected as an excess levy. If
 38 the amount is not paid, it shall be collected in the same manner that
 39 delinquent taxes on real property are collected.

40 (n) Property referred to in this section shall be assessed to the extent
 41 required under IC 6-1.1-11-9.

42 SECTION 33. IC 6-1.1-10-18.5 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 18.5. (a) This section
2 does not exempt from property tax an office or a practice of a physician
3 or group of physicians that is owned by a hospital licensed under
4 ~~IC 16-21-1~~ **IC 16-21-2** or other property that is not substantially related
5 to or supportive of the inpatient facility of the hospital unless the office,
6 practice, or other property:

7 (1) provides or supports the provision of charity care (as defined
8 in IC 16-18-2-52.5), including funds or other financial support for
9 health care services for individuals who are indigent (as defined
10 in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

11 (2) provides or supports the provision of community benefits (as
12 defined in IC 16-21-9-1), including research, education, or
13 government sponsored indigent health care (as defined in
14 IC 16-21-9-2).

15 However, participation in the Medicaid or Medicare program, alone,
16 does not entitle an office, a practice, or other property described in this
17 subsection to an exemption under this section.

18 (b) Tangible property is exempt from property taxation if it is:

19 (1) owned by an Indiana nonprofit corporation; and
20 (2) used by that corporation in the operation of a hospital licensed
21 under IC 16-21, a health facility licensed under IC 16-28, or in the
22 operation of a residential facility for the aged and licensed under
23 IC 16-28, or in the operation of a Christian Science home or
24 sanatorium.

25 (c) Property referred to in this section shall be assessed to the extent
26 required under IC 6-1.1-11-9.

27 SECTION 34. IC 8-10-9-3 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) There is
29 established in each city to which this chapter applies a waterway
30 management district.

31 (b) The district includes all territory, including both dry land and
32 water, within a distance of one-half (1/2) mile on either side of the
33 center line of any waterway within the city in which the district is
34 established, excluding the land and water occupied by any marina
35 owned by a unit of government located in the corridor (as defined in
36 ~~IC 14-13-3-2~~ **IC 36-7-13.5-1**).

37 (c) The district boundary is formed by an imaginary line one-half
38 (1/2) mile distant from the center line of a waterway in all directions.
39 However, the boundary of the district does not extend beyond the
40 boundaries of the city in which the district is located in those areas
41 where the city boundary is located less than one-half (1/2) mile from
42 the center line of a waterway.

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SECTION 35. IC 9-17-3-3.1, AS AMENDED BY P.L.131-2008, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3.1. The affidavit required by section 3(a)(5) of this chapter shall be printed in the following form:

STATE OF INDIANA)
) ss:
COUNTY OF _____)

I affirm under the penalties for perjury that all of the following are true:

- (1) That I am a dealer licensed under ~~IC 9-23-1~~. **IC 9-23.**
- (2) That I cannot deliver a valid certificate of title to the retail purchaser of the vehicle described in paragraph (3) at the time of sale of the vehicle to the retail purchaser. The identity of the previous seller or transferor is _____ . Payoff of lien was made on (date) _____. I expect to deliver a valid and transferable certificate of title not later than (date) _____ from the (State of) _____ to the purchaser.
- (3) That I will undertake reasonable commercial efforts to produce the valid certificate of title. The vehicle identification number is _____ .
Signed _____, Dealer

By _____
Dated _____, _____

CUSTOMER ACKNOWLEDGES RECEIPT OF A COPY OF THIS AFFIDAVIT.

Customer Signature

NOTICE TO THE CUSTOMER

If you do not receive a valid certificate of title within the time specified by this affidavit, you have the right to return the vehicle to the vehicle dealer ten (10) days after giving the vehicle dealer written notice demanding delivery of a valid certificate of title and after the vehicle dealer's failure to deliver a valid certificate of title within that ten (10) day period. Upon return of the vehicle to the vehicle dealer in the same or similar condition as when it was delivered to you, the vehicle dealer shall pay you the purchase price plus sales taxes, finance expenses, insurance expenses, and any other amount that you paid to the vehicle dealer.

If a lien is present on the previous owner's certificate of title, it is the responsibility of the third party lienholder to timely deliver the certificate of title in the third party's possession to the dealer not more

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1 than ten (10) business days after there is no obligation secured by the
2 vehicle. If the dealer's inability to deliver a valid certificate of title to
3 you within the above-described ten (10) day period results from the
4 acts or omissions of a third party who has failed to timely deliver the
5 certificate of title in the third party's possession to the dealer, the dealer
6 may be entitled to claim against the third party the damages allowed by
7 law.

8 SECTION 36. IC 9-27-2-4, AS AMENDED BY P.L.210-2005,
9 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2011]: Sec. 4. The office shall do the following to carry out
11 this chapter:

12 (1) Develop, plan, and conduct programs and activities designed
13 to prevent and reduce traffic accidents and to facilitate the control
14 of traffic on Indiana streets and highways.

15 (2) Advise, recommend, and consult with state departments,
16 divisions, boards, commissions, and agencies concerning traffic
17 safety, accident prevention, and traffic facilitation programs and
18 activities and coordinate these programs and activities on an
19 effective statewide basis.

20 (3) Organize and conduct, in cooperation with state departments
21 and agencies, programs, services, and activities designed to aid
22 political subdivisions in the control of traffic and prevention of
23 traffic accidents.

24 (4) Develop informational, educational, and promotional material
25 on traffic control and traffic accident prevention, disseminate the
26 material through all possible means of public information, and
27 serve as a clearinghouse for information and publicity on traffic
28 control and accident prevention programs and activities of state
29 departments and agencies. These activities must include materials
30 and information designed to make senior citizens aware of the
31 effect of age on driving ability.

32 (5) Cooperate with public and private agencies interested in
33 traffic control and traffic accident prevention in the development
34 and conduct of public informational and educational activities
35 designed to promote traffic safety or to support the official traffic
36 safety program of Indiana.

37 (6) Study and determine the merits of proposals affecting traffic
38 control, traffic safety, or traffic accident prevention activities in
39 Indiana and recommend to the governor and the general assembly
40 the measures that will serve to further control and reduce traffic
41 accidents.

42 (7) Study proposed revisions and amendments to the motor

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1 vehicle laws and all other laws concerning traffic safety and make
 2 recommendations relative to those laws to the governor and
 3 general assembly.
 4 (8) Develop and conduct a program of effective alcohol and drug
 5 countermeasures to protect and conserve life and property on
 6 Indiana streets and highways.
 7 ~~(9) Administer the operation lifesaver program referred to in~~
 8 ~~section 12 of this chapter to promote and coordinate public~~
 9 ~~education concerning railroad grade crossing safety.~~
 10 SECTION 37. IC 10-17-9-8 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. (a) Each member,
 12 the estate of a deceased member, or the estate of a member under
 13 guardianship is liable for the costs of maintenance of the member in an
 14 amount up to one hundred percent (100%) of the daily per capita cost
 15 of personal services and all other operating expenses for the preceding
 16 fiscal year. The per capita charge may be adjusted to reflect the level
 17 of care provided.
 18 (b) The level of care must be as consistent as possible with:
 19 (1) the care category of the facility in which the member is
 20 placed;
 21 (2) the rules of the Indiana health facilities, **home health care,**
 22 **and hospice** council adopted under IC 16-28; and
 23 (3) the applicable code of the federal government covering
 24 reimbursement from the United States Department of Veterans'
 25 Affairs or another department of the federal government.
 26 (c) The liability created for the costs of maintenance of a member
 27 constitutes a lien upon the real property of the member if the lien is
 28 recorded as provided in this chapter. The lien has priority over all liens
 29 subsequently acquired.
 30 SECTION 38. IC 12-7-2-44, AS AMENDED BY P.L.130-2009,
 31 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2011]: Sec. 44. "Council" means the following:
 33 (1) For purposes of IC 12-9-4, the meaning set forth in
 34 IC 12-9-4-1.
 35 (2) For purposes of IC 12-12-8, the meaning set forth in
 36 IC 12-12-8-2.5.
 37 (3) For purposes of IC 12-13-4, the meaning set forth in
 38 IC 12-13-4-1.
 39 ~~(4) For purposes of IC 12-15-41 and IC 12-15-42, the Medicaid~~
 40 ~~work incentives council established by IC 12-15-42-1.~~
 41 ~~(5) (4) For purposes of IC 12-12.7-2, the meaning set forth in~~
 42 ~~IC 12-12.7-2-2.~~

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1 ~~(5)~~ (5) For purposes of IC 12-21-4, the meaning set forth in
2 IC 12-21-4-1.

3 ~~(6)~~ (6) For purposes of IC 12-28-5, the meaning set forth in
4 IC 12-28-5-1.

5 SECTION 39. IC 12-10-6-5, AS AMENDED BY P.L.99-2007,
6 SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2011]: Sec. 5. (a) An individual who is determined under
8 section 2.1(a)(2) of this chapter to be incapable of residing in the
9 individual's own home because of mental illness may be admitted to a
10 home or facility that provides residential care to the extent that money
11 is available for the care.

12 (b) Within thirty (30) days after an individual with a mental illness
13 is placed in a home or facility that provides residential care, a
14 comprehensive care plan must be developed for the individual.

15 (c) The residential care facility, in cooperation with the community
16 mental health center or an individual's managed care provider (as
17 defined in IC 12-7-2-127(b)) serving the area in which the residential
18 care facility is located, shall develop the comprehensive care plan for
19 the individual. The plan must include the following:

20 (1) Psychosocial rehabilitation services that are provided within
21 the community.

22 (2) A comprehensive range of activities to meet multiple levels of
23 need, including the following:

24 (A) Recreational and socialization activities.

25 (B) Social skills.

26 (C) Educational, training, occupational, and work programs.

27 (D) Opportunities for progression into less restrictive and
28 more independent living arrangements.

29 (3) Appropriate alternate placement if the individual's needs
30 cannot be met by the facility.

31 (d) The **Indiana** health facilities, **home health care, and hospice**
32 council shall, in coordination with the division of mental health and
33 addiction and the division, adopt rules under IC 4-22-2 to govern:

34 (1) residential care; and

35 (2) the comprehensive care plan;

36 provided to individuals with a mental illness who reside under this
37 chapter in a home or facility that provides residential care.

38 SECTION 40. IC 12-11-2.1-1, AS AMENDED BY P.L.99-2007,
39 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2011]: Sec. 1. (a) The bureau shall determine whether or not
41 an individual has a developmental disability. For individuals for whom
42 there is not enough current information available to make a

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1 determination of eligibility, the bureau shall use the results of a
2 diagnostic assessment in determining whether an individual has a
3 developmental disability. A diagnostic assessment must include the
4 following:

- 5 (1) Diagnostic information concerning the individual's
- 6 functioning level and medical and habilitation needs.
- 7 (2) All information necessary for the use of the office of Medicaid
- 8 policy and planning, the Indiana health facilities, **home health**
- 9 **care, and hospice** council, and the division.
- 10 (3) The use of all appropriate assessments conducted under rules
- 11 adopted under IC 16-28.

12 (b) An individual who is found not to have a developmental
13 disability may appeal the bureau's finding under IC 4-21.5.

14 (c) If an individual is determined to have a developmental disability,
15 the office shall determine whether the individual meets the appropriate
16 federal level of care requirements.

17 SECTION 41. IC 12-15-41-2 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. As used in this
19 chapter, "countable resources" means all cash, other liquid assets, real
20 property, and personal property owned by an applicant for or a
21 recipient of Medicaid under this chapter, or the spouse of an applicant
22 or a recipient, that could be converted to cash to be used for support or
23 maintenance, except the following:

- 24 (1) All resources disregarded by the office under this article for
- 25 the purpose of determining eligibility for Medicaid.
- 26 (2) Any resource eligible for exclusion under 42 U.S.C.
- 27 1396a(r)(2), including a retirement account established under 26
- 28 U.S.C. 220 and held by either the applicant or recipient or the
- 29 applicant's or recipient's spouse.
- 30 (3) Subject to approval by the office, not more than twenty
- 31 thousand dollars (\$20,000) in independence and self-sufficiency
- 32 accounts held by the applicant or recipient for the sole purpose of
- 33 purchasing goods or services, including assistive technology and
- 34 personal assistance, that:
 - 35 (A) will increase the employability or independence of the
 - 36 applicant or recipient; and
 - 37 (B) are not services to which the recipient is entitled under
 - 38 Medicaid or any other publicly funded program.

39 ~~In determining the types of accounts to be approved under this~~
40 ~~subdivision, the office shall consider any recommendations made~~
41 ~~by the Medicaid work incentives council established by~~
42 ~~IC 12-15-42-1.~~

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1 SECTION 42. IC 12-15-41-13 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) The office shall
3 establish criteria to determine the effectiveness of:

- 4 (1) the buy-in program; and
- 5 (2) continued Medicaid coverage through Section 1619 of the
6 federal Social Security Act (42 U.S.C. 1382h).

7 (b) The criteria required under subsection (a) must include the
8 following:

- 9 (1) The number of individuals with disabilities who are:
 - 10 (A) enrolled in the buy-in program; or
 - 11 (B) receiving Medicaid through Section 1619 of the federal
12 Social Security Act (42 U.S.C. 1382h).
- 13 (2) State revenues resulting from premiums paid by participants
14 in the buy-in program.
- 15 (3) State costs incurred as a result of implementing the buy-in
16 program, including administrative costs and costs of providing
17 services.

18 (c) In addition to the criteria required under subsection (b), the
19 office may establish criteria to determine the following:

- 20 (1) Comparative costs of Medicaid funded services for
21 participants in the buy-in program and work incentives created
22 through Section 1619 of the federal Social Security Act (42
23 U.S.C. 1382h) before and after employment.
- 24 (2) The number of Supplemental Security Income and Social
25 Security Disability Insurance recipients in Indiana who are no
26 longer dependent on, or who have reduced dependence on, public
27 assistance or health care entitlement services, other than Medicaid
28 or the children's health insurance program, due to participation in
29 the buy-in program or work incentives created through Section
30 1619 of the federal Social Security Act (42 U.S.C. 1382h).
- 31 (3) The number of individuals with severe disabilities who are no
32 longer dependent on, or who have reduced dependence on, public
33 benefits or services, other than Medicaid or the children's health
34 insurance program, due to income or support services received
35 through participation in the buy-in program or work incentives
36 created through Section 1619 of the federal Social Security Act
37 (42 U.S.C. 1382h).
- 38 (4) The change in the number of buy-in program participants or
39 participants in work incentives created through Section 1619 of
40 the federal Social Security Act (42 U.S.C. 1382h) who have
41 health care needs and related services covered though employer
42 based benefit programs.

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- 1 (d) In evaluating the effectiveness of the state's work incentive
- 2 initiatives for individuals with disabilities, the office:
- 3 (1) shall collaborate with other state agencies on data collection;
- 4 and
- 5 (2) may consult with an independent contractor to collect data on
- 6 the criteria listed under subsection (b).

7 ~~(e) The office shall provide an annual report of its evaluation under~~
 8 ~~this section to the council not later than October 1 each year, beginning~~
 9 ~~in 2003.~~

10 SECTION 43. IC 12-15-41-15 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 15. (a) The office shall
 12 adopt rules under IC 4-22-2 to implement this chapter.

13 (b) The office may adopt emergency rules under IC 4-22-2-37.1 to
 14 implement this chapter on an emergency basis.

- 15 ~~(c) In adopting rules under this section, the office shall:~~
- 16 ~~(1) submit proposed rules to the council; and~~
 - 17 ~~(2) consider any recommendations of the council before adopting~~
 18 ~~final rules.~~

19 SECTION 44. IC 12-28-5-10, AS AMENDED BY P.L.99-2007,
 20 SECTION 147, IS AMENDED TO READ AS FOLLOWS
 21 [EFFECTIVE JULY 1, 2011]: Sec. 10. In conjunction with the division
 22 of disability and rehabilitative services, the council shall do the
 23 following:

- 24 (1) Determine the current and projected needs of each geographic
- 25 area of Indiana for residential services for individuals with a
- 26 developmental disability.
- 27 (2) Determine how the provision of developmental or vocational
- 28 services for residents in these geographic areas affects the
- 29 availability of developmental or vocational services to individuals
- 30 with a developmental disability living in their own homes.
- 31 (3) Develop standards for licensure of supervised group living
- 32 facilities regarding the following:
 - 33 (A) A sanitary and safe environment for residents and
 - 34 employees.
 - 35 (B) Classification of supervised group living facilities.
 - 36 (C) Any other matters that will ensure that the residents will
 - 37 receive a residential environment.
- 38 (4) Develop standards for the approval of entities providing
- 39 supported living services.
- 40 (5) Recommend social and habilitation programs to the Indiana
- 41 health facilities, **home health care, and hospice** council for
- 42 individuals with a developmental disability who reside in health

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1 facilities licensed under IC 16-28.
 2 (6) Develop and update semiannually a report that identifies the
 3 numbers of individuals with a developmental disability who live
 4 in health facilities licensed under IC 16-28. The Indiana health
 5 facilities, **home health care, and hospice** council shall assist in
 6 developing and updating this report.
 7 SECTION 45. IC 14-8-2-48, AS AMENDED BY P.L.85-2008,
 8 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2011]: Sec. 48. (a) "Commission", except as provided in
 10 subsections (b) through (r), refers to the natural resources commission.
 11 (b) "Commission", for purposes of IC 14-13-1, has the meaning set
 12 forth in IC 14-13-1-1.
 13 (c) "Commission", for purposes of IC 14-13-2, has the meaning set
 14 forth in IC 14-13-2-2.
 15 ~~(d) "Commission", for purposes of IC 14-13-3, has the meaning set~~
 16 ~~forth in IC 14-13-3-1.~~
 17 ~~(e)~~ (d) "Commission", for purposes of IC 14-13-4, has the meaning
 18 set forth in IC 14-13-4-1.
 19 ~~(f)~~ (e) "Commission", for purposes of IC 14-13-5, has the meaning
 20 set forth in IC 14-13-5-1.
 21 ~~(g)~~ (f) "Commission", for purposes of IC 14-13-6, has the meaning
 22 set forth in IC 14-13-6-2.
 23 ~~(h)~~ (g) "Commission", for purposes of IC 14-14-1, has the meaning
 24 set forth in IC 14-14-1-3.
 25 ~~(i)~~ "Commission", for purposes of IC 14-20-4, has the meaning set
 26 forth in IC 14-20-4-1.
 27 ~~(j)~~ (h) "Commission", for purposes of IC 14-20-11, has the meaning
 28 set forth in IC 14-20-11-1.
 29 ~~(k)~~ (i) "Commission", for purposes of IC 14-21-4, has the meaning
 30 set forth in IC 14-21-4-1.
 31 ~~(l)~~ (j) "Commission", for purposes of IC 14-25-11, has the meaning
 32 set forth in IC 14-25-11-1.
 33 ~~(m)~~ (k) "Commission", for purposes of IC 14-28-4, has the meaning
 34 set forth in IC 14-28-4-1.
 35 ~~(n)~~ (l) "Commission", for purposes of IC 14-30-1, has the meaning
 36 set forth in IC 14-30-1-2.
 37 ~~(o)~~ (m) "Commission", for purposes of IC 14-30-2, has the meaning
 38 set forth in IC 14-30-2-2.
 39 ~~(p)~~ (n) "Commission", for purposes of IC 14-30-3, has the meaning
 40 set forth in IC 14-30-3-2.
 41 ~~(q)~~ (o) "Commission", for purposes of IC 14-30-4, has the meaning
 42 set forth in IC 14-30-4-2.

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1 (+) (p) "Commission", for purposes of IC 14-33-20, has the meaning
2 set forth in IC 14-33-20-2.

3 SECTION 46. IC 14-8-2-59 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 59. "Corridor" has the
5 following meaning:

6 (1) For purposes of IC 14-13-3, the meaning set forth in
7 IC 14-13-3-2.

8 (2) (1) For purposes of IC 14-13-4, the meaning set forth in
9 IC 14-13-4-2.

10 (3) (2) For purposes of IC 14-13-5, the meaning set forth in
11 IC 14-13-5-2.

12 (4) (3) For purposes of IC 14-13-6, the meaning set forth in
13 IC 14-13-6-3.

14 SECTION 47. IC 14-8-2-61 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 61. "Council", has the
16 following meaning

17 (1) For purposes of IC 14-13-1-22, the meaning set forth in
18 IC 14-13-1-22.

19 (2) For purposes of IC 14-13-1-23, the meaning set forth in
20 IC 14-13-1-23.

21 (3) For purposes of IC 14-13-1-24, the meaning set forth in
22 IC 14-13-1-24.

23 (4) For purposes of IC 14-13-1-25, the meaning set forth in
24 IC 14-13-1-25.

25 (5) for purposes of IC 14-21-1, has the meaning set forth in
26 IC 14-21-1-5.

27 SECTION 48. IC 14-13-1-27 IS AMENDED TO READ AS
28 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 27. The commission
29 shall do the following:

30 (1) Consult with the following:

31 (A) The health council.

32 (B) The food and agriculture council.

33 (C) The athletic council.

34 (D) The animal and wildlife council.

35 (2) study the feasibility of programs, projects, events, and
36 facilities of national and international significance in the areas of
37 health, nutrition, physical fitness, medical science, recreation,
38 athletics, animal study, veterinary science, and related areas.

39 SECTION 49. IC 14-13-1-40 IS AMENDED TO READ AS
40 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 40. It is the intent of the
41 general assembly that consideration be given to the selection of persons
42 who are members of racial minorities for the following:

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- 1 (1) Appointment to the commission.
- 2 ~~(2) Appointment to the advisory councils created by this chapter.~~
- 3 ~~(3) (2)~~ Constructing, improving, developing, operating, or
- 4 managing projects, facilities, or improvements of the commission.
- 5 ~~(4) (3)~~ Entering into contracts or leases or receiving licenses to be
- 6 awarded under this chapter.

7 SECTION 50. IC 15-15-8-2, AS ADDED BY P.L.2-2008,
 8 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2011]: Sec. 2. As used in this chapter, "certifying agent" refers to
 10 a person or entity acting as an independent contractor who is:

- 11 (1) accredited by the director; **and**
- 12 ~~(2) approved by the panel to conduct field or farm certification;~~
- 13 ~~and~~
- 14 ~~(3) (2)~~ accredited by the United States Department of Agriculture
- 15 under the Organic Foods Production Act.

16 SECTION 51. IC 15-15-8-7, AS ADDED BY P.L.2-2008,
 17 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2011]: Sec. 7. (a) The director may grant accreditation to an
 19 applicant under this chapter.

20 ~~(b) In determining whether to grant accreditation to an applicant, the~~
 21 ~~director shall consider the report concerning the applicant that is~~
 22 ~~prepared by the panel under section 13 of this chapter.~~

23 ~~(c) (b)~~ The director shall make a determination and respond to the
 24 applicant not later than three (3) months after the date of receipt of the
 25 application.

26 SECTION 52. IC 15-15-8-12, AS ADDED BY P.L.2-2008,
 27 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2011]: Sec. 12. The director shall implement this chapter. ~~with~~
 29 ~~the assistance of the panel.~~ The director has no regulatory authority
 30 under this chapter except as provided under section 17 of this chapter.

31 SECTION 53. IC 16-18-2-84 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 84. "Council" refers to
 33 the following:

- 34 (1) For purposes of IC 16-21, **IC 16-25, IC 16-27, IC 16-28, and**
- 35 **IC 16-29**, the ~~hospital health care facility advisory council.~~
- 36 (2) For purposes of ~~IC 16-25 and IC 16-27~~, the ~~home health care~~
- 37 ~~services and hospice services council.~~
- 38 (3) For purposes of ~~IC 16-28 and IC 16-29~~, the ~~Indiana health~~
- 39 ~~facilities council.~~
- 40 ~~(4) (2)~~ For purposes of IC 16-46-6, the interagency state council
- 41 on black and minority health.

42 SECTION 54. IC 16-18-2-150, AS AMENDED BY P.L.152-2005,

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1 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2011]: Sec. 150. (a) "Governing body", for purposes of
3 IC 16-22-7, has the meaning set forth in IC 16-22-7-2.

4 (b) "~~Governing body~~"; for purposes of ~~IC 16-27-0.5~~; has the
5 meaning set forth in ~~IC 16-27-0.5-0.5~~.

6 (c) (b) "Governing body", for purposes of IC 16-41-22, has the
7 meaning set forth in IC 16-41-22-3.

8 SECTION 55. IC 16-19-15 IS ADDED TO THE INDIANA CODE
9 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2011]:

11 **Chapter 15. Health Care Facility Advisory Council**

12 **Sec. 1. The health care facility advisory council is created.**

13 **Sec. 2. (a) The council consists of eighteen (18) members as**
14 **follows:**

- 15 (1) **The commissioner or the commissioner's designee.**
- 16 (2) **The secretary of family and social services or the**
17 **secretary's designee.**
- 18 (3) **The following members appointed by the governor:**
 - 19 (A) **One (1) physician licensed under IC 25-22.5 who**
20 **primarily practices in acute care.**
 - 21 (B) **One (1) physician licensed under IC 25-22.5 who**
22 **primarily practices in long term care.**
 - 23 (C) **One (1) registered nurse licensed under IC 25-23 who**
24 **is employed in an acute care facility.**
 - 25 (D) **One (1) registered nurse licensed under IC 25-23 who**
26 **is employed in a long term care facility.**
 - 27 (E) **One (1) registered nurse licensed under IC 25-23 who**
28 **is employed by a home health agency.**
 - 29 (F) **One (1) residential care administrator.**
 - 30 (G) **Two (2) individuals who are employed as hospital**
31 **administrators, as follows:**
 - 32 (i) **One (1) individual employed at a for profit facility.**
 - 33 (ii) **One (1) individual employed at a nonprofit facility.**
 - 34 (H) **One (1) individual who is employed as an**
35 **administrator of a freestanding ambulatory outpatient**
36 **surgical center.**
 - 37 (I) **One (1) individual who is employed as a long term care**
38 **facility administrator.**
 - 39 (J) **One (1) individual who is employed by a home health or**
40 **hospice agency as:**
 - 41 (i) **an administrator; or**
 - 42 (ii) **a director of nursing.**

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(K) One (1) individual who:
(i) represents the interests of senior citizens; and
(ii) has experience as a health care advocate for senior citizens and may represent a statewide organization.

(L) One (1) individual who:
(i) represents the interests of people with disabilities; and
(ii) has experience as a health care advocate for people with disabilities and may represent a statewide organization.

(M) One (1) individual who:
(i) represents the interests of people with chronic or acute health care needs; and
(ii) has experience as a health care advocate for people with chronic or acute health care needs and may represent a statewide organization.

(N) Two (2) individuals employed by any one (1) of the following:
(i) A school of public health.
(ii) A school of nursing.
(iii) A school of medicine.
(iv) A school of allied health.
(v) A health care research organization.
(vi) A quality improvement organization.

The governor shall appoint one (1) member under this subsection as chairperson and one (1) member as vice chairperson of the council.

(b) The commissioner or the commissioner's designee shall serve as secretary of the council.

(c) Except for an individual appointed under subsection (a)(3)(C) through (a)(3)(J), a member of the council may not:

- (1) have a pecuniary interest in the operation of;**
- (2) have an ownership interest in;**
- (3) serve as a voting member of the governing body of; or**
- (4) provide professional services through employment or under contract to;**

an institution, facility, or agency licensed by the state department.

(d) The governor shall make the initial appointments under subsection (a)(3) to the council with the terms of office beginning July 1, 2011, and serving terms as follows:

- (1) Eight (8) members shall be appointed for a term of four (4) years.**
- (2) Eight (8) members shall be appointed for a term of two (2)**

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1 years.
2 After the initial term of office for the council, a member shall be
3 appointed for a term of four (4) years.

4 (e) Any vacancy on the council shall be filled by the governor for
5 the remainder of the unexpired term in the same manner as the
6 original appointment.

7 Sec. 3. (a) A member of the council who is not a state employee
8 is entitled to the minimum salary per diem provided by
9 IC 4-10-11-2.1(b).

10 (b) A member of the council is entitled to reimbursement for
11 traveling expenses as provided in IC 4-13-1-4 and other expenses
12 actually incurred in connection with the member's duties, as
13 provided in the state policies and procedures established by the
14 Indiana department of administration and approved by the budget
15 agency.

16 Sec. 4. (a) The chairperson shall call the first meeting of the
17 council not more than sixty (60) days after the appointment of all
18 the members to the council. The council shall meet at least three (3)
19 times each year on dates fixed by the council.

20 (b) The chairperson may call a special meeting of the council at
21 the commissioner's request or upon the written request of at least
22 four (4) members of the council.

23 (c) Ten (10) members of the council constitute a quorum for the
24 transaction of business. The affirmative votes of a majority of the
25 members are required for the council to take action on any
26 measure.

27 (d) The chairperson may approve the creation of a
28 subcommittee at the request of a majority of the council members.
29 A subcommittee member:

- 30 (1) serves at the pleasure of the council; and
31 (2) does not receive travel reimbursement or per diem.

32 Sec. 5. (a) The council shall serve as an advisory body to the
33 state department regarding facilities and entities licensed under the
34 following:

- 35 (1) IC 16-21.
36 (2) IC 16-25.
37 (3) IC 16-27.
38 (4) IC 16-28.

39 (b) The council may do the following:

- 40 (1) Propose rules to the executive board.
41 (2) Recommend issuance of interpretative guidelines when
42 necessary to assist a facility or entity in meeting the

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requirements of a rule adopted under:

- (A) IC16-21-1;
- (B) IC 16-27-0.5; or
- (C) IC 16-28-1.

An interpretative guideline is not a rule and may not be used to contravene a rule.

(c) The council shall do the following:

(1) Propose rules as set forth in the following:

- (A) IC 16-21-1-7.
- (B) IC 16-21-2-14.
- (C) IC 16-27-0.5-9.
- (D) IC 16-28-1-7.
- (E) IC 16-28-1-11.
- (F) IC 16-28-6-2.

(2) Advise the state department as set forth in the following:

- (A) IC 16-27-0.5.
- (B) IC 16-28-1-7(4).

(3) Make recommendations to the fire prevention and building safety commission as set forth in IC 16-28-1-7(2).

(4) Classify health facilities in health care categories as required in IC 16-28-1-7.

Sec. 6. Beginning July 1, 2011, the liabilities, property, records, and other assets that belonged to the following councils are transferred to the health care facility advisory council:

- (1) The hospital council (established by IC 16-21-1-1, before its repeal).**
- (2) The home health care services and hospice services council (established by IC 16-27-0.5-1, before its repeal).**
- (3) The health facilities council (established by IC 16-28-1-1, before its repeal).**

SECTION 56. IC 16-21-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) Except as provided in IC 16-29-1-11, The executive board state health commissioner may, upon recommendation by the state health commissioner and for good cause shown, waive a rule:

- (1) adopted under this chapter; or
- (2) that may be waived under IC 16-28 for a specified time for a hospital based health facility or a hospital licensed under this article.

~~(b) Disapproval of waiver requests requires executive board action.~~

~~(c)~~ **(b) A waiver may not adversely affect the health, safety, and welfare of the residents or patients.**

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1 SECTION 57. IC 16-21-2-3 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The ~~council~~ **state**
3 **department** may determine if an institution or agency is covered by
4 this chapter. A decision of the ~~council~~ **state department** under this
5 section is subject to review under IC 4-21.5.

6 SECTION 58. IC 16-21-2-12 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. An application
8 must be accompanied by a licensing fee at the rate adopted by the
9 ~~council~~ **state department** under IC 4-22-2.

10 SECTION 59. IC 16-21-2-14, AS AMENDED BY P.L.96-2005,
11 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2011]: Sec. 14. A license to operate a hospital, an ambulatory
13 outpatient surgical center, an abortion clinic, or a birthing center:

- 14 (1) expires one (1) year after the date of issuance;
- 15 (2) is not assignable or transferable;
- 16 (3) is issued only for the premises named in the application;
- 17 (4) must be posted in a conspicuous place in the facility; and
- 18 (5) may be renewed each year upon the payment of a renewal fee
- 19 at the rate adopted by the ~~council~~ **state department** under
- 20 IC 4-22-2.

21 SECTION 60. IC 16-21-3-2 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The state health
23 commissioner may take action under section 1 of this chapter on any of
24 the following grounds:

- 25 (1) Violation of any of the provisions of this chapter or of the
- 26 rules adopted under this chapter.
- 27 (2) Permitting, aiding, or abetting the commission of any illegal
- 28 act in an institution.
- 29 (3) Knowingly collecting or attempting to collect from a
- 30 subscriber (as defined in IC 27-13-1-32) or an enrollee (as defined
- 31 in IC 27-13-1-12) of a health maintenance organization (as
- 32 defined in IC 27-13-1-19) any amounts that are owed by the
- 33 health maintenance organization.
- 34 (4) Conduct or practice found by the ~~council~~ **state department** to
- 35 be detrimental to the welfare of the patients of an institution.

36 SECTION 61. IC 16-25-3-2.5 IS AMENDED TO READ AS
37 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2.5. The state
38 department shall administer this chapter with the advice of the ~~home~~
39 ~~health care services and hospice services~~ **health care facility advisory**
40 council established by ~~IC 16-27-0.5-1~~ **IC 16-19-15-1**.

41 SECTION 62. IC 16-27-0.5-9 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) The state

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1 department may request the **health care facility advisory** council to
 2 propose a new rule or an amendment to a rule necessary to protect the
 3 health, safety, rights, and welfare of the home health care patients and
 4 hospice patients. If the council does not propose a rule within ninety
 5 (90) days after the state department's request, the state department may
 6 propose the rule.

7 (b) The executive board shall consider rules proposed by the council
 8 under this section. ~~and section 7 of this chapter.~~ The executive board
 9 may adopt, modify, remand, or reject specific rules or parts of rules
 10 proposed by the council.

11 (c) To become effective, all rules proposed by the council under this
 12 chapter must be adopted by the executive board in accordance with
 13 IC 4-22-2.

14 SECTION 63. IC 16-27-1-1, AS AMENDED BY P.L.197-2007,
 15 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2011]: Sec. 1. As used in this chapter, "health care
 17 professional" means any of the following:

- 18 (1) A licensed physician.
- 19 (2) A licensed dentist.
- 20 (3) A licensed chiropractor.
- 21 (4) A licensed podiatrist.
- 22 (5) A licensed optometrist.
- 23 (6) A nurse licensed under IC 25-23-1.
- 24 (7) A physical therapist licensed under IC 25-27 or a physical
 25 therapy assistant certified under IC 25-27.
- 26 (8) A speech-language pathologist or an audiologist licensed
 27 under IC 25-35.6-3.
- 28 (9) A speech-language pathology aide or an audiology aide (as
 29 defined in IC 25-35.6-1-2).
- 30 (10) An:
 - 31 (A) occupational therapist; ~~licensed~~; or
 - 32 (B) occupational therapy assistant; ~~certified~~;
 33 **licensed** under IC 25-23.5.
 - 34 (11) A social worker licensed under IC 25-23.6 or a social work
 35 assistant.
 - 36 (12) A pharmacist licensed under IC 25-26-13.

37 SECTION 64. IC 16-27-2-1, AS AMENDED BY P.L.197-2007,
 38 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2011]: Sec. 1. As used in this chapter, "health care
 40 professional" means any of the following:

- 41 (1) A licensed physician or a physician assistant (as defined in
 42 IC 25-22.5-1-1.1).

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- 1 (2) A dentist licensed under IC 25-14.
 2 (3) A chiropractor licensed under IC 25-10-1.
 3 (4) A podiatrist licensed under IC 25-29.
 4 (5) An optometrist licensed under IC 25-24.
 5 (6) A nurse licensed under IC 25-23-1.
 6 (7) A physical therapist licensed under IC 25-27 or a physical
 7 therapy assistant certified under IC 25-27.
 8 (8) A speech-language pathologist or an audiologist licensed
 9 under IC 25-35.6-3.
 10 (9) A speech-language pathology aide or an audiology aide (as
 11 defined in IC 25-35.6-1-2).
 12 (10) An:
 13 (A) occupational therapist licensed; or
 14 (B) occupational therapy assistant ~~certified~~; **licensed**;
 15 under IC 25-23.5.
 16 (11) A social worker licensed under IC 25-23.6 or a clinical social
 17 worker licensed under IC 25-23.6.
 18 (12) A pharmacist licensed under IC 25-26-13.
- 19 SECTION 65. IC 16-28-1-12 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) The department
 21 may request the council to propose a new rule or an amendment to a
 22 rule necessary to protect the health, safety, rights, and welfare of
 23 patients. If the council does not propose a rule not more than ninety
 24 (90) days after the department's request, the department may propose
 25 its own rule.
 26 (b) ~~The executive board shall consider rules proposed by the council~~
 27 ~~under this section and section † of this chapter.~~ The executive board
 28 may adopt, modify, remand, or reject specific rules or parts of rules
 29 proposed by the council.
 30 (c) To become effective, all rules adopted under this chapter must
 31 be adopted by the executive board in accordance with IC 4-22-2. The
 32 rules adopted under this chapter are the only rules governing the
 33 licensing and operation of health facilities.
- 34 SECTION 66. IC 16-28-4-3 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The ~~council~~ **state**
 36 **department** shall refer an allegation of breach received about licensed
 37 personnel at a health facility to the appropriate licensing board for
 38 review and possible disciplinary action.
- 39 SECTION 67. IC 16-28-6-2 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The ~~council~~ **state**
 41 **department** shall adopt rules governing the emergency relocation of
 42 patients that provide for the following:

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1 (1) Notice to the patient, the patient's next of kin, guardian, and
 2 physician of the emergency transfer and the reasons for the
 3 relocation.
 4 (2) Protections designed to ensure the welfare and desires of the
 5 patient.
 6 SECTION 68. IC 16-28-8-1 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. The director may,
 8 after consultation with the commissioner, ~~and the chairman of the~~
 9 ~~council~~, request the attorney general to petition the circuit or superior
 10 court of the county in which a health facility is located to place the
 11 facility in receivership to protect the patients in the facility.
 12 SECTION 69. IC 16-29-3-3 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. A decision of the
 14 ~~council state department~~ under this chapter is subject to review under
 15 IC 4-21.5. IC 16-28-10 applies to review hearings and appeals.
 16 SECTION 70. IC 16-29-4-3 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The ~~Indiana health~~
 18 ~~facilities health care facility advisory~~ council may recommend,
 19 before the conversion of existing health facility beds to ICF/MR beds
 20 or the construction of a new ICF/MR facility, that the state department
 21 issue a preliminary approval of the proposed project, but only if the
 22 council determines that there is an insufficient number of available
 23 beds to care for all the persons who are determined under IC 12-11-2.1
 24 to be appropriate for placement in an ICF/MR facility.
 25 SECTION 71. IC 16-29-4-4 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. A proposed project
 27 that receives preliminary approval under this chapter may not add more
 28 beds than the number determined by the ~~Indiana health facilities health~~
 29 ~~care facility advisory~~ council to be necessary to provide an available
 30 bed for each person determined under IC 12-11-2.1 to be appropriate
 31 for placement in an ICF/MR facility. Upon completion of the proposed
 32 project and compliance with the other requirements for licensure under
 33 IC 16-28, the state department shall issue a license to the facility.
 34 SECTION 72. IC 25-1-2-6, AS AMENDED BY P.L.84-2010,
 35 SECTION 7, AND AS AMENDED BY P.L.113-2010, SECTION 100,
 36 IS CORRECTED AND AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) As used in this section,
 38 "license" includes all occupational and professional licenses,
 39 registrations, permits, and certificates issued under the Indiana Code,
 40 and "licensee" includes all occupational and professional licensees,
 41 registrants, permittees, and certificate holders regulated under the
 42 Indiana Code.

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1 (b) This section applies to the following entities that regulate
2 occupations or professions under the Indiana Code:

- 3 (1) Indiana board of accountancy.
4 (2) Indiana grain buyers and warehouse licensing agency.
5 (3) Indiana auctioneer commission.
6 (4) Board of registration for architects and landscape architects.
7 ~~(5) State board of barber examiners.~~
8 ~~(6) (5) State board of cosmetology and barber examiners.~~
9 ~~(7) (6) Medical licensing board of Indiana.~~
10 ~~(8) (7) Secretary of state.~~
11 ~~(9) (8) State board of dentistry.~~
12 ~~(10) (9) State board of funeral and cemetery service.~~
13 ~~(11) (10) Worker's compensation board of Indiana.~~
14 ~~(12) (11) Indiana state board of health facility administrators.~~
15 ~~(13) (12) Committee of hearing aid dealer examiners.~~
16 ~~(14) (13) Indiana state board of nursing.~~
17 ~~(15) (14) Indiana optometry board.~~
18 ~~(16) (15) Indiana board of pharmacy.~~
19 ~~(17) (16) Indiana plumbing commission.~~
20 ~~(18) (17) Board of podiatric medicine.~~
21 ~~(19) (18) Private investigator and security guard licensing board.~~
22 ~~(20) (19) State board of registration for professional engineers.~~
23 ~~(21) Board of environmental health specialists.~~
24 ~~(22) (20) State psychology board.~~
25 ~~(23) (21) Indiana real estate commission.~~
26 ~~(24) (22) Speech-language pathology and audiology board.~~
27 ~~(25) (23) Department of natural resources.~~
28 ~~(26) (24) State athletic commission.~~
29 ~~(26) (25) (24) Board of chiropractic examiners.~~
30 ~~(27) (26) (25) Mining board.~~
31 ~~(28) (27) (26) Indiana board of veterinary medical examiners.~~
32 ~~(29) (28) (27) State department of health.~~
33 ~~(30) (29) (28) Indiana physical therapy committee.~~
34 ~~(31) (30) (29) Respiratory care committee.~~
35 ~~(32) (31) (30) Occupational therapy committee.~~
36 ~~(33) (32) (31) Behavioral health and human services licensing~~
37 ~~board.~~
38 ~~(34) (33) (32) Real estate appraiser licensure and certification~~
39 ~~board.~~
40 ~~(35) (34) (33) State board of registration for land surveyors.~~
41 ~~(36) (35) (34) Physician assistant committee.~~
42 ~~(37) (36) (35) Indiana dietitians certification board.~~

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- 1 ~~(38) Indiana hypnotist committee.~~
- 2 ~~(39) (37) (36)~~ Attorney general (only for the regulation of athlete
- 3 agents).
- 4 ~~(40) (38) (37)~~ Manufactured home installer licensing board.
- 5 ~~(41) (39) (38)~~ Home inspectors licensing board.
- 6 ~~(42) (40) (39)~~ State board of massage therapy.
- 7 ~~(43) (41) (40)~~ Any other occupational or professional agency
- 8 created after June 30, 1981.

9 (c) Notwithstanding any other law, the entities included in
 10 subsection (b) shall send a notice of the upcoming expiration of a
 11 license to each licensee at least sixty (60) days prior to the expiration
 12 of the license. The notice must inform the licensee of the need to renew
 13 and the requirement of payment of the renewal fee. If this notice of
 14 expiration is not sent by the entity, the licensee is not subject to a
 15 sanction for failure to renew if, once notice is received from the entity,
 16 the license is renewed within forty-five (45) days of the receipt of the
 17 notice.

18 (d) **Notwithstanding any other law, the entities included in**
 19 **subsection (b) shall send notice of the expiration of a license to each**
 20 **individual whose license has expired within thirty (30) days**
 21 **following the expiration of the license. The notice must meet the**
 22 **following requirements:**

- 23 (1) **Inform the individual of the following:**
- 24 (A) **That the individual's license has expired.**
- 25 (B) **Any requirements that must be met before**
- 26 **reinstatement of a license may occur.**
- 27 (2) **Be sent electronically. However, if the entity does not have**
- 28 **an electronic mail address on record for the individual, the**
- 29 **notice must be sent via United States mail.**

30 SECTION 73. IC 25-1-2-10 IS ADDED TO THE INDIANA CODE
 31 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 32 1, 2011]: **Sec. 10. (a) As used in this section, "agency" refers to the**
 33 **Indiana professional licensing agency established by IC 25-1-5-3.**

34 **(b) As used in this section, "fund" refers to the accountant**
 35 **investigative fund established by IC 25-2.1-8-4.**

36 **(c) The agency shall create an amnesty program for persons,**
 37 **including firms, required to be licensed under IC 25-2.1 who did**
 38 **not renew their licenses for one (1) or more renewal periods during**
 39 **the period beginning January 1, 2003, and ending June 30, 2011.**
 40 **The amnesty program begins July 1, 2011, and ends September 1,**
 41 **2011.**

42 **(d) To be eligible for the program, the person must:**

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- 1 **(1) have held a valid license under IC 25-2.1 on January 1,**
- 2 **2003;**
- 3 **(2) have met the requirements for each missed license period**
- 4 **during each missed license period, except for the**
- 5 **requirements of having submitted a renewal form and paid**
- 6 **the renewal fee; and**
- 7 **(3) provide a sworn statement that the person has not**
- 8 **committed any act during the missed renewal periods that**
- 9 **would constitute a violation of IC 25-1-11.**
- 10 **(e) When renewing a license under this section, the licensee shall**
- 11 **pay:**
- 12 **(1) all missed license renewal fees;**
- 13 **(2) the current license renewal fee; and**
- 14 **(3) an additional fee of one hundred dollars (\$100) to be**
- 15 **deposited in the fund.**
- 16 **(f) This section expires July 1, 2012.**
- 17 SECTION 74. IC 25-1-11-12, AS AMENDED BY P.L.177-2009,
- 18 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 19 JULY 1, 2011]: Sec. 12. (a) The board may impose any of the
- 20 following sanctions, singly or in combination, if the board finds that a
- 21 practitioner is subject to disciplinary sanctions under sections 5
- 22 through 9 of this chapter:
- 23 (1) Permanently revoke a practitioner's license.
- 24 (2) Suspend a practitioner's license.
- 25 (3) Censure a practitioner.
- 26 (4) Issue a letter of reprimand.
- 27 (5) Place a practitioner on probation status and require the
- 28 practitioner to:
- 29 (A) report regularly to the board upon the matters that are the
- 30 basis of probation;
- 31 (B) limit practice to those areas prescribed by the board;
- 32 (C) continue or renew professional education approved by the
- 33 board until a satisfactory degree of skill has been attained in
- 34 those areas that are the basis of the probation; **or**
- 35 (D) perform or refrain from performing any acts, including
- 36 community restitution or service without compensation, that
- 37 the board considers appropriate to the public interest or to the
- 38 rehabilitation or treatment of the practitioner; **or**
- 39 **(E) satisfactorily complete a quality review (before July 1,**
- 40 **2012) or peer review (after June 30, 2012) specified by the**
- 41 **board as a condition for termination of probationary**
- 42 **status if the practitioner is a licensee (as defined in**

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IC 25-2.1-1-8).

(6) Assess a civil penalty against the practitioner for not more than one thousand dollars (\$1,000) for each violation listed in sections 5 through 9 of this chapter except for a finding of incompetency due to a physical or mental disability.

(7) Order a practitioner to pay consumer restitution to a person who suffered damages as a result of the conduct or omission that was the basis for the disciplinary sanctions under this chapter.

(b) When imposing a civil penalty under subsection (a)(6), the board shall consider a practitioner's ability to pay the amount assessed. If the practitioner fails to pay the civil penalty within the time specified by the board, the board may suspend the practitioner's license without additional proceedings. However, a suspension may not be imposed if the sole basis for the suspension is the practitioner's inability to pay a civil penalty.

(c) The board may withdraw or modify the probation under subsection (a)(5) if the board finds after a hearing that the deficiency that required disciplinary action has been remedied or that changed circumstances warrant a modification of the order.

SECTION 75. IC 25-2.1-1-8.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 8.7. (a) "Peer review" means a study, an appraisal, or a review of at least one (1) aspect of the professional work of:**

- (1) an individual who; or**
- (2) a firm in the practice of accountancy that;**

attests or issues compilation reports, by at least one (1) individual who holds a certificate from any state and possesses qualifications that meet the applicable substantial equivalency standards and who is independent of the individual or firm being reviewed. The term includes any part of a quality review conducted before July 1, 2012, that becomes part of a peer review conducted or peer review report issued after June 30, 2012.

(b) After June 30, 2012, any reference in any law, rule, or other document to "quality review" as that term was applied under this article before July 1, 2012, shall be treated as a reference to peer review.

SECTION 76. IC 25-2.1-1-12, AS AMENDED BY P.L.197-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 12. (a) "Quality review" means a study, an appraisal, or a review of at least one (1) aspect of the professional work of:**

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- 1 (1) an individual who; or
- 2 (2) a firm in the practice of accountancy that;
- 3 attests or issues compilation reports, by at least one (1) individual who
- 4 holds a certificate from any state and possesses qualifications that meet
- 5 the applicable substantial equivalency standards and who is
- 6 independent of the individual or firm being reviewed.

7 **(b) This section expires July 1, 2012.**

8 SECTION 77. IC 25-2.1-2-15, AS AMENDED BY P.L.190-2007,
9 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2011]: Sec. 15. The board may adopt rules under IC 4-22-2
11 governing the administration and enforcement of this article and the
12 conduct of licensees, including the following:

- 13 (1) The board's meetings and conduct of business.
- 14 (2) The procedure of investigations and hearings.
- 15 (3) The educational and experience qualifications required for the
- 16 issuance of certificates under this article and the continuing
- 17 professional education required for renewal of certificates under
- 18 IC 25-2.1-4.
- 19 (4) Rules of professional conduct directed to controlling the
- 20 quality and probity of the practice of accountancy by licensees,
- 21 including independence, integrity, and objectivity, competence
- 22 and technical standards, and responsibilities to the public and
- 23 clients.
- 24 (5) The actions and circumstances that constitute professing to be
- 25 a licensee in connection with the practice of accountancy.
- 26 (6) The manner and circumstances of use of the title "certified
- 27 public accountant" and the abbreviation "CPA".
- 28 (7) Quality reviews **(before July 1, 2012) or peer reviews (after**
- 29 **June 30, 2012)** that may be required to be performed under this
- 30 article.
- 31 (8) Methods of applying for and conducting the examinations,
- 32 including methods for grading examinations and determining a
- 33 passing grade required of an applicant for a certificate. However,
- 34 the board shall to the extent possible provide that the
- 35 examination, grading of the examination, and the passing grades
- 36 are uniform with those applicable in other states.
- 37 (9) Substantial equivalency.
- 38 (10) Administration of the accountant investigative fund
- 39 established by IC 25-2.1-8-4.

40 SECTION 78. IC 25-2.1-5-8, AS AMENDED BY P.L.190-2007,
41 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2011]: Sec. 8. (a) The board shall adopt rules that require as

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1 a condition to renew a permit under this chapter, that an applicant
2 undergo, not more than once every three (3) years, a quality review
3 **(before July 1, 2012) or peer review (after June 30, 2012)** conducted
4 in a manner the board specifies.

5 (b) The rules adopted under subsection (a) must:

6 (1) be adopted reasonably in advance of the time when a quality
7 review **(before July 1, 2012) or peer review (after June 30,**
8 **2012)** first becomes effective;

9 (2) include reasonable provision for compliance by an applicant
10 showing that the applicant has in the preceding three (3) years
11 undergone a quality review **(before July 1, 2012) or peer review**
12 **(after June 30, 2012)** that is a satisfactory equivalent to the
13 quality review **(before July 1, 2012) or peer review (after June**
14 **30, 2012)** required under this section;

15 (3) require, with respect to quality reviews **(before July 1, 2012)**
16 **or peer reviews (after June 30, 2012)** under subdivision (2), that
17 the quality review **(before July 1, 2012) or peer review (after**
18 **June 30, 2012)** be subject to review by an oversight body
19 established or sanctioned by the board that shall:

20 (A) **comply with IC 25-2.1-9-4; and**

21 (B) periodically report to the board on the effectiveness of the
22 review program and provide to the board a listing of firms that
23 have participated in a quality review **(before July 1, 2012) or**
24 **peer review (after June 30, 2012)** program; and

25 (4) **subject to section 9 of this chapter and IC 25-2.1-9-4,**
26 require, with respect to quality reviews **(before July 1, 2012) or**
27 **peer reviews (after June 30, 2012)** under subdivision (2), that:

28 (A) the proceedings, records, and work papers of a review
29 committee are privileged and are not subject to discovery,
30 subpoena, or other means of legal process or introduction into
31 evidence in a civil action, arbitration, administrative
32 proceeding, or Indiana board of accountancy proceeding; and

33 (B) a member of the review committee or individual who was
34 involved in the quality review **(before July 1, 2012) or peer**
35 **review (after June 30, 2012)** process is not permitted or
36 required to testify in a civil action, arbitration, administrative
37 proceeding, or ~~Indiana board of accountancy proceeding~~
38 matters:

39 (i) produced, presented, disclosed or discussed during, or in
40 connection with, the quality review **(before July 1, 2012) or**
41 **peer review (after June 30, 2012)** process; or

42 (ii) that involve findings, recommendations, evaluations,

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1 opinions, or other actions of the committee or a committee
2 member.

3 SECTION 79. IC 25-2.1-5-9 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) Notwithstanding
5 section ~~8(4)(B)~~ **8(b)(4)(B)** of this chapter, information, documents, or
6 records that are publicly available are not immune from discovery or
7 use in any civil action, arbitration, administrative proceeding, or
8 ~~Indiana board of accountancy~~ proceeding merely because they were
9 presented or considered in connection with the quality review **(before**
10 **July 1, 2012) or peer review (after June 30, 2012)** process.

11 (b) Any:
12 (1) materials prepared in connection with a particular engagement
13 merely because they happen to subsequently be presented or
14 considered as part of the quality review **(before July 1, 2012) or**
15 **peer review (after June 30, 2012)** process; or
16 (2) dispute between review committees and individuals or firms
17 subject to a quality review **(before July 1, 2012) or peer review**
18 **(after June 30, 2012)** arising from the performance of the quality
19 review **(before July 1, 2012) or peer review (after June 30,**
20 **2012);**
21 are not privileged.

22 SECTION 80. IC 25-2.1-8-1, AS AMENDED BY P.L.190-2007,
23 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2011]: Sec. 1. (a) The board may impose sanctions for any of
25 the following reasons:

- 26 (1) A violation of IC 25-1-11-5, **including:**
27 **(A) a peer review rating of fail; or**
28 **(B) an act or omission that is the basis of a peer review**
29 **rating of fail;**
30 **on any peer review report issued under this article after June**
31 **30, 2012.**
32 (2) Revocation or suspension of the right to practice before a state
33 or federal agency.
34 (3) Dishonesty, fraud, or gross negligence in the practice of
35 accountancy or in the filing of or failure to file the licensee's own
36 income tax returns.
37 (4) Any conduct reflecting adversely on the licensee's fitness to
38 engage in the practice of accountancy.
39 (5) Failure to complete continuing education requirements
40 satisfactorily.
41 (6) Failure to furnish evidence, when required, of satisfactory
42 completion of continuing education requirements.

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1 (b) A holder of a CPA certificate issued under this article is subject
2 to disciplinary action in this state if the CPA certificate holder:

- 3 (1) offers or renders services or uses the CPA title in another
4 state; and
5 (2) commits an act in that other state for which the CPA
6 certificate holder would be subject to discipline in the other state
7 if the CPA certificate holder were licensed in the other state.

8 The board shall investigate a complaint made by a board of
9 accountancy or the equivalent of a board of accountancy in another
10 state.

11 SECTION 81. IC 25-2.1-8-2 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. In place of or in
13 addition to any remedy specifically provided in IC 25-1-11, the board
14 may require the following of a licensee:

- 15 (1) **To undergo a quality review ~~conducted~~ (before July 1,**
16 **2012) or a peer review (after June 30, 2012).**
17 (2) ~~Satisfactory completion of~~ **To satisfactorily complete**
18 **continuing professional education programs.**

19 SECTION 82. IC 25-2.1-9-3, AS AMENDED BY P.L.84-2010,
20 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2011]: Sec. 3. (a) If the board has reason to believe that the
22 subject of an investigation has committed a violation of this article or
23 IC 25-1-11:

- 24 (1) the board shall direct that a complaint be issued under
25 IC 25-1-7, if the subject of the investigation is a licensee; and
26 (2) the board shall take appropriate action under IC 25-1-7-14, if
27 the subject of the investigation is not a licensee.

28 **(b) Subsection (a) does not prohibit the board from taking an**
29 **action permitted under IC 25-1 or IC 25-2.1-8-2, including an**
30 **action under the following:**

- 31 **(1) IC 25-1-4-5 (conditional license and other actions related**
32 **to continuing education or lapsed license).**
33 **(2) IC 25-1-6-4 (refusal to issue a license or placement on**
34 **probationary status).**

35 ~~(b)~~ **(c)** If the board does not proceed under subsection (a) **or (b)**, the
36 board shall close the matter and may release the information only with
37 the consent of the individual or firm that was under investigation.

38 SECTION 83. IC 25-2.1-9-4 IS ADDED TO THE INDIANA CODE
39 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
40 1, 2011]: Sec. 4. **(a) This section applies to a licensee that receives**
41 **a peer review rating of fail on a peer review report issued after**
42 **June 30, 2012, for a peer review conducted under IC 25-2.1-5-8.**

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(b) The following definitions apply throughout this section:

(1) "Administering entity" refers to the oversight body established or sanctioned by the board to conduct a peer review program.

(2) "Director" refers to the director of the division of consumer protection in the office of the attorney general.

(3) "Oversight committee" refers to a committee of licensees who are not board members that is designated by the board to receive a report.

(4) "Report" refers to a peer review report described in subsection (a), including any description of the deficiencies on which the peer review rating of fail is based.

(c) The board shall provide the director with the name and contact information for the administering entity.

(d) Not more than thirty (30) days after the issuance of a report, the administering entity shall make the report available to the oversight committee. The oversight committee may forward the report to the director. Receipt of the report shall be treated under IC 25-1-7-4, IC 25-1-7-5, and IC 25-1-7-6 as a complaint submitted by the board. If, after conducting an investigation, the director believes that a licensee should be subjected to disciplinary sanctions by the board, the director shall report the director's determination to the attorney general. Upon receiving the director's report, the attorney general may prosecute the matter, on behalf of the state of Indiana, before the board. IC 25-1-7-7(b) does not apply to a determination related to a complaint filed under this section.

(e) The administering entity and the peer review committee issuing a report shall cooperate with an investigation under IC 25-1-7 of a complaint filed under this section and with any resulting proceeding, including compliance with any request for access to or production of the proceedings, records, and work papers of the review committee by the director, the office of the attorney general, or a party to any proceeding initiated as a result of the filing of a complaint under this section. However, all complaints and information pertaining to a complaint are confidential until the attorney general files notice with the board of the attorney general's intent to prosecute a licensee under IC 25-1-7-7. Any meeting of the board, the oversight committee, or a designee of the board or oversight committee that is required in an investigation conducted before the attorney general files notice of intent to prosecute shall be conducted as an executive session

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under IC 5-14-1.5-6.1.

SECTION 84. IC 25-2.1-9-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 5. An:**

- (1) entity administering a quality review program before July 1, 2012, or a peer review program after June 30, 2012;**
- (2) officer, member, or employee of an entity administering a quality review program before July 1, 2012, or a peer review program after June 30, 2012;**
- (3) employee or member of a quality review committee before July 1, 2012, or a peer review committee after June 30, 2012; and**
- (4) entity in which or for which a member of a quality review committee (before July 1, 2012) or peer review committee (after June 30, 2012) is a sole proprietor, a partner, a shareholder, a member, or an employee;**

is immune from civil liability that would otherwise arise from communications, supervision, findings, recommendations, evaluations, reports, opinions, or other actions taken or omissions occurring in good faith in the course and scope of the duties of a quality review administering entity (before July 1, 2012) or peer review administering entity (after June 30, 2012) or a quality review committee (before July 1, 2012) or peer review committee (after June 30, 2012) that arise under this article, including the rules adopted by the board. The immunity granted under this section includes immunity for an act or omission related to any part of a quality review conducted under this article before July 1, 2012, that becomes part of a peer review conducted or peer review report issued after June 30, 2012.

SECTION 85. IC 25-2.1-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 2.** Before reinstating a suspended certificate or permit under IC 25-1-11-14, the board may require the applicant to show successful completion of specified continuing professional education, and the board may make the reinstatement of a certificate or permit conditional on satisfactory completion of a quality review **(before July 1, 2012) or peer review (after June 30, 2012)** specified by the board.

SECTION 86. IC 25-2.1-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 2.** The information derived from or as the result of professional services is confidential and privileged. However, this section does not prohibit a certified public accountant, a public accountant, or an accounting practitioner from

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1 disclosing any data required to be disclosed by the standards of the
2 profession:

- 3 (1) in rendering an opinion on the presentation of financial
- 4 statements;
- 5 (2) in ethical investigations conducted by private professional
- 6 organizations;
- 7 (3) in the course of quality reviews **(before July 1, 2012) or peer**
- 8 **reviews (after June 30, 2012) or an investigation or**
- 9 **proceeding related to a quality review (before July 1, 2012) or**
- 10 **peer review (after June 30, 2012); or**
- 11 (4) in making disclosure where the financial statements or the
- 12 professional services of an accountant are contested.

13 SECTION 87. IC 25-2.1-14-3 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. **(a) The following**
15 **definitions apply throughout this section:**

- 16 (1) **"Client provided records" means accounting or other**
- 17 **records belonging to the client that were provided to the**
- 18 **licensee by or on behalf of the client.**
- 19 (2) **"Client records prepared by the licensee" means**
- 20 **accounting or other records (for example, tax returns, general**
- 21 **ledgers, subsidiary journals, and supporting schedules such as**
- 22 **detailed employee payroll records and depreciation schedules)**
- 23 **that the licensee was engaged to prepare for the client.**
- 24 (3) **"Supporting records" means information not reflected in**
- 25 **the client's books and records that are otherwise not available**
- 26 **to the client with the result that the client's financial**
- 27 **information is incomplete.**
- 28 (4) **"Working papers" include, but are not limited to, audit**
- 29 **programs, analytical review schedules, and statistical**
- 30 **sampling results, analyses, and schedules prepared by the**
- 31 **client at the request of the licensee.**

32 **(b) All statements, records, schedules, working papers, and**
33 **memoranda made by a licensee or a partner, a member, a shareholder,**
34 **an officer, a director, or an employee of a licensee, including**
35 **information prepared by the client for the work and services rendered**
36 **to a client in the practice of accountancy, except the reports submitted**
37 **by the licensee to the client and records that are part of the client's**
38 **records, must remain the property of the licensee except in an express**
39 **agreement between the licensee and the client to the contrary.**

40 **(c) Upon a client's request, a licensee is required to provide the**
41 **following to the client:**

- 42 (1) **Client provided records in the licensee's custody or**

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control.
(2) Client records prepared by the licensee. However, client records prepared by the licensee may be withheld if the preparation of the records is not complete or there are fees due the licensee for the engagement to prepare those records.
(3) Supporting records related to a completed and issued work product of a licensee. However, supporting records prepared by the licensee may be withheld if there are fees due to the licensee for the specific work product.

(d) A licensee may make and retain a copy of any records returned to a client. Records may be provided in any format usable to the client. To the extent practicable, records shall be returned to a client not more than forty-five (45) days after a request is received.

SECTION 88. IC 25-2.1-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) This chapter does not prohibit a temporary transfer of work papers or other material necessary to carry out quality reviews **(before July 1, 2012) or peer reviews (after June 30, 2012), conduct an investigation or proceeding related to a quality review (before July 1, 2012) or peer review (after June 30, 2012),** or to comply with the disclosure of information under this chapter.

(b) A licensee is not required to keep any work paper beyond the period prescribed in any applicable statute.

SECTION 89. IC 25-19-1-5, AS AMENDED BY P.L.54-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The ~~Indiana health facilities council, state~~ **department of health**, pursuant to authority provided by IC 16-28, has, by rule duly promulgated, classified health facilities into comprehensive health facilities and residential health facilities. The fee for a health facility administrator's license in either classification shall be set by the board under section 8 of this chapter.

(b) ~~Such~~ **The** fee and application shall be submitted to the board, and the board shall transmit all ~~such the~~ funds ~~so~~ received to the treasurer of state to be deposited by ~~him~~ **the treasurer** in the general fund of the state. All expenses incurred in the administration of this chapter shall be paid from the general fund upon appropriation being made ~~therefor~~ in the manner provided by law for making ~~such~~ appropriations.

(c) The administrator of a comprehensive care facility must have a comprehensive care facility administrator license issued by the board in accordance with rules adopted under section 8 of this chapter.

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- 1 (d) The administrator of a residential care facility must have one (1)
- 2 of the following licenses issued by the board under rules adopted under
- 3 section 8 of this chapter:
- 4 (1) A comprehensive care facility administrator license.
- 5 (2) A residential care facility administrator license.
- 6 SECTION 90. IC 25-22.5-2-7, AS AMENDED BY P.L.225-2007,
- 7 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 8 JULY 1, 2011]: Sec. 7. (a) The board shall do the following:
- 9 (1) Adopt rules and forms necessary to implement this article that
- 10 concern, but are not limited to, the following areas:
- 11 (A) Qualification by education, residence, citizenship,
- 12 training, and character for admission to an examination for
- 13 licensure or by endorsement for licensure.
- 14 (B) The examination for licensure.
- 15 (C) The license or permit.
- 16 (D) Fees for examination, permit, licensure, and registration.
- 17 (E) Reinstatement of licenses and permits.
- 18 (F) Payment of costs in disciplinary proceedings conducted by
- 19 the board.
- 20 (2) Administer oaths in matters relating to the discharge of its
- 21 official duties.
- 22 (3) Enforce this article and assign to the personnel of the agency
- 23 duties as may be necessary in the discharge of the board's duty.
- 24 (4) Maintain, through the agency, full and complete records of all
- 25 applicants for licensure or permit and of all licenses and permits
- 26 issued.
- 27 (5) Make available, upon request, the complete schedule of
- 28 minimum requirements for licensure or permit.
- 29 (6) Issue, at the board's discretion, a temporary permit to an
- 30 applicant for the interim from the date of application until the
- 31 next regular meeting of the board.
- 32 (7) Issue an unlimited license, a limited license, or a temporary
- 33 medical permit, depending upon the qualifications of the
- 34 applicant, to any applicant who successfully fulfills all of the
- 35 requirements of this article.
- 36 (8) Adopt rules establishing standards for the competent practice
- 37 of medicine, osteopathic medicine, or any other form of practice
- 38 regulated by a limited license or permit issued under this article.
- 39 (9) Adopt rules regarding the appropriate prescribing of Schedule
- 40 III or Schedule IV controlled substances for the purpose of weight
- 41 reduction or to control obesity.
- 42 (10) Adopt rules establishing standards for office based

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1 procedures that require moderate sedation, deep sedation, or
2 general anesthesia.

- 3 (b) The board may adopt rules that establish:
- 4 (1) certification requirements for child death pathologists;
- 5 (2) an annual training program for child death pathologists under
- 6 IC 16-35-7-3(b)(2); and
- 7 (3) a process to certify a qualified child death pathologist.

8 **(c) The board shall, in consultation with the Indiana board of**
9 **pharmacy, oversee the adoption of a protocol that allows a**
10 **pharmacist to adjust a patient's drug regimen in a setting other**
11 **than a hospital and recommend requirements that should be**
12 **included in the protocol.**

13 SECTION 91. IC 25-23.5-0.5-2, AS ADDED BY P.L.197-2007,
14 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
15 JULY 1, 2011]: Sec. 2. The provisions of this article that require a
16 license to engage in the practice of occupational therapy do not apply
17 to the following:

- 18 (1) The practice of occupational therapy by an individual who is
- 19 practicing occupational therapy as part of a supervised course of
- 20 study in an educational program approved by the board.
- 21 (2) The practice of occupational therapy by an occupational
- 22 therapy assistant who is:
- 23 (A) ~~certified~~ **licensed** under this article; and
- 24 (B) acting under the supervision of an occupational therapist.
- 25 (3) ~~The practice of occupational therapy by an occupational~~
- 26 ~~therapy aide under the direct supervision of:~~
- 27 (A) ~~an occupational therapist; or~~
- 28 (B) ~~an occupational therapy assistant.~~

29 SECTION 92. IC 25-23.5-0.5-3, AS ADDED BY P.L.197-2007,
30 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2011]: Sec. 3. An occupational therapy assistant shall:

- 32 (1) be ~~certified~~ **licensed** under this article; and
- 33 (2) practice under the supervision of an occupational therapist
- 34 who is licensed under this article.

35 SECTION 93. IC 25-23.5-2-5, AS AMENDED BY P.L.197-2007,
36 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2011]: Sec. 5. The committee shall:

- 38 (1) consider the qualifications of persons who apply for licenses
- 39 under this article;
- 40 (2) provide for examinations required under this article;
- 41 (3) license qualified persons;
- 42 (4) propose rules to the board concerning the:

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- 1 (A) competent practice of occupational therapy;
- 2 (B) continuing competency requirement for the renewal of a
- 3 license for an occupational therapist and ~~renewal of a~~
- 4 ~~certificate for an~~ occupational therapy assistant; and
- 5 (C) administration of this article; and
- 6 (5) recommend to the board the amounts of fees required under
- 7 this article.

8 SECTION 94. IC 25-23.5-2-6, AS AMENDED BY P.L.197-2007,
 9 SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2011]: Sec. 6. (a) After considering the committee's proposed
 11 rules, the board shall adopt rules under IC 4-22-2 establishing
 12 standards for:

- 13 (1) the competent practice of occupational therapy;
- 14 (2) the renewal of licenses ~~or certificates~~ issued under this article;
- 15 and
- 16 (3) standards for the administration of this article.

17 (b) After considering the committee's recommendations for fees, the
 18 board shall establish fees under IC 25-1-8-2.

19 SECTION 95. IC 25-23.5-3-1, AS AMENDED BY P.L.197-2007,
 20 SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2011]: Sec. 1. A person may not:

- 22 (1) practice as an occupational therapist;
- 23 (2) practice as an occupational therapy assistant;
- 24 (3) use the title "occupational therapist";
- 25 (4) use the title "occupational therapy assistant"; or
- 26 (5) engage in the practice of occupational therapy;

27 unless the person is licensed ~~or certified~~ under this article.
 28 SECTION 96. IC 25-23.5-5-1, AS AMENDED BY P.L.197-2007,
 29 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JULY 1, 2011]: Sec. 1. A person who applies for a license as an
 31 occupational therapist or ~~a certificate as~~ an occupational therapy
 32 assistant must present satisfactory evidence to the committee that the
 33 person:

- 34 (1) does not have a conviction for a crime that has a direct bearing
- 35 on the person's ability to practice competently;
- 36 (2) has not been the subject of a disciplinary action by a licensing
- 37 or certification agency of another state or jurisdiction on the
- 38 grounds that the person was not able to practice as an
- 39 occupational therapist or occupational therapy assistant without
- 40 endangering the public;
- 41 (3) has graduated from a school or program of occupational
- 42 therapy or a program for occupational therapy assistants approved

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1 by the board; and
2 (4) has passed an occupational therapist or occupational therapy
3 assistant licensing ~~or certifying~~ examination approved by the
4 board under section 4.5 of this chapter.

5 SECTION 97. IC 25-23.5-5-2, AS AMENDED BY P.L.197-2007,
6 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2011]: Sec. 2. (a) The board may require a person who applies
8 for a license as an occupational therapist to have successfully
9 completed supervised fieldwork experience arranged and approved by
10 the school or program from which the person graduated.

11 (b) The board may require a person who applies for a ~~certificate~~
12 **license** as an occupational therapy assistant to have successfully
13 completed supervised fieldwork experience arranged and approved by
14 the program from which the person graduated.

15 SECTION 98. IC 25-23.5-5-3, AS AMENDED BY P.L.197-2007,
16 SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2011]: Sec. 3. A person applying for a license ~~or certificate~~
18 under this article must pay a fee.

19 SECTION 99. IC 25-23.5-5-4.5, AS ADDED BY P.L.197-2007,
20 SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2011]: Sec. 4.5. (a) The board shall do the following:

- 22 (1) Approve a nationally recognized examination for each type of
23 license ~~or certificate~~ issued under this article.
- 24 (2) Establish the passing score necessary to obtain a license under
25 this article.

26 (b) The board may use any part of an examination administered by:
27 (1) the National Board for Certification in Occupational Therapy,
28 or its successor; or
29 (2) another nationally recognized body that provides examination
30 services for occupational therapists, as determined by the
31 committee;

32 as the examination required to obtain a license under this article.

33 SECTION 100. IC 25-23.5-5-6, AS AMENDED BY P.L.197-2007,
34 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
35 JULY 1, 2011]: Sec. 6. The committee shall issue a license ~~or~~
36 ~~certificate~~ to a person who meets the requirements for a license ~~or~~
37 ~~certificate~~ under this article.

38 SECTION 101. IC 25-23.5-5-7, AS AMENDED BY P.L.197-2007,
39 SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
40 JULY 1, 2011]: Sec. 7. (a) The committee may refuse to issue a license
41 or may issue a probationary license to a person if:

- 42 (1) the person has been disciplined by an administrative agency

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1 in another jurisdiction; and
2 (2) the committee determines that the violation for which the
3 person was disciplined has a direct bearing on the person's ability
4 to practice occupational therapy as an occupational therapist.

5 (b) The committee may refuse to issue a ~~certificate license~~ or may
6 issue a probationary ~~certificate license~~ to a person if:

7 (1) the person has been disciplined by an administrative agency
8 in another jurisdiction; and

9 (2) the committee determines that the violation for which the
10 person was disciplined has a direct bearing on the person's ability
11 to practice as an occupational therapy assistant.

12 SECTION 102. IC 25-23.5-5-8, AS AMENDED BY P.L.197-2007,
13 SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2011]: Sec. 8. (a) If the committee issues a probationary
15 license or ~~probationary certificate~~ under section 7 of this chapter, the
16 committee may require the person who holds the probationary license
17 or ~~probationary certificate~~ to perform one (1) or more of the following
18 conditions:

19 (1) Report regularly to the committee upon a matter that is the
20 basis for the probation.

21 (2) Limit practice to areas prescribed by the committee.

22 (3) Continue or renew professional education.

23 (4) Engage in community restitution or service without
24 compensation for a number of hours specified by the committee.

25 (b) The committee shall remove a limitation placed on a
26 probationary license or ~~probationary certificate~~ if after a hearing the
27 committee finds that the deficiency that caused the limitation has been
28 remedied.

29 SECTION 103. IC 25-23.5-5-9, AS AMENDED BY P.L.197-2007,
30 SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 JULY 1, 2011]: Sec. 9. (a) A license or ~~certificate~~ issued by the
32 committee expires on a date established by the Indiana professional
33 licensing agency under IC 25-1-5-4 in the next even-numbered year
34 following the year in which the license or ~~certificate~~ was issued.

35 (b) A person may renew a license or ~~certificate~~ by paying a renewal
36 fee on or before the expiration date of the license. or ~~certificate~~.

37 (c) If a person fails to pay a renewal fee on or before the expiration
38 date of a license, or ~~certificate~~, the license or ~~certificate~~ becomes
39 invalid.

40 SECTION 104. IC 25-23.5-5-10, AS AMENDED BY P.L.197-2007,
41 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2011]: Sec. 10. (a) The committee shall reinstate an invalid

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1 license ~~or certificate~~ up to three (3) years after the expiration date of
2 the license ~~or certificate~~ if the person holding the invalid license ~~or~~
3 ~~certificate~~ meets the requirements under IC 25-1-8-6.

4 (b) If more than three (3) years have elapsed since the date a license
5 ~~or certificate~~ expired, the person holding the license ~~or certificate~~ may
6 renew the license ~~or certificate~~ by satisfying the requirements for
7 renewal established by the board and meeting the requirements under
8 IC 25-1-8-6.

9 SECTION 105. IC 25-23.5-5-11, AS AMENDED BY P.L.197-2007,
10 SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2011]: Sec. 11. (a) The committee may issue a temporary
12 permit to a person to engage in the practice of occupational therapy as
13 an occupational therapist or occupational therapy assistant if the person
14 pays a fee and the person:

15 (1) has a valid license or certificate to practice from another state
16 and the person has applied for a license or certificate from the
17 committee;

18 (2) is practicing occupational therapy in a state that does not
19 license or certify occupational therapists or occupational therapy
20 assistants but is certified by a national occupational therapy
21 association approved by the board and the person has applied for
22 a license ~~or certificate~~ from the committee; or

23 (3) meets all the following requirements:
24 (A) Has graduated from an accredited program.
25 (B) Has completed the fieldwork experience requirement for
26 a license ~~or certificate~~ under this article.
27 (C) Is eligible to take the entry level examination.

28 (b) A person with a temporary permit issued under subsection (a)(3)
29 may engage in the practice of occupational therapy as an occupational
30 therapist or an occupational therapy assistant only under the
31 supervision of an occupational therapist licensed under this article.

32 (c) A temporary permit expires the earlier of:
33 (1) the date the person holding the permit is issued a permanent
34 license ~~or certificate~~ under this article;
35 (2) the date the committee disapproves the person's license
36 ~~application or certificate~~ application; or
37 (3) one hundred eighty (180) days after the date the permit is
38 issued.

39 (d) The committee may renew a temporary permit if the person
40 holding the permit was scheduled to take the next examination and the
41 person:

42 (1) did not take the examination; and

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1 (2) shows good cause for not taking the examination.
 2 (e) A permit renewed under subsection (d) expires on the date the
 3 person holding the permit receives the results from the next
 4 examination given after the permit was issued.
 5 SECTION 106. IC 25-23.5-5-12, AS AMENDED BY P.L.197-2007,
 6 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2011]: Sec. 12. (a) A person who is licensed ~~or certified~~ under
 8 this article shall notify the committee in writing when the person retires
 9 from practice.
 10 (b) Upon receipt of the notice, the committee shall:
 11 (1) record the fact the person is retired; and
 12 (2) release the person from further payment of renewal fees.
 13 SECTION 107. IC 25-23.5-5-13, AS AMENDED BY P.L.197-2007,
 14 SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2011]: Sec. 13. (a) If a person surrenders a license ~~or~~
 16 ~~certificate~~ to the committee, the committee may reinstate the license ~~or~~
 17 ~~certificate~~ upon written request by the person.
 18 (b) If the committee reinstates a license, ~~or certificate~~, the
 19 committee may impose conditions on the license ~~or certificate~~
 20 appropriate to the reinstatement.
 21 (c) A person may not surrender a license ~~or certificate~~ without
 22 written approval by the committee if a disciplinary proceeding under
 23 this article is pending against the person.
 24 SECTION 108. IC 25-23.5-5-14, AS AMENDED BY P.L.197-2007,
 25 SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2011]: Sec. 14. A person who applies for a license ~~or~~
 27 ~~certificate~~ under this article may be exempted by the committee from
 28 the examination requirement under section 6 of this chapter if the
 29 person:
 30 (1) is licensed or certified to practice occupational therapy as an
 31 occupational therapist or occupational therapy assistant in another
 32 state; or
 33 (2) is practicing occupational therapy in a state that does not
 34 license or certify occupational therapists or occupational therapy
 35 assistants and is certified by a national occupational therapy
 36 association approved by the board;
 37 and is otherwise qualified under sections 1 through 3 of this chapter
 38 and pays an additional fee.
 39 SECTION 109. IC 25-23.5-5-15, AS AMENDED BY P.L.197-2007,
 40 SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2011]: Sec. 15. The committee may issue a license to a person
 42 who has graduated as an occupational therapist or issue a ~~certificate~~

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1 **license** to a person who has graduated as an occupational therapy
 2 assistant from an educational program in a foreign country if the
 3 person:

- 4 (1) graduated from an educational program approved by the
 5 board;
 6 (2) does not have a conviction for:
 7 (A) an act that would constitute a ground for a disciplinary
 8 sanction under IC 25-1-9; or
 9 (B) a crime that has a direct bearing on the person's ability to
 10 practice competently;
 11 (3) has not been the subject of a disciplinary action initiated by a
 12 licensing agency of another state or jurisdiction on the ground that
 13 the person was not able to practice occupational therapy as an
 14 occupational therapist or occupational therapy assistant without
 15 endangering the public;
 16 (4) passes the examination required under this chapter; and
 17 (5) pays a fee.

18 SECTION 110. IC 25-26-16-1, AS AMENDED BY P.L.1-2009,
 19 SECTION 143, IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE JULY 1, 2011]: Sec. 1. As used in this chapter,
 21 "protocol" means the policies, procedures, and protocols of a:

- 22 (1) hospital listed in IC 16-18-2-161(a)(1); **or**
 23 (2) **physician licensed under IC 25-22.5;**

24 concerning the adjustment of a patient's drug regimen by a pharmacist.

25 SECTION 111. IC 25-26-16-3, AS AMENDED BY P.L.98-2006,
 26 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2011]: Sec. 3. (a) At the time of admission to a hospital that
 28 has adopted a protocol under this chapter, the following apply:

- 29 (1) The admitting practitioner shall signify in writing in the form
 30 and manner prescribed by the hospital whether the protocol
 31 applies in the care and treatment of the patient.
 32 (2) A pharmacist may adjust the drug therapy regimen of the
 33 patient pursuant to the:
 34 (A) written authorization of the admitting practitioner under
 35 subdivision (1); and
 36 (B) protocols of the hospital.

37 The pharmacist shall review the appropriate medical records of
 38 the patient to determine whether the admitting practitioner has
 39 authorized the use of a specific protocol before adjusting the
 40 patient's drug therapy regimen. The admitting practitioner may at
 41 any time modify or cancel a protocol by entering the modification
 42 or cancellation in the patient's medical record.

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1 (b) Notwithstanding subsection (a)(2), if a protocol involves
2 parenteral nutrition of the patient, the pharmacist shall communicate
3 with the admitting practitioner to receive approval to begin the
4 protocol. The authorization of the admitting practitioner to use the
5 protocol shall be entered immediately in the patient's medical record,
6 if required by the protocol.

7 SECTION 112. IC 25-26-16-3.5 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2011]: **Sec. 3.5. (a) This section does not
10 apply to a protocol adopted in a hospital.**

11 (b) Upon authorization of a physician who has adopted a
12 protocol under this chapter, the following apply:

- 13 (1) The physician shall signify in writing whether the protocol
14 applies in the care and treatment of the patient.
- 15 (2) A pharmacist may adjust the drug therapy regimen of the
16 patient under the authorization of the physician.
- 17 (3) The pharmacist shall review the appropriate medical
18 records of the patient to determine whether the physician has
19 authorized the use of a specific protocol before adjusting the
20 patient's drug therapy regimen.

21 (c) The physician who has adopted a protocol under this
22 chapter:

- 23 (1) shall take appropriate actions to assure that the
24 pharmacist has the appropriate training to administer the
25 protocol; and
- 26 (2) may at any time modify or cancel a protocol by entering
27 the modification or cancellation in the patient's medical
28 record.

29 SECTION 113. IC 25-26-16-4.5 IS ADDED TO THE INDIANA
30 CODE AS A NEW SECTION TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2011]: **Sec. 4.5. (a) This section does not
32 apply to a pharmacist who is practicing in a hospital.**

33 (b) As used in this section, "direct supervision" means that the
34 supervising physician is readily available to consult with the
35 pharmacist while the protocol services are being provided.

36 (c) This section applies to a pharmacist who:

- 37 (1) is employed by, or has entered into a contract with, a
38 physician, a group of physicians, or an outpatient clinic; and
- 39 (2) is under the direct supervision of a physician.

40 (d) The protocols developed under this chapter must:

- 41 (1) be developed by the physician described in subsection
42 (c)(2) and the pharmacist; and

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- (2) at a minimum, require that:**
 - (A) the medical records of the patient are available to both the patient's physician and the pharmacist; and**
 - (B) the procedures performed by the pharmacist relate to a condition for which the patient has first seen the physician or another licensed practitioner.**

SECTION 114. IC 25-26-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. **(a)** If a hospital or private mental health institution elects to implement, revise, or renew a protocol under this chapter, the governing board of the hospital or private mental health institution shall consult with that facility's medical staff, pharmacists, and other health care providers selected by the governing board. However, the governing board is the ultimate authority regarding the terms, implementation, revision, and renewal of the protocol.

(b) If a physician elects to implement, revise, or renew a protocol in a setting other than a hospital or private mental health institution, the physician shall consult with a pharmacist. However, the physician is the ultimate authority regarding the terms, implementation, revision, and renewal of the protocol.

SECTION 115. IC 25-26-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. A protocol of a health care facility **or a physician that is** developed under this chapter must be reviewed at least annually.

SECTION 116. IC 25-27-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The committee shall:

- (1) pass upon the qualifications of physical therapists who apply for licensure and physical therapist's assistants who apply for certification;
- (2) provide all examinations either directly or by delegation under subsection (c);
- (3) determine the applicants who successfully pass examinations;
- (4) license qualified applicants; and
- (5) propose rules concerning the competent practice of physical therapy to the board.

(b) The board shall adopt rules, considering the committee's proposed rules, establishing standards for the competent practice of physical therapy.

(c) The committee may approve and utilize the services of a testing company or agent to prepare, conduct, and score examinations.

(d) The board shall adopt rules, considering the committee's

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1 **proposed rules, concerning a continuing competency requirement**
2 **for the renewal of a:**

- 3 **(1) license for a physical therapist; and**
- 4 **(2) certificate for a physical therapist's assistant.**

5 SECTION 117. IC 25-27.5-2-13 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. "Supervising
7 physician" means a physician ~~registered with~~ **licensed by** the board
8 who supervises and is responsible for a physician assistant.

9 SECTION 118. IC 25-27.5-2-14, AS AMENDED BY P.L.3-2008,
10 SECTION 190, IS AMENDED TO READ AS FOLLOWS
11 [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) "Supervision" means
12 **overseeing the activities of, and accepting responsibility for, the**
13 **medical services rendered by a physician assistant and, except as**
14 **provided in subsection (c),** that the conditions set forth in subdivision
15 (1) or (2) are met at all times that services are rendered or tasks are
16 performed by the physician assistant:

17 (1) The supervising physician or the physician designee is
18 physically present at the location at which services are rendered
19 or tasks are performed by the physician assistant.

20 (2) Both of the following apply:

21 (A) The supervising physician or the physician designee is:
22 (i) immediately available for consultation **through the use**
23 **of telecommunications or other electronic means; and**
24 (ii) **available to see the patient in person within**
25 **twenty-four (24) hours upon request of the patient or**
26 **physician assistant.**

27 (B) ~~Either:~~
28 (i) The supervising physician or the physician designee is in:
29 (i) the county ~~of, or a contiguous county to,~~ **in which** the
30 onsite location ~~in~~ **at** which services are rendered or tasks are
31 performed by the physician assistant **is located;** or
32 (ii) the physician or physician assistant is practicing at a
33 hospital or health facility; or traveling to or from the hospital
34 or health facility.
35 (ii) **a county that is contiguous to the county described in**
36 **item (i).**

37 (b) The term includes the use of protocols, guidelines, and standing
38 orders developed or approved by the supervising physician.

39 (c) **If, after June 30, 2011, a physician assistant's onsite location**
40 **does not meet the condition specified in subsection (a)(2)(B), the**
41 **medical licensing board created by IC 25-22.5-2-1 may grant a**
42 **waiver of the condition as follows:**

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(1) A request for a waiver must be filed with the medical licensing board as part of the supervisory agreement and must include the following:

(A) A description of the location of the physician assistant's onsite location in relation to the location of the supervising physician or physician designee.

(B) An explanation of the reason for the request for a waiver, including the reason that compliance with subsection (a)(2)(B) is not feasible.

(2) The medical licensing board:

(A) shall review a request filed under subdivision (1);

(B) may request a personal appearance of the supervising physician or the physician assistant, or both, before the medical licensing board to discuss the request for a waiver; and

(C) shall make a determination regarding whether to grant the waiver.

A physician assistant described in this subsection shall not provide services or perform tasks at the onsite location described in this subsection unless the medical licensing board has granted a waiver described in this subsection.

SECTION 119. IC 25-27.5-3-5, AS AMENDED BY P.L.177-2009, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The committee shall have regular meetings, called upon the request of the president or by a majority of the members appointed to the committee, and upon the advice and consent of the executive director of the Indiana professional licensing agency, for the transaction of business that comes before the committee under this article. At the first committee meeting of each calendar year, the committee shall elect a president and any other officer considered necessary by the committee by an affirmative vote of a majority of the members appointed to the committee.

(b) Three (3) members of the committee constitute a quorum. An affirmative vote of a majority of the members appointed to the committee is required for the committee to take action on any business.

(c) The committee shall do the following:

(1) Consider the qualifications of individuals who apply for an initial license under this article.

(2) Approve or reject license applications.

(3) Approve or reject renewal applications.

~~(4) Approve or reject applications for a change or addition of a supervising physician.~~

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1 ~~(5)~~ (4) Propose rules to the board concerning the competent
2 practice of physician assistants and the administration of this
3 article.

4 ~~(6)~~ (5) Recommend to the board the amounts of fees required
5 under this article.

6 SECTION 120. IC 25-27.5-5-2, AS AMENDED BY P.L.177-2009,
7 SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2011]: Sec. 2. (a) A physician assistant must engage in a
9 dependent practice with physician supervision. A physician assistant
10 may perform, under the supervision of the supervising physician, the
11 duties and responsibilities that are delegated by the supervising
12 physician and that are within the supervising physician's scope of
13 practice, including prescribing and dispensing drugs and medical
14 devices. A patient may elect to be seen, examined, and treated by the
15 supervising physician.

16 (b) If a physician assistant determines that a patient needs to be
17 examined by a physician, the physician assistant shall immediately
18 notify the supervising physician or physician designee.

19 (c) If a physician assistant notifies the supervising physician that the
20 physician should examine a patient, the supervising physician shall:

21 (1) schedule an examination of the patient in a timely manner
22 unless the patient declines; or

23 (2) arrange for another physician to examine the patient.

24 (d) If a patient is subsequently examined by the supervising
25 physician or another physician because of circumstances described in
26 subsection (b) or (c), the visit must be considered as part of the same
27 encounter except for in the instance of a medically appropriate referral.

28 (e) A supervising physician or physician assistant who does not
29 comply with subsections (b) through (d) is subject to discipline under
30 IC 25-1-9.

31 (f) A physician assistant's supervisory agreement with a supervising
32 physician must:

33 (1) be in writing;

34 (2) include all the tasks delegated to the physician assistant by the
35 supervising physician;

36 (3) set forth the supervisory plans for the physician assistant,
37 including the emergency procedures that the physician assistant
38 must follow; and

39 (4) specify the name of the drug or drug classification being
40 delegated to the physician assistant and the protocol the physician
41 assistant shall follow in prescribing a drug.

42 (g) The physician shall submit the supervisory agreement to the

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1 board. ~~for approval~~. The physician assistant may ~~not~~ prescribe a drug
 2 under the supervisory agreement ~~until unless~~ the board ~~approves~~
 3 ~~denies~~ the supervisory agreement. Any amendment to the supervisory
 4 agreement must be resubmitted to the board, ~~for approval~~; and the
 5 physician assistant may ~~not~~ operate under any new prescriptive
 6 authority under the amended supervisory agreement ~~until unless~~ the
 7 agreement has been ~~approved denied~~ by the board.

8 (h) A physician or a physician assistant who violates the supervisory
 9 agreement described in this section may be disciplined under
 10 IC 25-1-9.

11 SECTION 121. IC 25-27.5-5-4, AS AMENDED BY P.L.90-2007,
 12 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2011]: Sec. 4. (a) Except as provided in this section, a
 14 physician assistant may prescribe, dispense, and administer drugs and
 15 medical devices or services to the extent delegated by the supervising
 16 physician.

17 (b) A physician assistant may not prescribe, dispense, or administer
 18 ophthalmic devices, including glasses, contact lenses, and low vision
 19 devices.

20 (c) ~~As permitted by the board~~; A physician assistant may use or
 21 dispense only drugs prescribed or approved by the supervising
 22 physician. A physician assistant may not prescribe or dispense the
 23 following drugs:

24 (1) A schedule I substance listed in IC 35-48-2-4.

25 (2) A schedule II substance listed in IC 35-48-2-6.

26 (3) ~~A schedule III, schedule IV, or schedule V drug if the drug~~
 27 ~~contains oxycodone.~~

28 However, a physician assistant may prescribe one (1) dose of a drug
 29 listed in subdivision (2) ~~or (3)~~ for immediate administration if the
 30 patient is in an inpatient hospital post-operative setting and the
 31 physician is unavailable to make the prescription.

32 (d) A physician assistant may request, receive, and sign for
 33 professional samples and may distribute professional samples to
 34 patients if the samples are within the scope of the physician assistant's
 35 prescribing privileges delegated by the supervising physician.

36 (e) A physician assistant may not prescribe drugs unless the
 37 physician assistant has successfully completed at least thirty (30)
 38 contact hours in pharmacology from an educational program that is
 39 approved by the committee.

40 (f) A physician assistant may not prescribe, administer, or monitor
 41 general anesthesia, regional anesthesia, or deep sedation as defined by
 42 the board. A physician assistant may not administer moderate sedation:

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1 (1) if the moderate sedation contains agents in which the
 2 manufacturer's general warning advises that the drug should be
 3 administered and monitored by an individual who is:

4 (A) experienced in the use of general anesthesia; and

5 (B) not involved in the conduct of the surgical or diagnostic
 6 procedure; and

7 (2) during diagnostic tests, surgical procedures, or obstetric
 8 procedures unless the following conditions are met:

9 (A) A physician is physically present in the area, is
 10 immediately available to assist in the management of the
 11 patient, and is qualified to rescue patients from deep sedation.

12 (B) The physician assistant is qualified to rescue patients from
 13 deep sedation and is competent to manage a compromised
 14 airway and provide adequate oxygenation and ventilation by
 15 reason of meeting the following conditions:

16 (i) The physician assistant is certified in advanced
 17 cardiopulmonary life support.

18 (ii) The physician assistant has knowledge of and training in
 19 the medications used in moderate sedation, including
 20 recommended doses, contraindications, and adverse
 21 reactions.

22 (g) Before a physician assistant may prescribe drugs, the physician
 23 assistant must have ~~been continuously employed~~ **practiced** as a
 24 physician assistant:

25 (1) ~~for not less than at least~~ **at least** one (1) year after graduating from a
 26 physician assistant program approved by the committee; ~~To be~~
 27 ~~considered to have been continuously employed as a physician~~
 28 ~~assistant for a year for purposes of this subsection, a person must~~
 29 ~~have worked as a physician assistant more than~~ **and**

30 (2) ~~at least~~ **at least** one thousand eight hundred (1,800) hours. ~~during the~~
 31 ~~year.~~

32 SECTION 122. IC 25-27.5-5-6, AS ADDED BY P.L.90-2007,
 33 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2011]: Sec. 6. (a) Except as provided in section 4(d) of this
 35 chapter, a supervising physician may delegate authority to a physician
 36 assistant to prescribe:

37 (1) legend drugs except as provided in section 4(c) of this chapter;
 38 and

39 (2) medical devices (except ophthalmic devices, including
 40 glasses, contact lenses, and low vision devices).

41 (b) Any prescribing authority delegated to a physician assistant must
 42 be expressly delegated in writing by the physician assistant's

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- 1 supervising physician, including:
- 2 (1) the name of the drug or drug classification being delegated by
- 3 the supervising physician; and
- 4 (2) the protocols the physician assistant shall use when
- 5 prescribing the drug.
- 6 (c) A physician assistant who is delegated the authority to prescribe
- 7 legend drugs or medical devices must do the following:
- 8 (1) Enter the following on each prescription form that the
- 9 physician assistant uses to prescribe a legend drug or medical
- 10 device:
- 11 (A) The signature of the physician assistant.
- 12 (B) The initials indicating the credentials awarded to the
- 13 physician assistant by the NCCPA.
- 14 (C) The physician assistant's state license number.
- 15 (2) Comply with all applicable state and federal laws concerning
- 16 prescriptions for legend drugs and medical devices.
- 17 (d) A supervising physician may delegate to a physician assistant
- 18 the authority to prescribe only legend drugs and medical devices that
- 19 are within the scope of practice of the licensed supervising physician
- 20 or the physician designee.
- 21 (e) A physician assistant who is delegated the authority to prescribe
- 22 controlled substances under subsection (a) ~~and in accordance with the~~
- 23 ~~limitations specified in section 4(c) of this chapter,~~ must do the
- 24 following:
- 25 (1) Obtain an Indiana controlled substance registration and a
- 26 federal Drug Enforcement Administration registration.
- 27 (2) Enter the following on each prescription form that the
- 28 physician assistant uses to prescribe a controlled substance:
- 29 (A) The signature of the physician assistant.
- 30 (B) The initials indicating the credentials awarded to the
- 31 physician assistant by the NCCPA.
- 32 (C) The physician assistant's state license number.
- 33 (D) The physician assistant's federal Drug Enforcement
- 34 Administration (DEA) number.
- 35 (3) Comply with all applicable state and federal laws concerning
- 36 prescriptions for controlled substances.
- 37 (f) A supervising physician may only delegate to a physician
- 38 assistant the authority to prescribe controlled substances:
- 39 (1) that may be prescribed within the scope of practice of the
- 40 licensed supervising physician or the physician designee;
- 41 (2) in an amount that does not exceed
- 42 ~~(A) a seven (7) a one (1) time thirty (30) day supply; for~~

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1 treatment of a single acute episode of a condition or injury; or
 2 (B) if a controlled substance cannot be dispensed in an amount
 3 that is small enough to meet the requirement of clause (A), the
 4 smallest dispensable amount; and
 5 (3) in accordance with the limitations set forth in section 4(c) of
 6 this chapter.

7 **If an additional prescription for the controlled substance is**
 8 **necessary after the one (1) time thirty (30) day supply described in**
 9 **subdivision (2) has been prescribed, the additional prescription**
 10 **may be prescribed only by a physician.**

11 SECTION 123. IC 25-27.5-6-1 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) Supervision by
 13 the supervising physician or the physician designee must be continuous
 14 but does not require the physical presence of the supervising physician
 15 at the time and the place that the services are rendered.

16 (b) A supervising physician or physician designee shall review all
 17 patient encounters not later than ~~twenty-four (24)~~ **seventy-two (72)**
 18 hours after the physician assistant has seen the patient.

19 SECTION 124. IC 25-27.5-6-4, AS AMENDED BY P.L.177-2009,
 20 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2011]: Sec. 4. (a) A physician supervising a physician
 22 assistant must do the following:

- 23 (1) Be licensed under IC 25-22.5.
- 24 (2) Register with the board the physician's intent to supervise a
 25 physician assistant.
- 26 (3) Submit a statement to the board that the physician will
 27 exercise supervision over the physician assistant in accordance
 28 with rules adopted by the board and retain professional and legal
 29 responsibility for the care rendered by the physician assistant.
- 30 (4) Not have a disciplinary action restriction that limits the
 31 physician's ability to supervise a physician assistant.

32 **(5) Maintain a written agreement with the physician assistant**
 33 **that states the physician will:**

- 34 **(A) exercise supervision over the physician assistant in**
 35 **accordance with any rules adopted by the board; and**
- 36 **(B) retain responsibility for the care rendered by the**
 37 **physician assistant.**

38 **The agreement must be signed by the physician and physician**
 39 **assistant, updated annually, and made available to the board**
 40 **upon request.**

41 (b) Except as provided in this section, this chapter may not be
 42 construed to limit the employment arrangement with a supervising

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1 physician under this chapter.

2 SECTION 125. IC 34-30-2-98.3 IS ADDED TO THE INDIANA
3 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2011]: **Sec. 98.3. IC 25-2.1-9-5 (Concerning**
5 **immunity of an entity administering a quality review (before July**
6 **1, 2012) or peer review (after June 30, 2012) program and**
7 **members of a quality review committee (before July 1, 2012) or**
8 **peer review committee (after June 30, 2012)).**

9 SECTION 126. IC 34-46-2-17 IS AMENDED TO READ AS
10 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. IC 25-2.1-5-8
11 (Concerning proceedings, records, and work papers of a quality review
12 committee that conducts a quality review of an accounting firm **before**
13 **July 1, 2012, or a peer review committee that conducts a peer**
14 **review of an accounting firm after June 30, 2012).**

15 SECTION 127. IC 35-48-3-9, AS AMENDED BY P.L.204-2005,
16 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2011]: Sec. 9. (a) Except for dosages medically required for
18 a period of not more than forty-eight (48) hours that are dispensed by
19 or on the direction of a practitioner or medication dispensed directly by
20 a practitioner, other than a pharmacy, to an ultimate user, no controlled
21 substance in schedule II may be dispensed without the written **or**
22 **electronic** prescription of a practitioner.

23 (b) In emergency situations, as defined by rule of the board,
24 schedule II drugs may be dispensed upon oral prescription of a
25 practitioner, reduced promptly to writing and filed by the pharmacy.
26 Prescriptions shall be retained in conformity with the requirements of
27 section 7 of this chapter. No prescription for a schedule II substance
28 may be refilled.

29 (c) Except for dosages medically required for a period of not more
30 than forty-eight (48) hours that are dispensed by or on the direction of
31 a practitioner, or medication dispensed directly by a practitioner, other
32 than a pharmacy, to an ultimate user, a controlled substance included
33 in schedule III or IV, which is a prescription drug as determined under
34 IC 16-42-19, shall not be dispensed without a written, **electronic**, or
35 oral prescription of a practitioner. The prescription shall not be filled
36 or refilled more than six (6) months after the date thereof or be refilled
37 more than five (5) times, unless renewed by the practitioner.
38 Prescriptions for schedule III, IV, and V controlled substances may be
39 transmitted by facsimile from the practitioner or the agent of the
40 practitioner to a pharmacy. The facsimile prescription is equivalent to
41 an original prescription to the extent permitted under federal law.

42 (d) A controlled substance included in schedule V shall not be

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1 distributed or dispensed other than for a medical purpose.

2 SECTION 128. IC 36-7-13.5-1 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. The following
4 definitions apply throughout this chapter:

5 (1) "Commission" refers to the **Lake Michigan marina and**
6 shoreline development commission established by section 2 of
7 this chapter.

8 (2) "Corridor" ~~has the meaning set forth in IC 14-13-3-2.~~ **means**
9 **the strip of land in Indiana abutting Lake Michigan and the**
10 **tributaries of Lake Michigan.**

11 (3) "Executive committee" refers to the executive committee of
12 the commission established by section 13 of this chapter.

13 (4) "Fund" refers to the shoreline environmental trust fund
14 established by section 19 of this chapter.

15 (3) "Environmental fund" refers to the shoreline
16 environmental trust fund established by section 19 of this
17 chapter.

18 (4) "Environmental grant" means a grant from the
19 environmental fund.

20 (5) "Qualifying property" means one (1) or more parcels of land
21 in the corridor under common ownership, regardless of whether
22 any improvements are located on the land, with respect to which:

23 (A) the:

24 (i) land is unused, if there are no improvements on the land;
25 or

26 (ii) land and improvements are unused;

27 (B) all or a part of each parcel of the land is located within five
28 hundred (500) yards of a lake or river; and

29 (C) there are significant obstacles to redevelopment because
30 of any of the following:

31 (i) Obsolete or inefficient buildings.

32 (ii) Aging infrastructure or inefficient utility services.

33 (iii) Utility relocation requirements.

34 (iv) Transportation or access problems.

35 (v) Topographical obstacles.

36 (vi) Environmental contamination.

37 SECTION 129. IC 36-7-13.5-2, AS AMENDED BY P.L.33-2008,
38 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2011]: Sec. 2. The **Lake Michigan marina and** shoreline
40 development commission is established.

41 SECTION 130. IC 36-7-13.5-3, AS AMENDED BY P.L.33-2008,
42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2011]: Sec. 3. The commission consists of the following
2 members:

3 (1) The following **voting** members: ~~appointed by the governor:~~

4 (A) The mayor of East Chicago.

5 (B) The mayor of Gary.

6 (C) The mayor of Hammond.

7 (D) The mayor of Michigan City.

8 (E) The mayor of Portage.

9 (F) The mayor of Whiting.

10 (G) Two (2) ~~representatives~~ **members**, each ~~from a~~
11 **representing and appointed by a different** steel company
12 that owns land abutting Lake Michigan with a continuous
13 shoreline of not less than one (1) mile.

14 (H) One (1) ~~representative of member to represent and to be~~
15 **appointed by** a company that:

16 (i) is not a steel company; and

17 (ii) owns land abutting Lake Michigan with a continuous
18 shoreline of not less than three-tenths (0.3) mile.

19 ~~(I) One (1) representative of the department of environmental~~
20 ~~management:~~

21 ~~(J) One (1) representative of the department of natural~~
22 ~~resources:~~

23 ~~(K) One (1) representative of the Indiana department of~~
24 ~~transportation:~~

25 ~~(L) One (1) representative of member appointed jointly~~
26 **by the executives of the following municipalities:**

27 (i) Beverly Shores.

28 ~~(M) One (1) representative of Burns Harbor.~~

29 ~~(N) One (1) representative of (ii) Dune Acres.~~

30 ~~(O) One (1) representative of (iii) Ogden Dunes.~~

31 **(J) One (1) member appointed jointly by the executives of**
32 **the following municipalities:**

33 (i) Burns Harbor.

34 (ii) Chesterton.

35 (iii) Porter.

36 ~~(P) One (1) representative of the northwest Indiana advisory~~
37 ~~board established under IC 13-13-6.~~

38 ~~(Q) (K) One (1) representative of member appointed by a~~
39 ~~public utility that owns real property that:~~

40 (i) is located in the counties contiguous to Lake Michigan;
41 and

42 (ii) has a total assessed value that exceeds the total assessed

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- 1 value of real property in the counties contiguous to Lake
 2 Michigan that is owned by any other public utility.
- 3 ~~(R)~~ The port director of the Port of Indiana-Burns Harbor:
 4 (2) One ~~(1)~~ member, preferably from a visitor and tourism
 5 business, appointed by the lieutenant governor.
- 6 ~~(S)~~ (L) Two (2) members appointed by the speaker of the
 7 house of representatives who:
 8 ~~(A)~~ (i) are members of the house of representatives;
 9 ~~(B)~~ (ii) represent house districts that have territory within
 10 the corridor; and
 11 ~~(C)~~ (iii) are not affiliated with the same political party.
- 12 If all the house districts that have territory within the corridor
 13 are represented by members of the house of representatives
 14 who are from the same political party, **the requirement under**
 15 **item (iii) cannot be satisfied**, the speaker shall appoint a
 16 member of the house of representatives who represents a
 17 house district that is located anywhere in a county that has
 18 territory within the corridor to satisfy **may disregard** the
 19 requirement under clause ~~(C)~~: **item (iii) when appointing**
 20 **members under this clause.**
- 21 ~~(4)~~ (M) Two (2) members appointed by the president pro
 22 tempore of the senate who:
 23 ~~(A)~~ (i) are members of the senate;
 24 ~~(B)~~ (ii) represent senate districts that have territory within
 25 the corridor; and
 26 ~~(C)~~ (iii) are not affiliated with the same political party.
- 27 If all the senate districts that have territory within the corridor
 28 are represented by members of the senate who are from the
 29 same political party, **the requirement under item (iii) cannot**
 30 **be satisfied**, the president pro tempore shall appoint a member
 31 of the senate who represents a senate district that is located
 32 anywhere in a county that has territory within the corridor to
 33 satisfy **may disregard** the requirement under clause ~~(C)~~: **item**
 34 **(iii) when appointing members under this clause.**
- 35 (2) The following nonvoting members:
 36 (A) One (1) member to represent the department of
 37 environmental management, appointed by the governor.
 38 (B) One (1) member to represent the department of natural
 39 resources, appointed by the governor.
 40 (C) One (1) member to represent the Indiana department
 41 of transportation, appointed by the governor.
 42 (D) One (1) member appointed by the executive of the

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- Indiana Dunes National Lakeshore.**
- (E) The port director of the Port of Indiana-Burns Harbor.**
- (F) One (1) member appointed by the Lake County Convention and Visitors Bureau.**
- (G) One (1) member appointed by the LaPorte County Convention and Visitors Bureau.**
- (H) One (1) member appointed by the Porter County Convention Recreation and Visitor Commission.**

SECTION 131. IC 36-7-13.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) The members of the commission referred to in section 3(1)(G) of this chapter **and their designees** may not represent the same steel company.

(b) A member of the commission ~~referred to in section 3(1)(A) through 3(1)(F) of this chapter~~ may designate an individual to serve on the commission in the member's place.

SECTION 132. IC 36-7-13.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. **(a) A quorum of the commission must be present to conduct the commission's business. A quorum consists of a majority of the voting members of the commission.**

(b) The affirmative votes of a majority of the **voting** members of the commission are required for the commission to take action on any measure.

SECTION 133. IC 36-7-13.5-11, AS AMENDED BY P.L.4-2005, SECTION 133, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. **(a) The commission shall do the following:**

- (1) Identify qualifying properties.
- (2) Prepare a comprehensive **environmental** master plan for development and redevelopment within the corridor that:
 - (A) plans for remediation of environmental contamination;
 - (B) accounts for economic development and transportation issues relating to environmental contamination; and
 - (C) establishes priorities for development or redevelopment of qualifying properties.
- (3) Establish guidelines for the evaluation of applications for **environmental** grants from the **environmental** fund.
- (4) After reviewing a report from the department of environmental management under section 22 of this chapter, ~~refer to the executive committee~~ **make decisions on** applications for **environmental** grants from the **environmental** fund under section 21 of this chapter. ~~that the commission recommends for~~

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1 ~~approval.~~
2 (5) Prepare and provide information to political subdivisions on
3 the availability of financial assistance from the **environmental**
4 **fund**.
5 (6) Coordinate the implementation of the comprehensive
6 **environmental** master plan.
7 (7) Monitor the progress of implementation of the comprehensive
8 **environmental** master plan.
9 (8) Report at least ~~annually~~ **once every two (2) years** to the
10 governor, the lieutenant governor, the Indiana economic
11 development corporation, the legislative council, ~~the budget~~
12 **committee**, and all political subdivisions that have territory
13 within the corridor on:
14 (A) the activities of the commission; and
15 (B) the progress of implementation of the comprehensive
16 **environmental** master plan. ~~and~~
17 **An annual report under this subdivision to the legislative**
18 **council must be in an electronic format under IC 5-14-6.**
19 ~~(9) employ an executive director and other individuals that are~~
20 ~~necessary to carry out the commission's duties.~~
21 ~~An annual report under subdivision (8) to the legislative council~~
22 ~~must be in an electronic format under IC 5-14-6.~~
23 **(9) Study various plans and recommendations that are**
24 **proposed concerning marina development along the corridor.**
25 **Based on these studies, the commission shall do the following:**
26 **(A) Prepare a comprehensive marina plan.**
27 **(B) Recommend state and local legislation for the**
28 **development of marinas along the corridor.**
29 **(C) Coordinate the implementation of the marina plan and**
30 **legislation.**
31 **(10) Make marina grants of money to units of local**
32 **government for the construction or improvement of a marina**
33 **in the corridor if the grants are consistent with the marina**
34 **plans, standards, and criteria established by the commission.**
35 **(b) It is the goal of marina projects under this chapter to create**
36 **employment in the private sector.**
37 SECTION 134. IC 36-7-13.5-12 IS AMENDED TO READ AS
38 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) When necessary
39 to accomplish the purposes of the commission, the commission may do
40 the following:
41 (1) Conduct studies necessary for the performance of the
42 commission's duties.

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- 1 (2) Publicize, advertise, and distribute reports on the
 2 commission's purposes, objectives, and findings.
 3 (3) Provide recommendations in matters related to the
 4 commission's functions and objectives to the following:
 5 (A) Political subdivisions that have territory within the
 6 corridor.
 7 (B) Other public and private agencies.
 8 (4) When requested, act as a coordinating agency for programs
 9 and activities of other public and private agencies that are related
 10 to the commission's objectives.
 11 (5) Receive grants and appropriations from the following:
 12 (A) Federal, state, and local governments.
 13 (B) Individuals.
 14 (C) Foundations.
 15 (D) Other organizations.
 16 **(6) Enter into agreements or contracts regarding the**
 17 **acceptance or use of these grants and appropriations for the**
 18 **purpose of carrying out the commission's activities under this**
 19 **chapter.**
 20 **(7) Acquire and dispose of real or personal property by grant,**
 21 **gift, purchase, lease, devise, or otherwise.**
 22 **(8) Hold, use, improve, maintain, operate, own, manage, or**
 23 **lease as lessor or lessee:**
 24 **(A) real or personal property; or**
 25 **(B) any interest in real or personal property.**
 26 **(9) Employ an executive director and other individuals who**
 27 **are necessary to carry out the commission's duties.**
 28 ~~(b) The commission may~~ **(10) Contract for staff services with:**
 29 ~~(1) (A) qualified agencies or individuals; or~~
 30 ~~(2) (B) a regional planning commission established under~~
 31 ~~IC 36-7-7.~~
 32 **(11) Appoint advisory committees, which may include**
 33 **representatives of the following:**
 34 **(A) Municipal parks.**
 35 **(B) County parks.**
 36 **(C) National parks.**
 37 **(D) Port authorities.**
 38 SECTION 135. IC 36-7-13.5-14 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) The ~~executive~~
 40 ~~committee~~ **commission** shall elect the following officers from among
 41 the ~~voting~~ members of the ~~executive committee:~~ **commission:**
 42 (1) A chairman.

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- 1 (2) A vice chairman.
- 2 (3) A treasurer.
- 3 (b) Each officer serves a term of one (1) year beginning July 1 of
- 4 each year.

5 SECTION 136. IC 36-7-13.5-17 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. The ~~executive~~
 7 ~~committee~~ **commission** shall:

- 8 (1) ~~be responsible for the management of~~ **carry out** all functions
- 9 related to the provision of **environmental** grants to political
- 10 subdivisions from the **environmental** fund **and marina grants**
- 11 for the purposes set forth in this chapter;
- 12 (2) review each **environmental** grant application ~~referred to the~~
- 13 ~~executive committee by the commission under described in~~
- 14 section 11 of this chapter, including the report received from the
- 15 department of environmental management under section 22 of
- 16 this chapter, to determine whether to approve ~~a~~ **an**
- 17 **environmental** grant;
- 18 (3) determine the amount of each **environmental** grant to a
- 19 political subdivision approved by the ~~executive committee;~~
- 20 **commission;**
- 21 (4) approve, with appropriate signatures, each **environmental**
- 22 grant that the ~~executive committee~~ **commission** determines to
- 23 make under this chapter; and
- 24 (5) prepare and adopt by majority vote an annual budget for
- 25 carrying out the activities of the commission.

26 SECTION 137. IC 36-7-13.5-18 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 18. (a) After approval
 28 of the budget by the ~~executive committee;~~ **commission**, money may be
 29 expended only as budgeted, unless a majority vote of the ~~executive~~
 30 ~~committee~~ **commission** authorizes other expenditures.

31 (b) Appropriated money remaining unexpended or unencumbered
 32 at the end of the year **and not otherwise restricted by law or**
 33 **agreement** becomes part of a nonreverting cumulative fund to be held
 34 in the name of the commission. The ~~executive committee~~ **commission**
 35 may authorize unbudgeted expenditures from this fund by a majority
 36 vote of the ~~executive committee.~~ **commission. However,**
 37 **unencumbered money appropriated from the environmental fund**
 38 **at the end of a budget year reverts to the environmental fund.**

39 (c) The ~~executive committee~~ **treasurer of the commission** is
 40 responsible for the safekeeping and deposit of money the commission
 41 receives under this chapter. The state board of accounts shall:

- 42 (1) prescribe the methods and forms for keeping; and

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1 (2) periodically audit;
 2 the accounts, records, and books of the commission. **The commission**
 3 **may establish the funds and the accounts that the commission**
 4 **determines necessary to operate the commission.**

5 (d) The treasurer of the ~~executive committee~~ **commission** may
 6 receive, disburse, and handle money belonging to the commission,
 7 subject to the following:

- 8 (1) Applicable statutes.
 9 (2) Procedures established by the ~~executive committee~~
 10 **commission.**

11 SECTION 138. IC 36-7-13.5-19 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. The shoreline
 13 environmental trust fund is established to provide a source of money
 14 for the following:

15 (1) The rehabilitation, redevelopment, and reuse of qualifying
 16 property by providing **environmental** grants to political
 17 subdivisions to conduct any of the following activities:

- 18 (A) Identification and acquisition of qualifying property within
 19 a political subdivision.
 20 (B) Environmental assessment of identified qualifying
 21 property and other activities necessary or convenient to
 22 complete the environmental assessments.
 23 (C) Remediation of environmental contamination conducted
 24 on qualifying property.
 25 (D) Clearance of real property under IC 36-7-14-12.2 or
 26 IC 36-7-15.1-7 in connection with remediation activities.
 27 (E) Other activities necessary or convenient to return qualified
 28 property to full use.

29 (2) **Payment of the share of the operations of the commission, as**
 30 **determined by the commission.**

31 SECTION 139. IC 36-7-13.5-20 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 20. (a) The budget
 33 agency shall:

- 34 (1) administer the **environmental** fund; and
 35 (2) report to the ~~executive committee~~ **commission** semiannually:
 36 (A) revenue receipted to the **environmental** fund;
 37 (B) distributions from the **environmental** fund; and
 38 (C) the balance in the **environmental** fund.

39 (b) The following shall be paid from money in the **environmental**
 40 fund:

- 41 (1) The expenses of administering the **environmental** fund.
 42 (2) **Environmental** grants approved by the ~~executive committee~~

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- 1 **commission** under section 17 of this chapter.
- 2 (3) The amount budgeted **from the environmental fund** by the
- 3 ~~executive committee~~ **commission** for the operations of the
- 4 commission.
- 5 (c) The **environmental** fund consists of the following:
- 6 (1) Appropriations made by the general assembly.
- 7 (2) **Environmental** grants and gifts intended for deposit in the
- 8 **environmental** fund.
- 9 (3) Interest, gains, or other earnings of the **environmental** fund.
- 10 (d) The budget agency shall invest the money in the **environmental**
- 11 fund not currently needed to meet the obligations of the **environmental**
- 12 fund in the same manner as other public funds may be invested.
- 13 Interest, gains, or other earnings from these investments shall be
- 14 credited to the **environmental** fund.
- 15 (e) As an alternative to subsection (d), the budget agency may invest
- 16 or cause to be invested all or a part of the **environmental** fund in a
- 17 fiduciary account with a trustee that is a financial institution.
- 18 Notwithstanding any other law, any investment may be made by the
- 19 trustee in accordance with at least one (1) trust agreement or indenture.
- 20 A trust agreement or indenture may allow disbursements by the trustee
- 21 to the budget agency as provided in the trust agreement or indenture.
- 22 The budget agency and the state board of finance must approve any
- 23 trust agreement or indenture before its execution.
- 24 (f) Money in the **environmental** fund at the end of a state fiscal year
- 25 does not revert to the state general fund.
- 26 SECTION 140. IC 36-7-13.5-21 IS AMENDED TO READ AS
- 27 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 21. (a) Before a
- 28 political subdivision may receive ~~a~~ **an environmental** grant from the
- 29 **environmental** fund, the political subdivision must submit to the
- 30 department of environmental management and the commission the
- 31 following:
- 32 (1) ~~A~~ **An environmental** grant application, in the form prescribed
- 33 by the department of environmental management and the
- 34 commission, that:
- 35 (A) identifies the qualifying property;
- 36 (B) includes any ordinances, resolutions, or other
- 37 documentation of the political subdivision's determination to
- 38 submit the **environmental** grant application;
- 39 (C) identifies the entity from which the qualifying property has
- 40 been acquired or will be acquired by the political subdivision;
- 41 (D) specifies the cost of acquisition of the qualifying property
- 42 to the political subdivision, if any;

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- 1 (E) identifies any environmental contamination of the
- 2 qualifying property that will be subject to remediation;
- 3 (F) specifies the environmental remediation objectives with
- 4 respect to the qualifying property;
- 5 (G) estimates all costs the political subdivision will incur with
- 6 respect to the qualifying property;
- 7 (H) evaluates the prospect for conveyance of the qualifying
- 8 property for use by a private or public entity; and
- 9 (I) includes a schedule of all actions taken or to be taken by
- 10 the political subdivision with respect to the qualifying property
- 11 between the time of acquisition and the anticipated time of
- 12 conveyance by the political subdivision.

13 (2) Documentation of community and neighborhood comment
 14 concerning the use of a qualifying property on which
 15 environmental remediation activities will be undertaken after
 16 environmental remediation activities are completed.

17 (b) A political subdivision may apply for ~~a~~ **an environmental** grant
 18 under this section for activities under this chapter with respect to:

- 19 (1) qualifying property previously acquired by the political
- 20 subdivision by:
 - 21 (A) purchase; or
 - 22 (B) donation from a private or public entity; or
- 23 (2) qualifying property to be acquired using **environmental** grant
- 24 money.

25 SECTION 141. IC 36-7-13.5-22 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 22. The department of
 27 environmental management shall do the following under this chapter:

- 28 (1) Upon receipt of ~~a~~ **an environmental** grant application from a
- 29 political subdivision under section 21 of this chapter with respect
- 30 to a qualifying property, evaluate the technical aspects of the
- 31 political subdivision's:
 - 32 (A) environmental assessment of the property; and
 - 33 (B) proposed environmental remediation with respect to the
 - 34 property.
- 35 (2) Submit to the commission a report of its evaluation under
- 36 subdivision (1).
- 37 (3) Evaluate the technical aspects of the political subdivision's
- 38 environmental remediation activities conducted on qualifying
- 39 properties.
- 40 (4) Act as a liaison with the United States Environmental
- 41 Protection Agency.

42 SECTION 142. IC 36-7-13.5-23 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 23. The ~~executive~~
 2 ~~committee~~ **commission** shall develop a priority ranking system for
 3 making **environmental** grants under this chapter based on the
 4 following:

- 5 (1) The comprehensive **environmental** master plan.
 6 (2) Socioeconomic distress in an area, as determined by the
 7 poverty level and unemployment rate in the area.
 8 (3) The technical evaluation by the department of environmental
 9 management under section 22 of this chapter.
 10 (4) Other factors determined by the commission, including the
 11 following:

- 12 (A) The number and quality of jobs that would result from
 13 reuse of the qualifying property.
 14 (B) Housing, recreational, and educational needs of
 15 communities.
 16 (C) Any other factors the ~~executive committee~~ **commission**
 17 determines will assist in the implementation of this chapter.

18 SECTION 143. IC 36-7-13.5-24 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 24. (a) Based on the
 20 priority ranking system established under section 23 of this chapter, the
 21 ~~executive committee~~ **commission** may make **environmental** grants
 22 from the **environmental** fund to political subdivisions under this
 23 section.

24 (b) ~~A~~ **An environmental** grant must be used for at least one (1) of
 25 the purposes set forth in section 19 of this chapter and may be used to
 26 pay consultant, advisory, and legal fees and any other costs or expenses
 27 resulting from the assessment, planning, or environmental remediation
 28 of a qualifying property.

29 SECTION 144. IC 36-7-13.5-25 IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 25. If:

- 31 (1) a private entity offers a political subdivision a donation of
 32 property for which the political subdivision intends to submit ~~a~~ **an**
 33 **environmental** grant application under section 21 of this chapter;
 34 and
 35 (2) the donation of the property is conditioned on obtaining from
 36 the state a covenant not to sue the private entity for any potential
 37 liability arising under state law associated with environmental
 38 contamination of the property;

39 the political subdivision may request that the commission seek the
 40 covenant not to sue from the governor. The governor may execute a
 41 covenant not to sue under this section.

42 SECTION 145. IC 36-7-13.5-26 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 26. The ~~executive~~
2 ~~committee~~ **commission** may adopt guidelines or guidance documents
3 to implement this chapter without complying with IC 4-22-2.
4 SECTION 146. IC 36-7-13.5-27 IS ADDED TO THE INDIANA
5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
6 [EFFECTIVE JULY 1, 2011]: **Sec. 27. This chapter does not limit**
7 **the power of a participating county, township, port authority, or**
8 **municipal corporation to develop or improve a port, terminal, or**
9 **lakefront facility.**
10 SECTION 147. IC 36-7.5-1-12, AS AMENDED BY P.L.47-2006,
11 SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2011]: Sec. 12. "Eligible political subdivision" means the
13 following:
14 (1) An airport authority.
15 (2) A commuter transportation district.
16 (3) A regional bus authority under IC 36-9-3-2(c).
17 (4) A regional transportation authority established under
18 IC 36-9-3-2.
19 (5) ~~A~~ **The Lake Michigan marina and** shoreline development
20 commission under IC 36-7-13.5.
21 SECTION 148. IC 36-7.5-1-12.4 IS ADDED TO THE INDIANA
22 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2011]: **Sec. 12.4. "Lake Michigan marina and**
24 **shoreline development commission" means the commission**
25 **established by IC 36-7-13.5-2.**
26 SECTION 149. IC 36-7.5-1-12.5 IS ADDED TO THE INDIANA
27 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2011]: **Sec. 12.5. "Lake Michigan marina and**
29 **shoreline development commission project" means a project that**
30 **can be financed with the proceeds of bonds issued by the Lake**
31 **Michigan marina and shoreline development commission.**
32 SECTION 150. IC 36-7.5-1-13, AS AMENDED BY P.L.47-2006,
33 SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2011]: Sec. 13. "Project" means an airport authority project,
35 a commuter transportation district project, an economic development
36 project, a regional bus authority project, a regional transportation
37 authority project, or a **Lake Michigan marina and** shoreline
38 development commission project.
39 SECTION 151. IC 36-7.5-2-1, AS AMENDED BY P.L.47-2006,
40 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41 JULY 1, 2011]: Sec. 1. The northwest Indiana regional development
42 authority is established as a separate body corporate and politic to carry

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- 1 out the purposes of this article by:
- 2 (1) acquiring, constructing, equipping, owning, leasing, and
- 3 financing projects and facilities for lease to or for the benefit of
- 4 eligible political subdivisions under this article;
- 5 (2) funding and developing the Gary/Chicago International
- 6 Airport expansion and other airport authority projects, commuter
- 7 transportation district and other rail projects and services,
- 8 regional bus authority projects and services, regional
- 9 transportation authority projects and services, **Lake Michigan**
- 10 **marina and** shoreline development projects and activities, and
- 11 economic development projects in northwestern Indiana; and
- 12 (3) assisting with the funding of infrastructure needed to sustain
- 13 development of an intermodal facility in northwestern Indiana.

14 SECTION 152. IC 36-7.5-3-1, AS AMENDED BY P.L.47-2006,
 15 SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 16 JULY 1, 2011]: Sec. 1. The development authority shall do the
 17 following:

- 18 (1) Assist in the coordination of local efforts concerning projects.
- 19 (2) Assist a commuter transportation district, an airport authority,
- 20 **a the Lake Michigan marina and** shoreline development
- 21 commission, a regional transportation authority, and a regional
- 22 bus authority in coordinating regional transportation and
- 23 economic development efforts.
- 24 (3) Fund projects as provided in this article.
- 25 (4) Fund bus services (including fixed route services and flexible
- 26 or demand-responsive services) and projects related to bus
- 27 services and bus terminals, stations, or facilities.

28 SECTION 153. IC 36-7.5-3-2, AS AMENDED BY
 29 P.L.182-2009(ss), SECTION 424, IS AMENDED TO READ AS
 30 FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) The development
 31 authority may do any of the following:

- 32 (1) Finance, improve, construct, reconstruct, renovate, purchase,
- 33 lease, acquire, and equip land and projects located in an eligible
- 34 county or eligible municipality.
- 35 (2) Lease land or a project to an eligible political subdivision.
- 36 (3) Finance and construct additional improvements to projects or
- 37 other capital improvements owned by the development authority
- 38 and lease them to or for the benefit of an eligible political
- 39 subdivision.
- 40 (4) Acquire land or all or a portion of one (1) or more projects
- 41 from an eligible political subdivision by purchase or lease and
- 42 lease the land or projects back to the eligible political subdivision,

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- 1 with any additional improvements that may be made to the land
- 2 or projects.
- 3 (5) Acquire all or a portion of one (1) or more projects from an
- 4 eligible political subdivision by purchase or lease to fund or
- 5 refund indebtedness incurred on account of the projects to enable
- 6 the eligible political subdivision to make a savings in debt service
- 7 obligations or lease rental obligations or to obtain relief from
- 8 covenants that the eligible political subdivision considers to be
- 9 unduly burdensome.
- 10 (6) Make loans, loan guarantees, and grants or provide other
- 11 financial assistance to or on behalf of the following:
- 12 (A) A commuter transportation district.
- 13 (B) An airport authority or airport development authority.
- 14 (C) ~~A~~ **The Lake Michigan marina and** shoreline
- 15 development commission.
- 16 (D) A regional bus authority. A loan, loan guarantee, grant, or
- 17 other financial assistance under this clause may be used by a
- 18 regional bus authority for acquiring, improving, operating,
- 19 maintaining, financing, and supporting the following:
- 20 (i) Bus services (including fixed route services and flexible
- 21 or demand-responsive services) that are a component of a
- 22 public transportation system.
- 23 (ii) Bus terminals, stations, or facilities or other regional bus
- 24 authority projects.
- 25 (E) A regional transportation authority.
- 26 (7) Provide funding to assist a railroad that is providing commuter
- 27 transportation services in an eligible county or eligible
- 28 municipality.
- 29 (8) Provide funding to assist an airport authority located in an
- 30 eligible county or eligible municipality in the construction,
- 31 reconstruction, renovation, purchase, lease, acquisition, and
- 32 equipping of an airport facility or airport project.
- 33 (9) Provide funding to assist in the development of an intermodal
- 34 facility to facilitate the interchange and movement of freight.
- 35 (10) Provide funding to assist ~~a~~ **the Lake Michigan marina and**
- 36 shoreline development commission in carrying out the purposes
- 37 of IC 36-7-13.5.
- 38 (11) Provide funding for economic development projects in an
- 39 eligible county or eligible municipality.
- 40 (12) Hold, use, lease, rent, purchase, acquire, and dispose of by
- 41 purchase, exchange, gift, bequest, grant, condemnation, lease, or
- 42 sublease, on the terms and conditions determined by the

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1 development authority, any real or personal property located in an
 2 eligible county or eligible municipality.
 3 (13) After giving notice, enter upon any lots or lands for the
 4 purpose of surveying or examining them to determine the location
 5 of a project.
 6 (14) Make or enter into all contracts and agreements necessary or
 7 incidental to the performance of its duties and the execution of its
 8 powers under this article.
 9 (15) Sue, be sued, plead, and be impleaded.
 10 (16) Design, order, contract for, and construct, reconstruct, and
 11 renovate a project or improvements to a project.
 12 (17) Appoint an executive director and employ appraisers, real
 13 estate experts, engineers, architects, surveyors, attorneys,
 14 accountants, auditors, clerks, construction managers, and any
 15 consultants or employees that are necessary or desired by the
 16 development authority in exercising its powers or carrying out its
 17 duties under this article.
 18 (18) Accept loans, grants, and other forms of financial assistance
 19 from the federal government, the state government, a political
 20 subdivision, or any other public or private source.
 21 (19) Use the development authority's funds to match federal
 22 grants or make loans, loan guarantees, or grants to carry out the
 23 development authority's powers and duties under this article.
 24 (20) Except as prohibited by law, take any action necessary to
 25 carry out this article.
 26 (b) If the development authority is unable to agree with the owners,
 27 lessees, or occupants of any real property selected for the purposes of
 28 this article, the development authority may proceed under IC 32-24-1
 29 to procure the condemnation of the property. The development
 30 authority may not institute a proceeding until it has adopted a
 31 resolution that:
 32 (1) describes the real property sought to be acquired and the
 33 purpose for which the real property is to be used;
 34 (2) declares that the public interest and necessity require the
 35 acquisition by the development authority of the property involved;
 36 and
 37 (3) sets out any other facts that the development authority
 38 considers necessary or pertinent.
 39 The resolution is conclusive evidence of the public necessity of the
 40 proposed acquisition.
 41 SECTION 154. THE FOLLOWING ARE REPEALED
 42 [EFFECTIVE JULY 1, 2011]: IC 2-5-1.5; IC 4-12-4-16; IC 4-12-5-5;

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1 IC 4-15-1; IC 4-15-2-2.2; IC 4-15-2.5-2; IC 4-23-20; IC 9-23-1;
 2 IC 9-27-2-12; IC 12-15-42; IC 14-13-1-22; IC 14-13-1-23;
 3 IC 14-13-1-24; IC 14-13-1-25; IC 14-13-1-26; IC 14-13-3; IC 14-20-4;
 4 IC 15-15-8-6; IC 15-15-8-9; IC 15-15-8-10; IC 15-15-8-11;
 5 IC 15-15-8-13; IC 15-15-8-16; IC 15-15-8-18; IC 16-21-1-1;
 6 IC 16-21-1-2; IC 16-21-1-3; IC 16-21-1-4; IC 16-21-1-5; IC 16-21-1-6;
 7 IC 16-21-1-8; IC 16-27-0.5-0.5; IC 16-27-0.5-1; IC 16-27-0.5-2;
 8 IC 16-27-0.5-3; IC 16-27-0.5-4; IC 16-27-0.5-5; IC 16-27-0.5-6;
 9 IC 16-27-0.5-7; IC 16-27-0.5-8; IC 16-28-1-1; IC 16-28-1-2;
 10 IC 16-28-1-3; IC 16-28-1-4; IC 16-28-1-5; IC 16-28-1-6; IC 16-28-1-8;
 11 IC 25-23.5-1-5.5; IC 27-1-3-30; IC 36-7-13.5-9; IC 36-7-13.5-13;
 12 IC 36-7-13.5-15; IC 36-7-13.5-16; IC 36-7.5-1-16; IC 36-7.5-1-17.

13 SECTION 155. [EFFECTIVE JULY 1, 2011] **(a) On July 1, 2011,**
 14 **the rights, duties, property, personnel, liabilities, and contractual**
 15 **obligations of the following are transferred to the Lake Michigan**
 16 **marina and shoreline development commission established by**
 17 **IC 36-7-13.5-2, as amended by this act:**

18 (1) **The Lake Michigan marina development commission.**

19 (2) **The shoreline development commission.**

20 **The commissions described in subdivisions (1) and (2) are**
 21 **abolished as soon the property, personnel, liabilities, and**
 22 **contractual obligations of the commissions are transferred to the**
 23 **Lake Michigan marina and shoreline development commission.**
 24 **The only actions that a commission described in subdivision (1) or**
 25 **(2) may take after June 30, 2011, are those actions necessary to**
 26 **wind up the affairs of that commission.**

27 **(b) The members of the governing body of a commission**
 28 **described in subsection (a)(1) or (a)(2) remain members of the**
 29 **governing body until the commission is abolished. The governing**
 30 **bodies of each commission described in subsection (a)(1) or (a)(2)**
 31 **shall adopt a resolution as the last act of the governing body**
 32 **specifying the abolishment of the commission.**

33 **(c) Money transferred from the Lake Michigan marina**
 34 **development commission to the Lake Michigan marina and**
 35 **shoreline development commission shall initially be transferred to**
 36 **a fund that is separate from the shoreline environmental trust fund**
 37 **established by IC 36-7-13.5-19, as amended by this act, and used in**
 38 **accordance with the budget adopted by the Lake Michigan marina**
 39 **and shoreline development commission. The budget may provide**
 40 **for part or all of the money to be transferred and used for the**
 41 **purposes of the shoreline environmental trust fund.**

42 **(d) This SECTION expires July 1, 2014.**

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1 SECTION 156. [EFFECTIVE JULY 1, 2011] (a) If an individual
2 is certified as an occupational therapy assistant under IC 25-23.5
3 on June 30, 2011, the individual is considered to be a licensed
4 occupational therapy assistant under IC 25-23.5, as amended by
5 this act, on July 1, 2011. The license of an individual described in
6 this subsection expires on the date the individual's certification that
7 the license is replacing would have expired if this act had not been
8 enacted.

9 (b) The occupational therapy committee established by
10 IC 25-23.5-2-1 shall issue a license under IC 25-23.5-5-6 to an
11 individual described in subsection (a). However, the occupational
12 therapy committee and the Indiana professional licensing agency
13 are not required to issue a new license to an individual described
14 in subsection (a) until the license renewal period beginning
15 December 31, 2012.

16 (c) This SECTION expires March 1, 2013.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Select Committee on Government Reduction, to which was referred House Bill 1233, 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 lines 10 and 11, begin a new paragraph and insert:

"SECTION 2. IC 4-10-18-10, AS AMENDED BY P.L.182-2009(ss), SECTION 53, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) The state board of finance may lend money from the fund to entities listed in subsections (e) through (k) for the purposes specified in those subsections.

(b) An entity must apply for the loan before May 1, 1989, in a form approved by the state board of finance. As part of the application, the entity shall submit a plan for its use of the loan proceeds and for the repayment of the loan. Within sixty (60) days after receipt of each application, the board shall meet to consider the application and to review its accuracy and completeness and to determine the need for the loan. The board shall authorize a loan to an entity that makes an application if the board approves its accuracy and completeness and determines that there is a need for the loan and an adequate method of repayment.

(c) The state board of finance shall determine the terms of each loan, which must include the following:

- (1) The duration of the loan, which must not exceed twelve (12) years.
- (2) The repayment schedule of the loan, which must provide that no payments are due during the first two (2) years of the loan.
- (3) A variable rate of interest to be determined by the board and adjusted annually. The interest rate must be the greater of:
 - (A) five percent (5%); or
 - (B) two-thirds (2/3) of the interest rate for fifty-two (52) week United States Treasury bills on the anniversary date of the loan, but not to exceed ten percent (10%).
- (4) The amount of the loan or loans, which may not exceed the maximum amounts established for the entity by this section.
- (5) Any other conditions specified by the board.

(d) An entity may borrow money under this section by adoption of an ordinance or a resolution and, as set forth in IC 5-1-14, may use any source of revenue to repay a loan under this section. This section constitutes complete authority for the entity to borrow from the fund. If an entity described in subsection (i) fails to make any repayments of

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a loan, the amount payable shall be withheld by the auditor of state from any other money payable to the consolidated city. If any other entity described in this section fails to make any repayments of a loan, the amount payable shall be withheld by the auditor of state from any other money payable to the entity. The amount withheld shall be transferred to the fund to the credit of the entity.

(e) A loan under this section may be made to a city located in a county having a population of more than twenty-four thousand (24,000) but less than twenty-five thousand (25,000) for the city's waterworks facility. The amount of the loan may not exceed one million six hundred thousand dollars (\$1,600,000).

(f) A loan under this section may be made to a city the territory of which is included in part within the Lake Michigan corridor (as defined in IC 14-13-3-2, **before its repeal**) for a marina development project. As a part of its application under subsection (b), the city must include the following:

- (1) Written approval by the Lake Michigan marina development commission of the project to be funded by the loan proceeds.
- (2) A written determination by the commission of the amount needed by the city, for the project and of the amount of the maximum loan amount under this subsection that should be lent to the city.

The maximum amount of loans available for all cities that are eligible for a loan under this subsection is eight million six hundred thousand dollars (\$8,600,000).

(g) A loan under this section may be made to a county having a population of more than one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000) for use by the airport authority in the county for the construction of runways. The amount of the loan may not exceed seven million dollars (\$7,000,000). The county may lend the proceeds of its loan to an airport authority for the public purpose of fostering economic growth in the county.

(h) A loan under this section may be made to a city having a population of more than fifty-nine thousand (59,000) but less than fifty-nine thousand seven hundred (59,700) for the construction of parking facilities. The amount of the loan may not exceed three million dollars (\$3,000,000).

(i) A loan or loans under this section may be made to a consolidated city, a local public improvement bond bank, or any board, authority, or commission of the consolidated city, to fund economic development projects under IC 36-7-15.2-5 or to refund obligations issued to fund economic development projects. The amount of the loan may not

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exceed thirty million dollars (\$30,000,000).

(j) A loan under this section may be made to a county having a population of more than thirteen thousand five hundred (13,500) but less than fourteen thousand (14,000) for extension of airport runways. The amount of the loan may not exceed three hundred thousand dollars (\$300,000).

(k) A loan under this section may be made to Covington Community School Corporation to refund the amount due on a tax anticipation warrant loan. The amount of the loan may not exceed two million seven hundred thousand dollars (\$2,700,000), to be paid back from any source of money that is legally available to the school corporation. Notwithstanding subsection (b), the school corporation must apply for the loan before June 30, 2010. Notwithstanding subsection (c), repayment of the loan shall be made in equal installments over five (5) years with the first installment due not more than six (6) months after the date loan proceeds are received by the school corporation.

(l) IC 6-1.1-20 does not apply to a loan made by an entity under this section.

(m) As used in this section, "entity" means a governmental entity authorized to obtain a loan under subsections (e) through (k).

SECTION 3. IC 4-12-4-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. In addition to any other power granted by this chapter, the executive board may:

- (1) adopt an official seal and alter the seal at its pleasure;
- (2) adopt rules, under IC 4-22-2, for the regulation of its affairs and the conduct of its business and prescribe policies in connection with the performance of its functions and duties;
- (3) accept gifts, devises, bequests, grants, loans, appropriations, revenue sharing, other financing and assistance, and any other aid from any source and agree to and comply with conditions attached to that aid;
- (4) make, execute, and effectuate any and all contracts, agreements, or other documents with any governmental agency or any person, corporation, limited liability company, association, partnership, or other organization or entity necessary or convenient to accomplish the purposes of this chapter, including contracts for the provision of all or any portion of the services the executive board considers necessary for the management and operations of the executive board;
- (5) recommend legislation to the governor and general assembly;
~~and~~
- (6) make recommendations to the governor, the budget**

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agency, and the general assembly concerning the priorities for appropriation and distribution of money from the Indiana health care account established by IC 4-12-5-3; and

~~(6)~~ (7) do any and all acts and things necessary, proper, or convenient to carry out this article."

Page 14, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 22. IC 4-15-5-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 1.5. As used in this chapter, "board" refers to the Indiana tobacco use prevention and cessation executive board created by IC 4-12-4-4.**"

Page 18, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 30. IC 8-10-9-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) There is established in each city to which this chapter applies a waterway management district.

(b) The district includes all territory, including both dry land and water, within a distance of one-half (1/2) mile on either side of the center line of any waterway within the city in which the district is established, excluding the land and water occupied by any marina owned by a unit of government located in the corridor (as defined in ~~IC 14-13-3-2~~). **IC 36-7-13.5-1**).

(c) The district boundary is formed by an imaginary line one-half (1/2) mile distant from the center line of a waterway in all directions. However, the boundary of the district does not extend beyond the boundaries of the city in which the district is located in those areas where the city boundary is located less than one-half (1/2) mile from the center line of a waterway."

Page 25, strike lines 38 through 39.

Page 25, line 40, strike "(e)" and insert "**(d)**".

Page 25, line 42, strike "(f)" and insert "**(e)**".

Page 26, line 2, strike "(g)" and insert "**(f)**".

Page 26, line 4, strike "(h)" and insert "**(g)**".

Page 26, line 8, delete "(i)" and insert "**(h)**".

Page 26, line 10, delete "(j)" and insert "**(i)**".

Page 26, line 12, delete "(k)" and insert "**(j)**".

Page 26, line 14, delete "(l)" and insert "**(k)**".

Page 26, line 16, delete "(m)" and insert "**(l)**".

Page 26, line 18, delete "(n)" and insert "**(m)**".

Page 26, line 20, delete "(o)" and insert "**(n)**".

Page 26, line 22, delete "(p)" and insert "**(o)**".

Page 26, line 24, delete "(q)" and insert "**(p)**".

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Page 26, between lines 25 and 26, begin a new paragraph and insert:
 "SECTION 41. IC 14-8-2-59 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 59. "Corridor" has the following meaning:

- (1) For purposes of ~~IC 14-13-3~~, the meaning set forth in ~~IC 14-13-3-2~~.
- (2) (1) For purposes of IC 14-13-4, the meaning set forth in IC 14-13-4-2.
- (3) (2) For purposes of IC 14-13-5, the meaning set forth in IC 14-13-5-2.
- (4) (3) For purposes of IC 14-13-6, the meaning set forth in IC 14-13-6-3.

SECTION 42. IC 14-8-2-61 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 61. "Council", ~~has the~~ following meaning

- (1) For purposes of ~~IC 14-13-1-22~~, the meaning set forth in ~~IC 14-13-1-22~~.
- (2) For purposes of ~~IC 14-13-1-23~~, the meaning set forth in ~~IC 14-13-1-23~~.
- (3) For purposes of ~~IC 14-13-1-24~~, the meaning set forth in ~~IC 14-13-1-24~~.
- (4) For purposes of ~~IC 14-13-1-25~~, the meaning set forth in ~~IC 14-13-1-25~~.
- (5) for purposes of IC 14-21-1, **has** the meaning set forth in IC 14-21-1-5.

SECTION 43. IC 14-13-1-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 27. The commission shall ~~do the following~~:

- (1) ~~Consult with the following~~:
 - (A) ~~The health council.~~
 - (B) ~~The food and agriculture council.~~
 - (C) ~~The athletic council.~~
 - (D) ~~The animal and wildlife council.~~
- (2) study the feasibility of programs, projects, events, and facilities of national and international significance in the areas of health, nutrition, physical fitness, medical science, recreation, athletics, animal study, veterinary science, and related areas.

SECTION 44. IC 14-13-1-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 40. It is the intent of the general assembly that consideration be given to the selection of persons who are members of racial minorities for the following:

- (1) Appointment to the commission.

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- ~~(2)~~ Appointment to the advisory councils created by this chapter.
- ~~(3)~~ **(2)** Constructing, improving, developing, operating, or managing projects, facilities, or improvements of the commission.
- ~~(4)~~ **(3)** Entering into contracts or leases or receiving licenses to be awarded under this chapter.

SECTION 45. IC 15-15-8-2, AS ADDED BY P.L.2-2008, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. As used in this chapter, "certifying agent" refers to a person or entity acting as an independent contractor who is:

- (1) accredited by the director; **and**
- ~~(2)~~ approved by the panel to conduct field or farm certification; **and**
- ~~(3)~~ **(2)** accredited by the United States Department of Agriculture under the Organic Foods Production Act.

SECTION 46. IC 15-15-8-7, AS ADDED BY P.L.2-2008, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) The director may grant accreditation to an applicant under this chapter.

~~(b)~~ In determining whether to grant accreditation to an applicant, the director shall consider the report concerning the applicant that is prepared by the panel under section 13 of this chapter.

~~(c)~~ **(b)** The director shall make a determination and respond to the applicant not later than three (3) months after the date of receipt of the application.

SECTION 47. IC 15-15-8-12, AS ADDED BY P.L.2-2008, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. The director shall implement this chapter. ~~with the assistance of the panel.~~ The director has no regulatory authority under this chapter except as provided under section 17 of this chapter."

Page 30, between lines 31 and 32, begin a new paragraph and insert:

"SECTION 58. IC 36-7-13.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. The following definitions apply throughout this chapter:

- (1) "Commission" refers to the **Lake Michigan marina and shoreline development commission** established by section 2 of this chapter.
- (2) "Corridor" ~~has the meaning set forth in IC 14-13-3-2.~~ **means the strip of land in Indiana abutting Lake Michigan and the tributaries of Lake Michigan.**
- (3) "Executive committee" refers to the executive committee of the commission established by section 13 of this chapter.
- (4) "Fund" refers to the shoreline environmental trust fund

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established by section 19 of this chapter.

(3) "Environmental fund" refers to the shoreline environmental trust fund established by section 19 of this chapter.

(4) "Environmental grant" means a grant from the environmental fund.

(5) "Qualifying property" means one (1) or more parcels of land in the corridor under common ownership, regardless of whether any improvements are located on the land, with respect to which:

(A) the:

(i) land is unused, if there are no improvements on the land; or

(ii) land and improvements are unused;

(B) all or a part of each parcel of the land is located within five hundred (500) yards of a lake or river; and

(C) there are significant obstacles to redevelopment because of any of the following:

(i) Obsolete or inefficient buildings.

(ii) Aging infrastructure or inefficient utility services.

(iii) Utility relocation requirements.

(iv) Transportation or access problems.

(v) Topographical obstacles.

(vi) Environmental contamination.

SECTION 59. IC 36-7-13.5-2, AS AMENDED BY P.L.33-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The **Lake Michigan marina and** shoreline development commission is established.

SECTION 60. IC 36-7-13.5-3, AS AMENDED BY P.L.33-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The commission consists of the following members:

(1) The following **voting** members: ~~appointed by the governor:~~

(A) The mayor of East Chicago.

(B) The mayor of Gary.

(C) The mayor of Hammond.

(D) The mayor of Michigan City.

(E) The mayor of Portage.

(F) The mayor of Whiting.

(G) Two (2) ~~representatives~~ **members**, each ~~from a~~ **representing and appointed by a different** steel company that owns land abutting Lake Michigan with a continuous shoreline of not less than one (1) mile.

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~~(H)~~ One (1) ~~representative of member to represent and to be appointed by~~ a company that:

- (i) is not a steel company; and
- (ii) owns land abutting Lake Michigan with a continuous shoreline of not less than three-tenths (0.3) mile.

~~(I)~~ One ~~(1)~~ representative of the department of environmental management:

~~(J)~~ One ~~(1)~~ representative of the department of natural resources:

~~(K)~~ One ~~(1)~~ representative of the Indiana department of transportation:

~~(L)~~ **(I)** One (1) representative of member appointed jointly by the executives of the following municipalities:

- (i) Beverly Shores.
- ~~(M)~~ One ~~(1)~~ representative of Burns Harbor.
- ~~(N)~~ One ~~(1)~~ representative of (ii) Dune Acres.
- ~~(O)~~ One ~~(1)~~ representative of (iii) Ogden Dunes.

(J) One (1) member appointed jointly by the executives of the following municipalities:

- (i) Burns Harbor.
- (ii) Chesterton.
- (iii) Porter.

~~(P)~~ One ~~(1)~~ representative of the northwest Indiana advisory board established under IC 13-13-6:

~~(Q)~~ **(K)** One (1) representative of member appointed by a public utility that owns real property that:

- (i) is located in the counties contiguous to Lake Michigan; and
- (ii) has a total assessed value that exceeds the total assessed value of real property in the counties contiguous to Lake Michigan that is owned by any other public utility.

~~(R)~~ The port director of the Port of Indiana-Burns Harbor:

~~(2)~~ One ~~(1)~~ member, preferably from a visitor and tourism business, appointed by the lieutenant governor:

~~(3)~~ **(L)** Two (2) members appointed by the speaker of the house of representatives who:

- ~~(A)~~ **(i)** are members of the house of representatives;
- ~~(B)~~ **(ii)** represent house districts that have territory within the corridor; and
- ~~(C)~~ **(iii)** are not affiliated with the same political party.

If all the house districts that have territory within the corridor are represented by members of the house of representatives

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who are from the same political party; **the requirement under item (iii) cannot be satisfied**, the speaker shall appoint a member of the house of representatives who represents a house district that is located anywhere in a county that has territory within the corridor to satisfy **may disregard** the requirement under ~~clause (C)~~; **item (iii) when appointing members under this clause.**

~~(4)~~ **(M)** Two (2) members appointed by the president pro tempore of the senate who:

~~(A)~~ **(i)** are members of the senate;

~~(B)~~ **(ii)** represent senate districts that have territory within the corridor; and

~~(C)~~ **(iii)** are not affiliated with the same political party.

If all the senate districts that have territory within the corridor are represented by members of the senate who are from the same political party; **the requirement under item (iii) cannot be satisfied**, the president pro tempore shall appoint a member of the senate who represents a senate district that is located anywhere in a county that has territory within the corridor to satisfy **may disregard** the requirement under ~~clause (C)~~; **item (iii) when appointing members under this clause.**

(2) The following nonvoting members:

(A) One (1) member to represent the department of environmental management, appointed by the governor.

(B) One (1) member to represent the department of natural resources, appointed by the governor.

(C) One (1) member to represent the Indiana department of transportation, appointed by the governor.

(D) One (1) member appointed by the executive of the Indiana Dunes National Lakeshore.

(E) The port director of the Port of Indiana-Burns Harbor.

(F) One (1) member appointed by the Lake County Convention and Visitors Bureau.

(G) One (1) member appointed by the LaPorte County Convention and Visitors Bureau.

(H) One (1) member appointed by the Porter County Convention Recreation and Visitor Commission.

SECTION 61. IC 36-7-13.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) The members of the commission referred to in section 3(1)(G) of this chapter **and their designees** may not represent the same steel company.

(b) A member of the commission ~~referred to in section 3(1)(A)~~

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~~through 3(1)(F) of this chapter~~ may designate an individual to serve on the commission in the member's place.

SECTION 62. IC 36-7-13.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. **(a) A quorum of the commission must be present to conduct the commission's business. A quorum consists of a majority of the voting members of the commission.**

(b) The affirmative votes of a majority of the **voting** members of the commission are required for the commission to take action on any measure.

SECTION 63. IC 36-7-13.5-11, AS AMENDED BY P.L.4-2005, SECTION 133, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. **(a)** The commission shall **do the following:**

- (1) Identify qualifying properties.
- (2) Prepare a comprehensive **environmental** master plan for development and redevelopment within the corridor that:
 - (A) plans for remediation of environmental contamination;
 - (B) accounts for economic development and transportation issues relating to environmental contamination; and
 - (C) establishes priorities for development or redevelopment of qualifying properties.
- (3) Establish guidelines for the evaluation of applications for **environmental** grants from the **environmental** fund.
- (4) After reviewing a report from the department of environmental management under section 22 of this chapter, ~~refer to the executive committee make decisions on~~ applications for **environmental** grants from the **environmental** fund under section 21 of this chapter. ~~that the commission recommends for approval.~~
- (5) Prepare and provide information to political subdivisions on the availability of financial assistance from the **environmental** fund.
- (6) Coordinate the implementation of the comprehensive **environmental** master plan.
- (7) Monitor the progress of implementation of the comprehensive **environmental** master plan.
- (8) Report at least ~~annually~~ **once every two (2) years** to the governor, the lieutenant governor, the Indiana economic development corporation, the legislative council, **the budget committee**, and all political subdivisions that have territory within the corridor on:

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- (A) the activities of the commission; and
- (B) the progress of implementation of the comprehensive **environmental** master plan. ~~and~~

An annual report under this subdivision to the legislative council must be in an electronic format under IC 5-14-6.

~~(9) employ an executive director and other individuals that are necessary to carry out the commission's duties:~~

~~An annual report under subdivision (8) to the legislative council must be in an electronic format under IC 5-14-6.~~

(9) Study various plans and recommendations that are proposed concerning marina development along the corridor. Based on these studies, the commission shall do the following:

- (A) Prepare a comprehensive marina plan.**
- (B) Recommend state and local legislation for the development of marinas along the corridor.**
- (C) Coordinate the implementation of the marina plan and legislation.**

(10) Make marina grants of money to units of local government for the construction or improvement of a marina in the corridor if the grants are consistent with the marina plans, standards, and criteria established by the commission.

(b) It is the goal of marina projects under this chapter to create employment in the private sector.

SECTION 64. IC 36-7-13.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) When necessary to accomplish the purposes of the commission, the commission may do the following:

- (1) Conduct studies necessary for the performance of the commission's duties.
- (2) Publicize, advertise, and distribute reports on the commission's purposes, objectives, and findings.
- (3) Provide recommendations in matters related to the commission's functions and objectives to the following:
 - (A) Political subdivisions that have territory within the corridor.
 - (B) Other public and private agencies.
- (4) When requested, act as a coordinating agency for programs and activities of other public and private agencies that are related to the commission's objectives.
- (5) Receive grants and appropriations from the following:
 - (A) Federal, state, and local governments.
 - (B) Individuals.

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- (C) Foundations.
- (D) Other organizations.

(6) Enter into agreements or contracts regarding the acceptance or use of these grants and appropriations for the purpose of carrying out the commission's activities under this chapter.

(7) Acquire and dispose of real or personal property by grant, gift, purchase, lease, devise, or otherwise.

(8) Hold, use, improve, maintain, operate, own, manage, or lease as lessor or lessee:

- (A) real or personal property; or**
- (B) any interest in real or personal property.**

(9) Employ an executive director and other individuals who are necessary to carry out the commission's duties.

~~(10) The commission may~~ **(10) Contract for staff services with:**

- ~~(1)~~ **(A) qualified agencies or individuals; or**
- ~~(2)~~ **(B) a regional planning commission established under IC 36-7-7.**

(11) Appoint advisory committees, which may include representatives of the following:

- (A) Municipal parks.**
- (B) County parks.**
- (C) National parks.**
- (D) Port authorities.**

SECTION 65. IC 36-7-13.5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) The ~~executive committee~~ **commission** shall elect the following officers from among the ~~voting~~ members of the ~~executive committee~~: **commission:**

- (1) A chairman.
- (2) A vice chairman.
- (3) A treasurer.

(b) Each officer serves a term of one (1) year beginning July 1 of each year.

SECTION 66. IC 36-7-13.5-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. The ~~executive committee~~ **commission** shall:

- (1) ~~be responsible for the management of~~ **carry out** all functions related to the provision of **environmental** grants to political subdivisions from the **environmental** fund **and marina grants** for the purposes set forth in this chapter;
- (2) review each **environmental** grant application referred to the ~~executive committee~~ by the ~~commission~~ under **described in**

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section 11 of this chapter, including the report received from the department of environmental management under section 22 of this chapter, to determine whether to approve ~~a~~ **an environmental** grant;

(3) determine the amount of each **environmental** grant to a political subdivision approved by the ~~executive committee;~~ **commission;**

(4) approve, with appropriate signatures, each **environmental** grant that the ~~executive committee~~ **commission** determines to make under this chapter; and

(5) prepare and adopt by majority vote an annual budget for carrying out the activities of the commission.

SECTION 67. IC 36-7-13.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 18. (a) After approval of the budget by the ~~executive committee;~~ **commission**, money may be expended only as budgeted, unless a majority vote of the ~~executive committee~~ **commission** authorizes other expenditures.

(b) Appropriated money remaining unexpended or unencumbered at the end of the year **and not otherwise restricted by law or agreement** becomes part of a nonreverting cumulative fund to be held in the name of the commission. The ~~executive committee~~ **commission** may authorize unbudgeted expenditures from this fund by a majority vote of the ~~executive committee.~~ **commission. However, unencumbered money appropriated from the environmental fund at the end of a budget year reverts to the environmental fund.**

(c) The ~~executive committee treasurer of the commission~~ is responsible for the safekeeping and deposit of money the commission receives under this chapter. The state board of accounts shall:

- (1) prescribe the methods and forms for keeping; and
- (2) periodically audit;

the accounts, records, and books of the commission. **The commission may establish the funds and the accounts that the commission determines necessary to operate the commission.**

(d) The treasurer of the ~~executive committee~~ **commission** may receive, disburse, and handle money belonging to the commission, subject to the following:

- (1) Applicable statutes.
- (2) Procedures established by the ~~executive committee.~~ **commission.**

SECTION 68. IC 36-7-13.5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. The shoreline environmental trust fund is established to provide a source of money

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for the following:

(1) The rehabilitation, redevelopment, and reuse of qualifying property by providing **environmental** grants to political subdivisions to conduct any of the following activities:

(A) Identification and acquisition of qualifying property within a political subdivision.

(B) Environmental assessment of identified qualifying property and other activities necessary or convenient to complete the environmental assessments.

(C) Remediation of environmental contamination conducted on qualifying property.

(D) Clearance of real property under IC 36-7-14-12.2 or IC 36-7-15.1-7 in connection with remediation activities.

(E) Other activities necessary or convenient to return qualified property to full use.

(2) **Payment of the share of the operations of the commission, as determined by the commission.**

SECTION 69. IC 36-7-13.5-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 20. (a) The budget agency shall:

(1) administer the **environmental** fund; and

(2) report to the ~~executive committee~~ **commission** semiannually:

(A) revenue received to the **environmental** fund;

(B) distributions from the **environmental** fund; and

(C) the balance in the **environmental** fund.

(b) The following shall be paid from money in the **environmental** fund:

(1) The expenses of administering the **environmental** fund.

(2) **Environmental** grants approved by the ~~executive committee~~ **commission** under section 17 of this chapter.

(3) The amount budgeted **from the environmental fund** by the ~~executive committee~~ **commission** for the operations of the commission.

(c) The **environmental** fund consists of the following:

(1) Appropriations made by the general assembly.

(2) **Environmental** grants and gifts intended for deposit in the **environmental** fund.

(3) Interest, gains, or other earnings of the **environmental** fund.

(d) The budget agency shall invest the money in the **environmental** fund not currently needed to meet the obligations of the **environmental** fund in the same manner as other public funds may be invested. Interest, gains, or other earnings from these investments shall be

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credited to the **environmental** fund.

(e) As an alternative to subsection (d), the budget agency may invest or cause to be invested all or a part of the **environmental** fund in a fiduciary account with a trustee that is a financial institution. Notwithstanding any other law, any investment may be made by the trustee in accordance with at least one (1) trust agreement or indenture. A trust agreement or indenture may allow disbursements by the trustee to the budget agency as provided in the trust agreement or indenture. The budget agency and the state board of finance must approve any trust agreement or indenture before its execution.

(f) Money in the **environmental** fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 70. IC 36-7-13.5-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 21. (a) Before a political subdivision may receive ~~a~~ **an environmental** grant from the **environmental** fund, the political subdivision must submit to the department of environmental management and the commission the following:

(1) ~~A~~ **An environmental** grant application, in the form prescribed by the department of environmental management and the commission, that:

- (A) identifies the qualifying property;
- (B) includes any ordinances, resolutions, or other documentation of the political subdivision's determination to submit the **environmental** grant application;
- (C) identifies the entity from which the qualifying property has been acquired or will be acquired by the political subdivision;
- (D) specifies the cost of acquisition of the qualifying property to the political subdivision, if any;
- (E) identifies any environmental contamination of the qualifying property that will be subject to remediation;
- (F) specifies the environmental remediation objectives with respect to the qualifying property;
- (G) estimates all costs the political subdivision will incur with respect to the qualifying property;
- (H) evaluates the prospect for conveyance of the qualifying property for use by a private or public entity; and
- (I) includes a schedule of all actions taken or to be taken by the political subdivision with respect to the qualifying property between the time of acquisition and the anticipated time of conveyance by the political subdivision.

(2) Documentation of community and neighborhood comment

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concerning the use of a qualifying property on which environmental remediation activities will be undertaken after environmental remediation activities are completed.

(b) A political subdivision may apply for ~~a~~ **an environmental** grant under this section for activities under this chapter with respect to:

- (1) qualifying property previously acquired by the political subdivision by:
 - (A) purchase; or
 - (B) donation from a private or public entity; or
- (2) qualifying property to be acquired using **environmental** grant money.

SECTION 71. IC 36-7-13.5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 22. The department of environmental management shall do the following under this chapter:

- (1) Upon receipt of ~~a~~ **an environmental** grant application from a political subdivision under section 21 of this chapter with respect to a qualifying property, evaluate the technical aspects of the political subdivision's:
 - (A) environmental assessment of the property; and
 - (B) proposed environmental remediation with respect to the property.
- (2) Submit to the commission a report of its evaluation under subdivision (1).
- (3) Evaluate the technical aspects of the political subdivision's environmental remediation activities conducted on qualifying properties.
- (4) Act as a liaison with the United States Environmental Protection Agency.

SECTION 72. IC 36-7-13.5-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 23. The ~~executive committee~~ **commission** shall develop a priority ranking system for making **environmental** grants under this chapter based on the following:

- (1) The comprehensive **environmental** master plan.
- (2) Socioeconomic distress in an area, as determined by the poverty level and unemployment rate in the area.
- (3) The technical evaluation by the department of environmental management under section 22 of this chapter.
- (4) Other factors determined by the commission, including the following:
 - (A) The number and quality of jobs that would result from reuse of the qualifying property.

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(B) Housing, recreational, and educational needs of communities.

(C) Any other factors the ~~executive committee~~ **commission** determines will assist in the implementation of this chapter.

SECTION 73. IC 36-7-13.5-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 24. (a) Based on the priority ranking system established under section 23 of this chapter, the ~~executive committee~~ **commission** may make **environmental** grants from the **environmental** fund to political subdivisions under this section.

(b) ~~A~~ **An environmental** grant must be used for at least one (1) of the purposes set forth in section 19 of this chapter and may be used to pay consultant, advisory, and legal fees and any other costs or expenses resulting from the assessment, planning, or environmental remediation of a qualifying property.

SECTION 74 IC 36-7-13.5-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 25. If:

- (1) a private entity offers a political subdivision a donation of property for which the political subdivision intends to submit ~~a~~ **an environmental** grant application under section 21 of this chapter; and
- (2) the donation of the property is conditioned on obtaining from the state a covenant not to sue the private entity for any potential liability arising under state law associated with environmental contamination of the property;

the political subdivision may request that the commission seek the covenant not to sue from the governor. The governor may execute a covenant not to sue under this section.

SECTION 75. IC 36-7-13.5-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 26. The ~~executive committee~~ **commission** may adopt guidelines or guidance documents to implement this chapter without complying with IC 4-22-2.

SECTION 76. IC 36-7-13.5-27 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 27. This chapter does not limit the power of a participating county, township, port authority, or municipal corporation to develop or improve a port, terminal, or lakefront facility.**

SECTION 77. IC 36-7.5-1-12, AS AMENDED BY P.L.47-2006, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. "Eligible political subdivision" means the following:

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- (1) An airport authority.
- (2) A commuter transportation district.
- (3) A regional bus authority under IC 36-9-3-2(c).
- (4) A regional transportation authority established under IC 36-9-3-2.
- (5) ~~A~~ **The Lake Michigan marina and** shoreline development commission under IC 36-7-13.5.

SECTION 78. IC 36-7.5-1-12.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2011]: **Sec. 12.4. "Lake Michigan marina and shoreline development commission" means the commission established by IC 36-7-13.5-2.**

SECTION 79. IC 36-7.5-1-12.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2011]: **Sec. 12.5. "Lake Michigan marina and shoreline development commission project" means a project that can be financed with the proceeds of bonds issued by the Lake Michigan marina and shoreline development commission.**

SECTION 80 IC 36-7.5-1-13, AS AMENDED BY P.L.47-2006, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. "Project" means an airport authority project, a commuter transportation district project, an economic development project, a regional bus authority project, a regional transportation authority project, or a **Lake Michigan marina and** shoreline development commission project.

SECTION 81. IC 36-7.5-2-1, AS AMENDED BY P.L.47-2006, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. The northwest Indiana regional development authority is established as a separate body corporate and politic to carry out the purposes of this article by:

- (1) acquiring, constructing, equipping, owning, leasing, and financing projects and facilities for lease to or for the benefit of eligible political subdivisions under this article;
- (2) funding and developing the Gary/Chicago International Airport expansion and other airport authority projects, commuter transportation district and other rail projects and services, regional bus authority projects and services, regional transportation authority projects and services, **Lake Michigan marina and** shoreline development projects and activities, and economic development projects in northwestern Indiana; and
- (3) assisting with the funding of infrastructure needed to sustain development of an intermodal facility in northwestern Indiana.

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SECTION 82. IC 36-7.5-3-1, AS AMENDED BY P.L.47-2006, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. The development authority shall do the following:

- (1) Assist in the coordination of local efforts concerning projects.
- (2) Assist a commuter transportation district, an airport authority, **at the Lake Michigan marina and** shoreline development commission, a regional transportation authority, and a regional bus authority in coordinating regional transportation and economic development efforts.
- (3) Fund projects as provided in this article.
- (4) Fund bus services (including fixed route services and flexible or demand-responsive services) and projects related to bus services and bus terminals, stations, or facilities.

SECTION 83. IC 36-7.5-3-2, AS AMENDED BY P.L.182-2009(ss), SECTION 424, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) The development authority may do any of the following:

- (1) Finance, improve, construct, reconstruct, renovate, purchase, lease, acquire, and equip land and projects located in an eligible county or eligible municipality.
- (2) Lease land or a project to an eligible political subdivision.
- (3) Finance and construct additional improvements to projects or other capital improvements owned by the development authority and lease them to or for the benefit of an eligible political subdivision.
- (4) Acquire land or all or a portion of one (1) or more projects from an eligible political subdivision by purchase or lease and lease the land or projects back to the eligible political subdivision, with any additional improvements that may be made to the land or projects.
- (5) Acquire all or a portion of one (1) or more projects from an eligible political subdivision by purchase or lease to fund or refund indebtedness incurred on account of the projects to enable the eligible political subdivision to make a savings in debt service obligations or lease rental obligations or to obtain relief from covenants that the eligible political subdivision considers to be unduly burdensome.
- (6) Make loans, loan guarantees, and grants or provide other financial assistance to or on behalf of the following:
 - (A) A commuter transportation district.
 - (B) An airport authority or airport development authority.

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(C) ~~A~~ **The Lake Michigan marina and** shoreline development commission.

(D) A regional bus authority. A loan, loan guarantee, grant, or other financial assistance under this clause may be used by a regional bus authority for acquiring, improving, operating, maintaining, financing, and supporting the following:

(i) Bus services (including fixed route services and flexible or demand-responsive services) that are a component of a public transportation system.

(ii) Bus terminals, stations, or facilities or other regional bus authority projects.

(E) A regional transportation authority.

(7) Provide funding to assist a railroad that is providing commuter transportation services in an eligible county or eligible municipality.

(8) Provide funding to assist an airport authority located in an eligible county or eligible municipality in the construction, reconstruction, renovation, purchase, lease, acquisition, and equipping of an airport facility or airport project.

(9) Provide funding to assist in the development of an intermodal facility to facilitate the interchange and movement of freight.

(10) Provide funding to assist ~~a~~ **the Lake Michigan marina and** shoreline development commission in carrying out the purposes of IC 36-7-13.5.

(11) Provide funding for economic development projects in an eligible county or eligible municipality.

(12) Hold, use, lease, rent, purchase, acquire, and dispose of by purchase, exchange, gift, bequest, grant, condemnation, lease, or sublease, on the terms and conditions determined by the development authority, any real or personal property located in an eligible county or eligible municipality.

(13) After giving notice, enter upon any lots or lands for the purpose of surveying or examining them to determine the location of a project.

(14) Make or enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this article.

(15) Sue, be sued, plead, and be impleaded.

(16) Design, order, contract for, and construct, reconstruct, and renovate a project or improvements to a project.

(17) Appoint an executive director and employ appraisers, real estate experts, engineers, architects, surveyors, attorneys,

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accountants, auditors, clerks, construction managers, and any consultants or employees that are necessary or desired by the development authority in exercising its powers or carrying out its duties under this article.

(18) Accept loans, grants, and other forms of financial assistance from the federal government, the state government, a political subdivision, or any other public or private source.

(19) Use the development authority's funds to match federal grants or make loans, loan guarantees, or grants to carry out the development authority's powers and duties under this article.

(20) Except as prohibited by law, take any action necessary to carry out this article.

(b) If the development authority is unable to agree with the owners, lessees, or occupants of any real property selected for the purposes of this article, the development authority may proceed under IC 32-24-1 to procure the condemnation of the property. The development authority may not institute a proceeding until it has adopted a resolution that:

- (1) describes the real property sought to be acquired and the purpose for which the real property is to be used;
- (2) declares that the public interest and necessity require the acquisition by the development authority of the property involved; and
- (3) sets out any other facts that the development authority considers necessary or pertinent.

The resolution is conclusive evidence of the public necessity of the proposed acquisition."

Page 30, line 33, after "2011]:" insert "IC 4-12-4-16; IC 4-12-5-5;".

Page 30, line 33, after "IC 4-15-2.5-2;" insert "IC 4-23-20;".

Page 30, line 34, after "IC 12-15-42;", insert "IC 14-3-3; IC 14-13-1-22; IC 14-13-1-23; IC 14-13-1-24; IC 14-13-1-25; IC 14-13-1-26;".

Page 30, line 34, after "IC 14-20-4;" insert "IC 15-15-8-6; IC 15-15-8-9; IC 15-15-8-10; IC 15-15-8-11; IC 15-15-8-13; IC 15-15-8-16; IC 15-15-8-18;".

Page 30, line 34, delete "IC 27-1-3-30." and insert "IC 27-1-3-30; IC 36-7-13.5-9; IC 36-7-13.5-13; IC 36-7-13.5-15; IC 36-7-13.5-16; IC 36-7.5-1-16; IC 36-7.5-1-17.

SECTION 84. [EFFECTIVE JULY 1, 2011] (a) On July 1, 2011, the rights, duties, property, personnel, liabilities, and contractual obligations of the following are transferred to the Lake Michigan marina and shoreline development commission established by

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IC 36-7-13.5-2, as amended by this act:

- (1) The Lake Michigan marina development commission.**
- (2) The shoreline development commission.**

The commissions described in subdivisions (1) and (2) are abolished as soon the property, personnel, liabilities, and contractual obligations of the commissions are transferred to the Lake Michigan marina and shoreline development commission. The only actions that a commission described in subdivision (1) or (2) may take after June 30, 2011, are those actions necessary to wind up the affairs of that commission.

(b) The members of the governing body of a commission described in subsection (a)(1) or (a)(2) remain members of the governing body until the commission is abolished. The governing bodies of each commission described in subsection (a)(1) or (a)(2) shall adopt a resolution as the last act of the governing body specifying the abolishment of the commission.

(c) Money transferred from the Lake Michigan marina development commission to the Lake Michigan marina and shoreline development commission shall initially be transferred to a fund that is separate from the shoreline environmental trust fund established by IC 36-7-13.5-19, as amended by this act, and used in accordance with the budget adopted by the Lake Michigan marina and shoreline development commission. The budget may provide for part or all of the money to be transferred and used for the purposes of the shoreline environmental trust fund.

(d) This SECTION expires July 1, 2014."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1233 as introduced.)

DOBIS, Chair

Committee Vote: yeas 7, nays 0.

HOUSE MOTION

Mr. Speaker: I move that House Bill 1233 be amended to read as follows:

Page 4, between lines 33 and 34, begin a new paragraph and insert:
"SECTION 4. IC 4-12-5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1, 2011]: **Sec. 1.5. As used in this chapter, "board" refers to the Indiana tobacco use prevention and cessation executive board created by IC 4-12-4-4."**

Page 17, delete lines 22 through 26.
Renumber all SECTIONS consecutively.

(Reference is to HB 1233 as printed February 15, 2011.)

FRIEND

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1233, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 4, between lines 38 and 39, begin a new paragraph and insert:
"SECTION 5. IC 4-12-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. Subject to appropriation by the general assembly, review by the budget committee, and approval by the budget agency, the auditor of state shall distribute money from the account to public or private entities or individuals for the implementation of programs concerning one (1) or more of the following purposes:

- (1) The children's health insurance program established under IC 12-17.6.
- (2) Cancer detection tests and cancer education programs.
- (3) Heart disease and stroke education programs.
- (4) Assisting community health centers in providing:
 - (A) vaccinations against communicable diseases, with an emphasis on service to youth and senior citizens;
 - (B) health care services and preventive measures that address the special health care needs of minorities (as defined in IC 16-46-6-2); and
 - (C) health care services and preventive measures in rural areas.
- (5) Promoting health and wellness activities.
- (6) Encouraging the prevention of disease, particularly tobacco related diseases.
- (7) Addressing the special health care needs of those who suffer most from tobacco related diseases, including end of life and long

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term care alternatives.

(8) Addressing minority health disparities.

(9) Addressing the impact of tobacco related diseases, particularly on minorities and females.

(10) Promoting community based health care, particularly in areas with a high percentage of underserved citizens, including individuals with disabilities, or with a shortage of health care professionals.

(11) Enhancing local health department services.

(12) Expanding community based minority health infrastructure.

(13) Other purposes recommended by the ~~Indiana health care trust fund~~ advisory board. ~~established by section 5 of this chapter.~~

SECTION 6. IC 4-12-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. A public or private entity or an individual may submit an application to the board for a grant from the account. Each application must be in writing and contain the following information:

(1) A clear objective to be achieved with the grant.

(2) A plan for implementation of the specific program.

(3) A statement of the manner in which the proposed program will further the goals of the ~~Indiana tobacco use prevention and cessation~~ board's mission statement and long range state plan under IC 4-12-4.

(4) The amount of the grant requested.

(5) An evaluation and assessment component to determine the program's performance.

(6) Any other information required by the ~~advisory~~ board.

The ~~advisory~~ board may adopt written guidelines to establish procedures, forms, additional evaluation criteria, and application deadlines."

Page 7, line 3, reset in roman "and".

Page 7, line 3, delete "department,".

Page 7, line 3, after "department," strike "and the".

Page 17, line 12, delete "department" and insert "**director**".

Page 17, line 22, delete "department" and insert "**director**".

Page 17, line 24, delete "department" and insert "**director**".

Page 21, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 29. IC 6-1.1-10-16, AS AMENDED BY P.L.196-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 16. (a) All or part of a building is exempt from property taxation if it is owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes.

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(b) A building is exempt from property taxation if it is owned, occupied, and used by a town, city, township, or county for educational, literary, scientific, fraternal, or charitable purposes.

(c) A tract of land, including the campus and athletic grounds of an educational institution, is exempt from property taxation if:

(1) a building that is exempt under subsection (a) or (b) is situated on it;

(2) a parking lot or structure that serves a building referred to in subdivision (1) is situated on it; or

(3) the tract:

(A) is owned by a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics;

(B) does not exceed five hundred (500) acres; and

(C) is not used by the nonprofit entity to make a profit.

(d) A tract of land is exempt from property taxation if:

(1) it is purchased for the purpose of erecting a building that is to be owned, occupied, and used in such a manner that the building will be exempt under subsection (a) or (b); and

(2) not more than four (4) years after the property is purchased, and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection of the intended building and use of the tract for the exempt purpose. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the

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period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

(g) Property owned by a shared hospital services organization that is exempt from federal income taxation under Section 501(c)(3) or 501(e) of the Internal Revenue Code is exempt from property taxation if it is owned, occupied, and used exclusively to furnish goods or services to a hospital whose property is exempt from property taxation under subsection (a), (b), or (e).

(h) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under ~~IC 16-21-1~~ **IC 16-21-2** or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

- (1) provides or supports the provision of charity care (as defined in IC 16-18-2-52.5), including providing funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or
- (2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program alone does not entitle an office, practice, or other property described in this subsection to an exemption under this section.

(i) A tract of land or a tract of land plus all or part of a structure on the land is exempt from property taxation if:

- (1) the tract is acquired for the purpose of erecting, renovating, or improving a single family residential structure that is to be given

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away or sold:

- (A) in a charitable manner;
- (B) by a nonprofit organization; and
- (C) to low income individuals who will:
 - (i) use the land as a family residence; and
 - (ii) not have an exemption for the land under this section;
- (2) the tract does not exceed three (3) acres;
- (3) the tract of land or the tract of land plus all or part of a structure on the land is not used for profit while exempt under this section; and
- (4) not more than four (4) years after the property is acquired for the purpose described in subdivision (1), and for each year after the four (4) year period, the owner demonstrates substantial progress and active pursuit towards the erection, renovation, or improvement of the intended structure. To establish substantial progress and active pursuit under this subdivision, the owner must prove the existence of factors such as the following:

(A) Organization of and activity by a building committee or other oversight group.

(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within five (5) years of the initial exemption received under this subsection.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the structure is an active plan and that the structure is capable of being:

(i) completed; and

(ii) transferred to a low income individual who does not receive an exemption under this section;

within eight (8) years considering the circumstances of the owner.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county

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assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(k) If property is granted an exemption in any year under subsection (i) and the owner:

- (1) ceases to be eligible for the exemption under subsection (i)(4);
- (2) fails to transfer the tangible property within eight (8) years after the assessment date for which the exemption is initially granted; or
- (3) transfers the tangible property to a person who:
 - (A) is not a low income individual; or
 - (B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

- (1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.
- (2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

SECTION 30. IC 6-1.1-10-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 18.5. (a) This section does not exempt from property tax an office or a practice of a physician or group of physicians that is owned by a hospital licensed under ~~IC 16-21-1~~ IC 16-21-2 or other property that is not substantially related to or supportive of the inpatient facility of the hospital unless the office, practice, or other property:

- (1) provides or supports the provision of charity care (as defined

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in IC 16-18-2-52.5), including funds or other financial support for health care services for individuals who are indigent (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

(2) provides or supports the provision of community benefits (as defined in IC 16-21-9-1), including research, education, or government sponsored indigent health care (as defined in IC 16-21-9-2).

However, participation in the Medicaid or Medicare program, alone, does not entitle an office, a practice, or other property described in this subsection to an exemption under this section.

(b) Tangible property is exempt from property taxation if it is:

- (1) owned by an Indiana nonprofit corporation; and
- (2) used by that corporation in the operation of a hospital licensed under IC 16-21, a health facility licensed under IC 16-28, or in the operation of a residential facility for the aged and licensed under IC 16-28, or in the operation of a Christian Science home or sanatorium.

(c) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9."

Page 22, line 10, delete "IC 9-23-2-1." and insert "**IC 9-23.**".

Page 31, line 23, delete "(b)The" and insert "**(b)** The".

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

"SECTION 48. IC 16-18-2-84 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 84. "Council" refers to the following:

- (1) For purposes of IC 16-21, **IC 16-25, IC 16-27, IC 16-28, and IC 16-29**, the **hospital health care facility advisory council**.
- (2) For purposes of ~~IC 16-25 and IC 16-27~~, the **home health care services and hospice services council**.
- (3) For purposes of ~~IC 16-28 and IC 16-29~~, the **Indiana health facilities council**.
- (4) **(2)** For purposes of IC 16-46-6, the interagency state council on black and minority health.

SECTION 49. IC 16-18-2-150, AS AMENDED BY P.L.152-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 150. (a) "Governing body", for purposes of IC 16-22-7, has the meaning set forth in IC 16-22-7-2.

(b) ~~"Governing body"~~, for purposes of ~~IC 16-27-0.5~~, has the meaning set forth in ~~IC 16-27-0.5-0.5~~.

(c) **(b)** "Governing body", for purposes of IC 16-41-22, has the meaning set forth in IC 16-41-22-3.

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SECTION 50. IC 16-19-15 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

Chapter 15. Health Care Facility Advisory Council

Sec. 1. The health care facility advisory council is created.

Sec. 2. (a) The council consists of eighteen (18) members as follows:

- (1) The commissioner or the commissioner's designee.
- (2) The secretary of family and social services or the secretary's designee.
- (3) The following members appointed by the governor:
 - (A) One (1) physician licensed under IC 25-22.5 who primarily practices in acute care.
 - (B) One (1) physician licensed under IC 25-22.5 who primarily practices in long term care.
 - (C) One (1) registered nurse licensed under IC 25-23 who is employed in an acute care facility.
 - (D) One (1) registered nurse licensed under IC 25-23 who is employed in a long term care facility.
 - (E) One (1) registered nurse licensed under IC 25-23 who is employed by a home health agency.
 - (F) One (1) residential care administrator.
 - (G) Two (2) individuals who are employed as hospital administrators, as follows:
 - (i) One (1) individual employed at a for profit facility.
 - (ii) One (1) individual employed at a nonprofit facility.
 - (H) One (1) individual who is employed as an administrator of a freestanding ambulatory outpatient surgical center.
 - (I) One (1) individual who is employed as a long term care facility administrator.
 - (J) One (1) individual who is employed by a home health or hospice agency as:
 - (i) an administrator; or
 - (ii) a director of nursing.
 - (K) One (1) individual who:
 - (i) represents the interests of senior citizens; and
 - (ii) has experience as a health care advocate for senior citizens and may represent a statewide organization.
 - (L) One (1) individual who:
 - (i) represents the interests of people with disabilities; and
 - (ii) has experience as a health care advocate for people

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with disabilities and may represent a statewide organization.

(M) One (1) individual who:

- (i) represents the interests of people with chronic or acute health care needs; and**
- (ii) has experience as a health care advocate for people with chronic or acute health care needs and may represent a statewide organization.**

(N) Two (2) individuals employed by any one (1) of the following:

- (i) A school of public health.**
- (ii) A school of nursing.**
- (iii) A school of medicine.**
- (iv) A school of allied health.**
- (v) A health care research organization.**
- (vi) A quality improvement organization.**

The governor shall appoint one (1) member under this subsection as chairperson and one (1) member as vice chairperson of the council.

(b) The commissioner or the commissioner's designee shall serve as secretary of the council.

(c) Except for an individual appointed under subsection (a)(3)(C) through (a)(3)(J), a member of the council may not:

- (1) have a pecuniary interest in the operation of;**
- (2) have an ownership interest in;**
- (3) serve as a voting member of the governing body of; or**
- (4) provide professional services through employment or under contract to;**

an institution, facility, or agency licensed by the state department.

(d) The governor shall make the initial appointments under subsection (a)(3) to the council with the terms of office beginning July 1, 2011, and serving terms as follows:

- (1) Eight (8) members shall be appointed for a term of four (4) years.**
- (2) Eight (8) members shall be appointed for a term of two (2) years.**

After the initial term of office for the council, a member shall be appointed for a term of four (4) years.

(e) Any vacancy on the council shall be filled by the governor for the remainder of the unexpired term in the same manner as the original appointment.

Sec. 3. (a) A member of the council who is not a state employee

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is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b).

(b) A member of the council is entitled to reimbursement for traveling expenses as provided in IC 4-13-1-4 and 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.

Sec. 4. (a) The chairperson shall call the first meeting of the council not more than sixty (60) days after the appointment of all the members to the council. The council shall meet at least three (3) times each year on dates fixed by the council.

(b) The chairperson may call a special meeting of the council at the commissioner's request or upon the written request of at least four (4) members of the council.

(c) Ten (10) members of the council constitute a quorum for the transaction of business. The affirmative votes of a majority of the members are required for the council to take action on any measure.

(d) The chairperson may approve the creation of a subcommittee at the request of a majority of the council members. A subcommittee member:

- (1) serves at the pleasure of the council; and
- (2) does not receive travel reimbursement or per diem.

Sec. 5. (a) The council shall serve as an advisory body to the state department regarding facilities and entities licensed under the following:

- (1) IC 16-21.
- (2) IC 16-25.
- (3) IC 16-27.
- (4) IC 16-28.

(b) The council may do the following:

- (1) Propose rules to the executive board.
- (2) Recommend issuance of interpretative guidelines when necessary to assist a facility or entity in meeting the requirements of a rule adopted under:

- (A) IC16-21-1;
- (B) IC 16-27-0.5; or
- (C) IC 16-28-1.

An interpretative guideline is not a rule and may not be used to contravene a rule.

(c) The council shall do the following:

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(1) Propose rules as set forth in the following:

- (A) IC 16-21-1-7.
- (B) IC 16-21-2-14.
- (C) IC 16-27-0.5-9.
- (D) IC 16-28-1-7.
- (E) IC 16-28-1-11.
- (F) IC 16-28-6-2.

(2) Advise the state department as set forth in the following:

- (A) IC 16-27-0.5.
- (B) IC 16-28-1-7(4).

(3) Make recommendations to the fire prevention and building safety commission as set forth in IC 16-28-1-7(2).**(4) Classify health facilities in health care categories as required in IC 16-28-1-7.**

Sec. 6. Beginning July 1, 2011, the liabilities, property, records, and other assets that belonged to the following councils are transferred to the health care facility advisory council:

- (1) The hospital council (established by IC 16-21-1-1, before its repeal).**
- (2) The home health care services and hospice services council (established by IC 16-27-0.5-1, before its repeal).**
- (3) The health facilities council (established by IC 16-28-1-1, before its repeal).**

SECTION 51. IC 16-21-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) ~~Except as provided in IC 16-29-1-11, The executive board state health commissioner~~ may, upon recommendation by the state health commissioner and for good cause shown, waive a rule:

- (1) adopted under this chapter; or
- (2) that may be waived under IC 16-28 for a specified time for a hospital based health facility or a hospital licensed under this article.

~~(b) Disapproval of waiver requests requires executive board action:~~

~~(c)~~ **(b)** A waiver may not adversely affect the health, safety, and welfare of the residents or patients.

SECTION 52. IC 16-21-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The ~~council~~ **state department** may determine if an institution or agency is covered by this chapter. A decision of the ~~council~~ **state department** under this section is subject to review under IC 4-21.5.

SECTION 53. IC 16-21-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. An application

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must be accompanied by a licensing fee at the rate adopted by the ~~council~~ **state department** under IC 4-22-2.

SECTION 54. IC 16-21-2-14, AS AMENDED BY P.L.96-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. A license to operate a hospital, an ambulatory outpatient surgical center, an abortion clinic, or a birthing center:

- (1) expires one (1) year after the date of issuance;
- (2) is not assignable or transferable;
- (3) is issued only for the premises named in the application;
- (4) must be posted in a conspicuous place in the facility; and
- (5) may be renewed each year upon the payment of a renewal fee at the rate adopted by the ~~council~~ **state department** under IC 4-22-2.

SECTION 55. IC 16-21-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The state health commissioner may take action under section 1 of this chapter on any of the following grounds:

- (1) Violation of any of the provisions of this chapter or of the rules adopted under this chapter.
- (2) Permitting, aiding, or abetting the commission of any illegal act in an institution.
- (3) Knowingly collecting or attempting to collect from a subscriber (as defined in IC 27-13-1-32) or an enrollee (as defined in IC 27-13-1-12) of a health maintenance organization (as defined in IC 27-13-1-19) any amounts that are owed by the health maintenance organization.
- (4) Conduct or practice found by the ~~council~~ **state department** to be detrimental to the welfare of the patients of an institution.

SECTION 56. IC 16-25-3-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2.5. The state department shall administer this chapter with the advice of the ~~home health care services and hospice services~~ **health care facility advisory council** established by ~~IC 16-27-0.5-1~~ **IC 16-19-15-1**.

SECTION 57. IC 16-27-0.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) The state department may request the **health care facility advisory council** to propose a new rule or an amendment to a rule necessary to protect the health, safety, rights, and welfare of the home health care patients and hospice patients. If the council does not propose a rule within ninety (90) days after the state department's request, the state department may propose the rule.

- (b) The executive board shall consider rules proposed by the council

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under this section. ~~and section 7 of this chapter.~~ The executive board may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.

(c) To become effective, all rules proposed by the council under this chapter must be adopted by the executive board in accordance with IC 4-22-2.

SECTION 58. IC 16-27-1-1, AS AMENDED BY P.L.197-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. As used in this chapter, "health care professional" means any of the following:

- (1) A licensed physician.
- (2) A licensed dentist.
- (3) A licensed chiropractor.
- (4) A licensed podiatrist.
- (5) A licensed optometrist.
- (6) A nurse licensed under IC 25-23-1.
- (7) A physical therapist licensed under IC 25-27 or a physical therapy assistant certified under IC 25-27.
- (8) A speech-language pathologist or an audiologist licensed under IC 25-35.6-3.
- (9) A speech-language pathology aide or an audiology aide (as defined in IC 25-35.6-1-2).
- (10) An:
 - (A) occupational therapist; ~~licensed~~; or
 - (B) occupational therapy assistant; ~~certified~~; **licensed** under IC 25-23.5.
- (11) A social worker licensed under IC 25-23.6 or a social work assistant.
- (12) A pharmacist licensed under IC 25-26-13.

SECTION 59. IC 16-27-2-1, AS AMENDED BY P.L.197-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. As used in this chapter, "health care professional" means any of the following:

- (1) A licensed physician or a physician assistant (as defined in IC 25-22.5-1-1.1).
- (2) A dentist licensed under IC 25-14.
- (3) A chiropractor licensed under IC 25-10-1.
- (4) A podiatrist licensed under IC 25-29.
- (5) An optometrist licensed under IC 25-24.
- (6) A nurse licensed under IC 25-23-1.
- (7) A physical therapist licensed under IC 25-27 or a physical therapy assistant certified under IC 25-27.

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(8) A speech-language pathologist or an audiologist licensed under IC 25-35.6-3.

(9) A speech-language pathology aide or an audiology aide (as defined in IC 25-35.6-1-2).

(10) An:

(A) occupational therapist licensed; or

(B) occupational therapy assistant ~~certified~~; **licensed**; under IC 25-23.5.

(11) A social worker licensed under IC 25-23.6 or a clinical social worker licensed under IC 25-23.6.

(12) A pharmacist licensed under IC 25-26-13.

SECTION 60. IC 16-28-1-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) The department may request the council to propose a new rule or an amendment to a rule necessary to protect the health, safety, rights, and welfare of patients. If the council does not propose a rule not more than ninety (90) days after the department's request, the department may propose its own rule.

(b) ~~The executive board shall consider rules proposed by the council under this section and section 1 of this chapter.~~ The executive board may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.

(c) To become effective, all rules adopted under this chapter must be adopted by the executive board in accordance with IC 4-22-2. The rules adopted under this chapter are the only rules governing the licensing and operation of health facilities.

SECTION 61. IC 16-28-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The ~~council~~ **state department** shall refer an allegation of breach received about licensed personnel at a health facility to the appropriate licensing board for review and possible disciplinary action.

SECTION 62. IC 16-28-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The ~~council~~ **state department** shall adopt rules governing the emergency relocation of patients that provide for the following:

(1) Notice to the patient, the patient's next of kin, guardian, and physician of the emergency transfer and the reasons for the relocation.

(2) Protections designed to ensure the welfare and desires of the patient.

SECTION 63. IC 16-28-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. The director may,

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after consultation with the commissioner, ~~and the chairman of the council~~; request the attorney general to petition the circuit or superior court of the county in which a health facility is located to place the facility in receivership to protect the patients in the facility.

SECTION 64. IC 16-29-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. A decision of the ~~council~~ **state department** under this chapter is subject to review under IC 4-21.5. IC 16-28-10 applies to review hearings and appeals.

SECTION 65. IC 16-29-4-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. The ~~Indiana health facilities~~ **health care facility advisory** council may recommend, before the conversion of existing health facility beds to ICF/MR beds or the construction of a new ICF/MR facility, that the state department issue a preliminary approval of the proposed project, but only if the council determines that there is an insufficient number of available beds to care for all the persons who are determined under IC 12-11-2.1 to be appropriate for placement in an ICF/MR facility.

SECTION 66. IC 16-29-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. A proposed project that receives preliminary approval under this chapter may not add more beds than the number determined by the ~~Indiana health facilities~~ **health care facility advisory** council to be necessary to provide an available bed for each person determined under IC 12-11-2.1 to be appropriate for placement in an ICF/MR facility. Upon completion of the proposed project and compliance with the other requirements for licensure under IC 16-28, the state department shall issue a license to the facility.

SECTION 67. IC 25-19-1-5, AS AMENDED BY P.L.54-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The ~~Indiana health facilities council~~, **state department of health**, pursuant to authority provided by IC 16-28, has, by rule duly promulgated, classified health facilities into comprehensive health facilities and residential health facilities. The fee for a health facility administrator's license in either classification shall be set by the board under section 8 of this chapter.

(b) ~~Such~~ **The** fee and application shall be submitted to the board, and the board shall transmit all ~~such the~~ funds ~~so~~ received to the treasurer of state to be deposited by ~~him~~ **the treasurer** in the general fund of the state. All expenses incurred in the administration of this chapter shall be paid from the general fund upon appropriation being made ~~therefor~~ in the manner provided by law for making ~~such~~ appropriations.

(c) The administrator of a comprehensive care facility must have a

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comprehensive care facility administrator license issued by the board in accordance with rules adopted under section 8 of this chapter.

(d) The administrator of a residential care facility must have one (1) of the following licenses issued by the board under rules adopted under section 8 of this chapter:

- (1) A comprehensive care facility administrator license.
- (2) A residential care facility administrator license.

SECTION 68. IC 25-22.5-2-7, AS AMENDED BY P.L.225-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) The board shall do the following:

- (1) Adopt rules and forms necessary to implement this article that concern, but are not limited to, the following areas:
 - (A) Qualification by education, residence, citizenship, training, and character for admission to an examination for licensure or by endorsement for licensure.
 - (B) The examination for licensure.
 - (C) The license or permit.
 - (D) Fees for examination, permit, licensure, and registration.
 - (E) Reinstatement of licenses and permits.
 - (F) Payment of costs in disciplinary proceedings conducted by the board.
- (2) Administer oaths in matters relating to the discharge of its official duties.
- (3) Enforce this article and assign to the personnel of the agency duties as may be necessary in the discharge of the board's duty.
- (4) Maintain, through the agency, full and complete records of all applicants for licensure or permit and of all licenses and permits issued.
- (5) Make available, upon request, the complete schedule of minimum requirements for licensure or permit.
- (6) Issue, at the board's discretion, a temporary permit to an applicant for the interim from the date of application until the next regular meeting of the board.
- (7) Issue an unlimited license, a limited license, or a temporary medical permit, depending upon the qualifications of the applicant, to any applicant who successfully fulfills all of the requirements of this article.
- (8) Adopt rules establishing standards for the competent practice of medicine, osteopathic medicine, or any other form of practice regulated by a limited license or permit issued under this article.
- (9) Adopt rules regarding the appropriate prescribing of Schedule III or Schedule IV controlled substances for the purpose of weight

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reduction or to control obesity.

(10) Adopt rules establishing standards for office based procedures that require moderate sedation, deep sedation, or general anesthesia.

(b) The board may adopt rules that establish:

- (1) certification requirements for child death pathologists;
- (2) an annual training program for child death pathologists under IC 16-35-7-3(b)(2); and
- (3) a process to certify a qualified child death pathologist.

(c) The board shall, in consultation with the Indiana board of pharmacy, review whether to allow a physician to adopt a protocol that allows a pharmacist to adjust a patient's drug regimen in a setting other than a hospital and recommend requirements that should be included if such a protocol is recommended by the board.

SECTION 69. IC 25-23.5-0.5-2, AS ADDED BY P.L.197-2007, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The provisions of this article that require a license to engage in the practice of occupational therapy do not apply to the following:

- (1) The practice of occupational therapy by an individual who is practicing occupational therapy as part of a supervised course of study in an educational program approved by the board.
- (2) The practice of occupational therapy by an occupational therapy assistant who is:
 - (A) ~~certified~~ **licensed** under this article; and
 - (B) acting under the supervision of an occupational therapist.
- ~~(3) The practice of occupational therapy by an occupational therapy aide under the direct supervision of:~~
 - ~~(A) an occupational therapist; or~~
 - ~~(B) an occupational therapy assistant.~~

SECTION 70. IC 25-23.5-0.5-3, AS ADDED BY P.L.197-2007, SECTION 59, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. An occupational therapy assistant shall:

- (1) be ~~certified~~ **licensed** under this article; and
- (2) practice under the supervision of an occupational therapist who is licensed under this article.

SECTION 71. IC 25-23.5-2-5, AS AMENDED BY P.L.197-2007, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. The committee shall:

- (1) consider the qualifications of persons who apply for licenses under this article;
- (2) provide for examinations required under this article;

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- (3) license qualified persons;
- (4) propose rules to the board concerning the:
 - (A) competent practice of occupational therapy;
 - (B) continuing competency requirement for the renewal of a license for an occupational therapist and ~~renewal of a certificate for an~~ occupational therapy assistant; and
 - (C) administration of this article; and
- (5) recommend to the board the amounts of fees required under this article.

SECTION 72. IC 25-23.5-2-6, AS AMENDED BY P.L.197-2007, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) After considering the committee's proposed rules, the board shall adopt rules under IC 4-22-2 establishing standards for:

- (1) the competent practice of occupational therapy;
- (2) the renewal of licenses ~~or certificates~~ issued under this article; and
- (3) standards for the administration of this article.

(b) After considering the committee's recommendations for fees, the board shall establish fees under IC 25-1-8-2.

SECTION 73. IC 25-23.5-3-1, AS AMENDED BY P.L.197-2007, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. A person may not:

- (1) practice as an occupational therapist;
- (2) practice as an occupational therapy assistant;
- (3) use the title "occupational therapist";
- (4) use the title "occupational therapy assistant"; or
- (5) engage in the practice of occupational therapy;

unless the person is licensed ~~or certified~~ under this article.

SECTION 74. IC 25-23.5-5-1, AS AMENDED BY P.L.197-2007, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. A person who applies for a license as an occupational therapist or a ~~certificate~~ as an occupational therapy assistant must present satisfactory evidence to the committee that the person:

- (1) does not have a conviction for a crime that has a direct bearing on the person's ability to practice competently;
- (2) has not been the subject of a disciplinary action by a licensing or certification agency of another state or jurisdiction on the grounds that the person was not able to practice as an occupational therapist or occupational therapy assistant without endangering the public;

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(3) has graduated from a school or program of occupational therapy or a program for occupational therapy assistants approved by the board; and

(4) has passed an occupational therapist or occupational therapy assistant licensing ~~or certifying~~ examination approved by the board under section 4.5 of this chapter.

SECTION 75. IC 25-23.5-5-2, AS AMENDED BY P.L.197-2007, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) The board may require a person who applies for a license as an occupational therapist to have successfully completed supervised fieldwork experience arranged and approved by the school or program from which the person graduated.

(b) The board may require a person who applies for a ~~certificate~~ **license** as an occupational therapy assistant to have successfully completed supervised fieldwork experience arranged and approved by the program from which the person graduated.

SECTION 76. IC 25-23.5-5-3, AS AMENDED BY P.L.197-2007, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. A person applying for a license ~~or certificate~~ under this article must pay a fee.

SECTION 77. IC 25-23.5-5-4.5, AS ADDED BY P.L.197-2007, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4.5. (a) The board shall do the following:

(1) Approve a nationally recognized examination for each type of license ~~or certificate~~ issued under this article.

(2) Establish the passing score necessary to obtain a license under this article.

(b) The board may use any part of an examination administered by:

(1) the National Board for Certification in Occupational Therapy, or its successor; or

(2) another nationally recognized body that provides examination services for occupational therapists, as determined by the committee;

as the examination required to obtain a license under this article.

SECTION 78. IC 25-23.5-5-6, AS AMENDED BY P.L.197-2007, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. The committee shall issue a license ~~or certificate~~ to a person who meets the requirements for a license ~~or certificate~~ under this article.

SECTION 79. IC 25-23.5-5-7, AS AMENDED BY P.L.197-2007, SECTION 75, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. (a) The committee may refuse to issue a license

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or may issue a probationary license to a person if:

- (1) the person has been disciplined by an administrative agency in another jurisdiction; and
- (2) the committee determines that the violation for which the person was disciplined has a direct bearing on the person's ability to practice occupational therapy as an occupational therapist.

(b) The committee may refuse to issue a ~~certificate~~ license or may issue a probationary ~~certificate~~ license to a person if:

- (1) the person has been disciplined by an administrative agency in another jurisdiction; and
- (2) the committee determines that the violation for which the person was disciplined has a direct bearing on the person's ability to practice as an occupational therapy assistant.

SECTION 80. IC 25-23.5-5-8, AS AMENDED BY P.L.197-2007, SECTION 76, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. (a) If the committee issues a probationary license or ~~probationary certificate~~ under section 7 of this chapter, the committee may require the person who holds the probationary license or ~~probationary certificate~~ to perform one (1) or more of the following conditions:

- (1) Report regularly to the committee upon a matter that is the basis for the probation.
- (2) Limit practice to areas prescribed by the committee.
- (3) Continue or renew professional education.
- (4) Engage in community restitution or service without compensation for a number of hours specified by the committee.

(b) The committee shall remove a limitation placed on a probationary license or ~~probationary certificate~~ if after a hearing the committee finds that the deficiency that caused the limitation has been remedied.

SECTION 81. IC 25-23.5-5-9, AS AMENDED BY P.L.197-2007, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) A license or ~~certificate~~ issued by the committee expires on a date established by the Indiana professional licensing agency under IC 25-1-5-4 in the next even-numbered year following the year in which the license or ~~certificate~~ was issued.

(b) A person may renew a license or ~~certificate~~ by paying a renewal fee on or before the expiration date of the license. or ~~certificate~~.

(c) If a person fails to pay a renewal fee on or before the expiration date of a license, or ~~certificate~~, the license or ~~certificate~~ becomes invalid.

SECTION 82. IC 25-23.5-5-10, AS AMENDED BY P.L.197-2007,

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SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. (a) The committee shall reinstate an invalid license ~~or certificate~~ up to three (3) years after the expiration date of the license ~~or certificate~~ if the person holding the invalid license ~~or certificate~~ meets the requirements under IC 25-1-8-6.

(b) If more than three (3) years have elapsed since the date a license ~~or certificate~~ expired, the person holding the license ~~or certificate~~ may renew the license ~~or certificate~~ by satisfying the requirements for renewal established by the board and meeting the requirements under IC 25-1-8-6.

SECTION 83. IC 25-23.5-5-11, AS AMENDED BY P.L.197-2007, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) The committee may issue a temporary permit to a person to engage in the practice of occupational therapy as an occupational therapist or occupational therapy assistant if the person pays a fee and the person:

- (1) has a valid license or certificate to practice from another state and the person has applied for a license or certificate from the committee;
- (2) is practicing occupational therapy in a state that does not license or certify occupational therapists or occupational therapy assistants but is certified by a national occupational therapy association approved by the board and the person has applied for a license ~~or certificate~~ from the committee; or
- (3) meets all the following requirements:
 - (A) Has graduated from an accredited program.
 - (B) Has completed the fieldwork experience requirement for a license ~~or certificate~~ under this article.
 - (C) Is eligible to take the entry level examination.

(b) A person with a temporary permit issued under subsection (a)(3) may engage in the practice of occupational therapy as an occupational therapist or an occupational therapy assistant only under the supervision of an occupational therapist licensed under this article.

- (c) A temporary permit expires the earlier of:
- (1) the date the person holding the permit is issued a permanent license ~~or certificate~~ under this article;
 - (2) the date the committee disapproves the person's license application ~~or certificate~~ application; or
 - (3) one hundred eighty (180) days after the date the permit is issued.

(d) The committee may renew a temporary permit if the person holding the permit was scheduled to take the next examination and the

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person:

- (1) did not take the examination; and
- (2) shows good cause for not taking the examination.

(e) A permit renewed under subsection (d) expires on the date the person holding the permit receives the results from the next examination given after the permit was issued.

SECTION 84. IC 25-23.5-5-12, AS AMENDED BY P.L.197-2007, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) A person who is licensed ~~or certified~~ under this article shall notify the committee in writing when the person retires from practice.

(b) Upon receipt of the notice, the committee shall:

- (1) record the fact the person is retired; and
- (2) release the person from further payment of renewal fees.

SECTION 85. IC 25-23.5-5-13, AS AMENDED BY P.L.197-2007, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. (a) If a person surrenders a license ~~or certificate~~ to the committee, the committee may reinstate the license ~~or certificate~~ upon written request by the person.

(b) If the committee reinstates a license, ~~or certificate~~, the committee may impose conditions on the license ~~or certificate~~ appropriate to the reinstatement.

(c) A person may not surrender a license ~~or certificate~~ without written approval by the committee if a disciplinary proceeding under this article is pending against the person.

SECTION 86. IC 25-23.5-5-14, AS AMENDED BY P.L.197-2007, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. A person who applies for a license ~~or certificate~~ under this article may be exempted by the committee from the examination requirement under section 6 of this chapter if the person:

- (1) is licensed or certified to practice occupational therapy as an occupational therapist or occupational therapy assistant in another state; or
- (2) is practicing occupational therapy in a state that does not license or certify occupational therapists or occupational therapy assistants and is certified by a national occupational therapy association approved by the board;

and is otherwise qualified under sections 1 through 3 of this chapter and pays an additional fee.

SECTION 87. IC 25-23.5-5-15, AS AMENDED BY P.L.197-2007, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2011]: Sec. 15. The committee may issue a license to a person who has graduated as an occupational therapist or issue a ~~certificate~~ **license** to a person who has graduated as an occupational therapy assistant from an educational program in a foreign country if the person:

- (1) graduated from an educational program approved by the board;
- (2) does not have a conviction for:
 - (A) an act that would constitute a ground for a disciplinary sanction under IC 25-1-9; or
 - (B) a crime that has a direct bearing on the person's ability to practice competently;
- (3) has not been the subject of a disciplinary action initiated by a licensing agency of another state or jurisdiction on the ground that the person was not able to practice occupational therapy as an occupational therapist or occupational therapy assistant without endangering the public;
- (4) passes the examination required under this chapter; and
- (5) pays a fee.

SECTION 88. IC 25-27-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The committee shall:

- (1) pass upon the qualifications of physical therapists who apply for licensure and physical therapist's assistants who apply for certification;
- (2) provide all examinations either directly or by delegation under subsection (c);
- (3) determine the applicants who successfully pass examinations;
- (4) license qualified applicants; and
- (5) propose rules concerning the competent practice of physical therapy to the board.

(b) The board shall adopt rules, considering the committee's proposed rules, establishing standards for the competent practice of physical therapy.

(c) The committee may approve and utilize the services of a testing company or agent to prepare, conduct, and score examinations.

(d) The board shall adopt rules, considering the committee's proposed rules, concerning a continuing competency requirement for the renewal of a:

- (1) license for a physical therapist; and**
- (2) certificate for a physical therapist's assistant."**

Delete pages 32 through 34.

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Page 35, delete lines 1 through 36.

Page 50, line 35, delete "IC 4-15-1-1;" and insert "IC 4-15-1;"

Page 50, line 37, delete "IC 14-3-3;"

Page 50, line 38, after "IC 14-13-1-26;" insert "IC 14-13-3;"

Page 50, line 40, delete "IC 16-27-0.5;" and insert "IC 16-21-1-1;
IC 16-21-1-2; IC 16-21-1-3; IC 16-21-1-4; IC 16-21-1-5; IC 16-21-1-6;
IC 16-21-1-8; IC 16-27-0.5-0.5; IC 16-27-0.5-1; IC 16-27-0.5-2;
IC 16-27-0.5-3; IC 16-27-0.5-4; IC 16-27-0.5-5; IC 16-27-0.5-6;
IC 16-27-0.5-7; IC 16-27-0.5-8; IC 16-28-1-1; IC 16-28-1-2;
IC 16-28-1-3; IC 16-28-1-4; IC 16-28-1-5; IC 16-28-1-6; IC 16-28-1-8;
IC 25-23.5-1-5.5;"

Page 51, after line 30, begin a new paragraph and insert:

"SECTION 105. [EFFECTIVE JULY 1, 2011] (a) **If an individual is certified as an occupational therapy assistant under IC 25-23.5 on June 30, 2011, the individual is considered to be a licensed occupational therapy assistant under IC 25-23.5, as amended by this act, on July 1, 2011. The license of an individual described in this subsection expires on the date the individual's certification that the license is replacing would have expired if this act had not been enacted.**

(b) **The occupational therapy committee established by IC 25-23.5-2-1 shall issue a license under IC 25-23.5-5-6 to an individual described in subsection (a). However, the occupational therapy committee and the Indiana professional licensing agency are not required to issue a new license to an individual described in subsection (a) until the license renewal period beginning December 31, 2012.**

(c) **This SECTION expires March 1, 2013."**

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1233 as reprinted March 29, 2011.)

MILLER, Chairperson

Committee Vote: Yeas 6, Nays 0.

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SENATE MOTION

Madam President: I move that Engrossed House Bill 1233 be amended to read as follows:

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

"SECTION 1. IC 2-5-33.3 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

Chapter 33.3. Interim Study Committee on Insurance

Sec. 1. As used in this chapter, "committee" refers to the interim study committee on insurance established by section 2 of this chapter.

Sec. 2. (a) There is established the interim study committee on insurance.

(b) The committee shall study insurance in Indiana as follows:

- (1) Issues determined by the chairperson of the committee.**
- (2) Issues assigned by the legislative council.**
- (3) Issues regulated under IC 27.**
- (4) Worker's compensation insurance.**

(c) The committee shall, not later than November 1 of each year, report the committee's findings and recommendations concerning the committee's study under subsection (b) to the legislative council in an electronic format under IC 5-14-6.

Sec. 3. Except as otherwise provided in this chapter, the committee shall operate under the policies governing study committees adopted by the legislative council.

Sec. 4. (a) The committee consists of the following voting members:

- (1) Four members of the senate standing committee having primary responsibility for insurance matters, not more than two (2) of whom may be members of the same political party, appointed by the president pro tempore of the senate.**
- (2) Four (4) members of the house of representatives standing committee having primary responsibility for insurance matters, not more than two (2) of whom may be members of the same political party, appointed by the speaker of the house of representatives.**

(b) The chairperson of the senate standing committee having primary responsibility for insurance matters shall serve as:

- (1) chairperson of the committee beginning on May 1 of each odd numbered year; and**
- (2) vice chairperson of the committee beginning on May 1 of**

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each even numbered year.

(c) The chairperson of the house of representatives standing committee having primary responsibility for insurance matters shall serve as:

- (1) chairperson of the committee beginning on May 1 of each even numbered year; and
- (2) vice chairperson of the committee beginning on May 1 of each odd numbered year.

Sec. 5. The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports."

Page 45, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 72. IC 25-1-2-6, AS AMENDED BY P.L.84-2010, SECTION 7, AND AS AMENDED BY P.L.113-2010, SECTION 100, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) As used in this section, "license" includes all occupational and professional licenses, registrations, permits, and certificates issued under the Indiana Code, and "licensee" includes all occupational and professional licensees, registrants, permittees, and certificate holders regulated under the Indiana Code.

(b) This section applies to the following entities that regulate occupations or professions under the Indiana Code:

- (1) Indiana board of accountancy.
- (2) Indiana grain buyers and warehouse licensing agency.
- (3) Indiana auctioneer commission.
- (4) Board of registration for architects and landscape architects.
- ~~(5) State board of barber examiners.~~
- ~~(6) (5) State board of cosmetology and barber examiners.~~
- ~~(7) (6) Medical licensing board of Indiana.~~
- ~~(8) (7) Secretary of state.~~
- ~~(9) (8) State board of dentistry.~~
- ~~(10) (9) State board of funeral and cemetery service.~~
- ~~(11) (10) Worker's compensation board of Indiana.~~
- ~~(12) (11) Indiana state board of health facility administrators.~~
- ~~(13) (12) Committee of hearing aid dealer examiners.~~
- ~~(14) (13) Indiana state board of nursing.~~
- ~~(15) (14) Indiana optometry board.~~
- ~~(16) (15) Indiana board of pharmacy.~~
- ~~(17) (16) Indiana plumbing commission.~~
- ~~(18) (17) Board of podiatric medicine.~~
- ~~(19) (18) Private investigator and security guard licensing board.~~

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- ~~(20)~~ (19) State board of registration for professional engineers.
- ~~(21)~~ *Board of environmental health specialists.*
- ~~(22)~~ (20) State psychology board.
- ~~(23)~~ (21) Indiana real estate commission.
- ~~(24)~~ (22) Speech-language pathology and audiology board.
- ~~(25)~~ (23) Department of natural resources.
- ~~(26)~~ ~~(24)~~ *State athletic commission.*
- ~~(26)~~ ~~(25)~~ (24) Board of chiropractic examiners.
- ~~(27)~~ ~~(26)~~ (25) Mining board.
- ~~(28)~~ ~~(27)~~ (26) Indiana board of veterinary medical examiners.
- ~~(29)~~ ~~(28)~~ (27) State department of health.
- ~~(30)~~ ~~(29)~~ (28) Indiana physical therapy committee.
- ~~(31)~~ ~~(30)~~ (29) Respiratory care committee.
- ~~(32)~~ ~~(31)~~ (30) Occupational therapy committee.
- ~~(33)~~ ~~(32)~~ (31) Behavioral health and human services licensing board.
- ~~(34)~~ ~~(33)~~ (32) Real estate appraiser licensure and certification board.
- ~~(35)~~ ~~(34)~~ (33) State board of registration for land surveyors.
- ~~(36)~~ ~~(35)~~ (34) Physician assistant committee.
- ~~(37)~~ ~~(36)~~ (35) Indiana dietitians certification board.
- ~~(38)~~ *Indiana hypnotist committee.*
- ~~(39)~~ ~~(37)~~ (36) Attorney general (only for the regulation of athlete agents).
- ~~(40)~~ ~~(38)~~ (37) Manufactured home installer licensing board.
- ~~(41)~~ ~~(39)~~ (38) Home inspectors licensing board.
- ~~(42)~~ ~~(40)~~ (39) State board of massage therapy.
- ~~(43)~~ ~~(41)~~ (40) Any other occupational or professional agency created after June 30, 1981.

(c) Notwithstanding any other law, the entities included in subsection (b) shall send a notice of the upcoming expiration of a license to each licensee at least sixty (60) days prior to the expiration of the license. The notice must inform the licensee of the need to renew and the requirement of payment of the renewal fee. If this notice of expiration is not sent by the entity, the licensee is not subject to a sanction for failure to renew if, once notice is received from the entity, the license is renewed within forty-five (45) days of the receipt of the notice.

(d) Notwithstanding any other law, the entities included in subsection (b) shall send notice of the expiration of a license to each individual whose license has expired within thirty (30) days following the expiration of the license. The notice must meet the



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following requirements:

- (1) Inform the individual of the following:**
 - (A) That the individual's license has expired.**
 - (B) Any requirements that must be met before reinstatement of a license may occur.**
- (2) Be sent electronically. However, if the entity does not have an electronic mail address on record for the individual, the notice must be sent via United States mail.**

SECTION 73. IC 25-1-2-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 10. (a) As used in this section, "agency" refers to the Indiana professional licensing agency established by IC 25-1-5-3.**

(b) As used in this section, "fund" refers to the accountant investigative fund established by IC 25-2.1-8-4.

(c) The agency shall create an amnesty program for persons, including firms, required to be licensed under IC 25-2.1 who did not renew their licenses for one (1) or more renewal periods during the period beginning January 1, 2003, and ending June 30, 2011. The amnesty program begins July 1, 2011, and ends September 1, 2011.

(d) To be eligible for the program, the person must:

- (1) have held a valid license under IC 25-2.1 on January 1, 2003;**
- (2) have met the requirements for each missed license period during each missed license period, except for the requirements of having submitted a renewal form and paid the renewal fee; and**
- (3) provide a sworn statement that the person has not committed any act during the missed renewal periods that would constitute a violation of IC 25-1-11.**

(e) When renewing a license under this section, the licensee shall pay:

- (1) all missed license renewal fees;**
- (2) the current license renewal fee; and**
- (3) an additional fee of one hundred dollars (\$100) to be deposited in the fund.**

(f) This section expires July 1, 2012.

SECTION 74. IC 25-1-11-12, AS AMENDED BY P.L.177-2009, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 12. (a) The board may impose any of the following sanctions, singly or in combination, if the board finds that a practitioner is subject to disciplinary sanctions under sections 5**

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through 9 of this chapter:

- (1) Permanently revoke a practitioner's license.
- (2) Suspend a practitioner's license.
- (3) Censure a practitioner.
- (4) Issue a letter of reprimand.
- (5) Place a practitioner on probation status and require the practitioner to:

(A) report regularly to the board upon the matters that are the basis of probation;

(B) limit practice to those areas prescribed by the board;

(C) continue or renew professional education approved by the board until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; ~~or~~

(D) perform or refrain from performing any acts, including community restitution or service without compensation, that the board considers appropriate to the public interest or to the rehabilitation or treatment of the practitioner; ~~or~~

(E) satisfactorily complete a quality review (before July 1, 2012) or peer review (after June 30, 2012) specified by the board as a condition for termination of probationary status if the practitioner is a licensee (as defined in IC 25-2.1-1-8).

(6) Assess a civil penalty against the practitioner for not more than one thousand dollars (\$1,000) for each violation listed in sections 5 through 9 of this chapter except for a finding of incompetency due to a physical or mental disability.

(7) Order a practitioner to pay consumer restitution to a person who suffered damages as a result of the conduct or omission that was the basis for the disciplinary sanctions under this chapter.

(b) When imposing a civil penalty under subsection (a)(6), the board shall consider a practitioner's ability to pay the amount assessed. If the practitioner fails to pay the civil penalty within the time specified by the board, the board may suspend the practitioner's license without additional proceedings. However, a suspension may not be imposed if the sole basis for the suspension is the practitioner's inability to pay a civil penalty.

(c) The board may withdraw or modify the probation under subsection (a)(5) if the board finds after a hearing that the deficiency that required disciplinary action has been remedied or that changed circumstances warrant a modification of the order.

SECTION 75. IC 25-2.1-1-8.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2011]: **Sec. 8.7. (a) "Peer review" means a study, an appraisal, or a review of at least one (1) aspect of the professional work of:**

(1) an individual who; or

(2) a firm in the practice of accountancy that;

attests or issues compilation reports, by at least one (1) individual who holds a certificate from any state and possesses qualifications that meet the applicable substantial equivalency standards and who is independent of the individual or firm being reviewed. The term includes any part of a quality review conducted before July 1, 2012, that becomes part of a peer review conducted or peer review report issued after June 30, 2012.

(b) After June 30, 2012, any reference in any law, rule, or other document to "quality review" as that term was applied under this article before July 1, 2012, shall be treated as a reference to peer review.

SECTION 76. IC 25-2.1-1-12, AS AMENDED BY P.L.197-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 12. (a) "Quality review" means a study, an appraisal, or a review of at least one (1) aspect of the professional work of:**

(1) an individual who; or

(2) a firm in the practice of accountancy that;

attests or issues compilation reports, by at least one (1) individual who holds a certificate from any state and possesses qualifications that meet the applicable substantial equivalency standards and who is independent of the individual or firm being reviewed.

(b) This section expires July 1, 2012.

SECTION 77. IC 25-2.1-2-15, AS AMENDED BY P.L.190-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 15. The board may adopt rules under IC 4-22-2 governing the administration and enforcement of this article and the conduct of licensees, including the following:**

(1) The board's meetings and conduct of business.

(2) The procedure of investigations and hearings.

(3) The educational and experience qualifications required for the issuance of certificates under this article and the continuing professional education required for renewal of certificates under IC 25-2.1-4.

(4) Rules of professional conduct directed to controlling the quality and probity of the practice of accountancy by licensees, including independence, integrity, and objectivity, competence

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and technical standards, and responsibilities to the public and clients.

(5) The actions and circumstances that constitute professing to be a licensee in connection with the practice of accountancy.

(6) The manner and circumstances of use of the title "certified public accountant" and the abbreviation "CPA".

(7) Quality reviews **(before July 1, 2012)** or peer reviews **(after June 30, 2012)** that may be required to be performed under this article.

(8) Methods of applying for and conducting the examinations, including methods for grading examinations and determining a passing grade required of an applicant for a certificate. However, the board shall to the extent possible provide that the examination, grading of the examination, and the passing grades are uniform with those applicable in other states.

(9) Substantial equivalency.

(10) Administration of the accountant investigative fund established by IC 25-2.1-8-4.

SECTION 78. IC 25-2.1-5-8, AS AMENDED BY P.L.190-2007, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 8. (a) The board shall adopt rules that require as a condition to renew a permit under this chapter, that an applicant undergo, not more than once every three (3) years, a quality review **(before July 1, 2012)** or peer review **(after June 30, 2012)** conducted in a manner the board specifies.

(b) The rules adopted under subsection (a) must:

(1) be adopted reasonably in advance of the time when a quality review **(before July 1, 2012)** or peer review **(after June 30, 2012)** first becomes effective;

(2) include reasonable provision for compliance by an applicant showing that the applicant has in the preceding three (3) years undergone a quality review **(before July 1, 2012)** or peer review **(after June 30, 2012)** that is a satisfactory equivalent to the quality review **(before July 1, 2012)** or peer review **(after June 30, 2012)** required under this section;

(3) require, with respect to quality reviews **(before July 1, 2012)** or peer reviews **(after June 30, 2012)** under subdivision (2), that the quality review **(before July 1, 2012)** or peer review **(after June 30, 2012)** be subject to review by an oversight body established or sanctioned by the board that shall:

(A) **comply with IC 25-2.1-9-4; and**

(B) periodically report to the board on the effectiveness of the

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review program and provide to the board a listing of firms that have participated in a quality review **(before July 1, 2012) or peer review (after June 30, 2012)** program; and

(4) subject to section 9 of this chapter and IC 25-2.1-9-4, require, with respect to quality reviews **(before July 1, 2012) or peer reviews (after June 30, 2012)** under subdivision (2), that:

(A) the proceedings, records, and work papers of a review committee are privileged and are not subject to discovery, subpoena, or other means of legal process or introduction into evidence in a civil action, arbitration, administrative proceeding, or Indiana board of accountancy proceeding; and
(B) a member of the review committee or individual who was involved in the quality review **(before July 1, 2012) or peer review (after June 30, 2012)** process is not permitted or required to testify in a civil action, arbitration, administrative proceeding, or Indiana board of accountancy proceeding to matters:

- (i) produced, presented, disclosed or discussed during, or in connection with, the quality review **(before July 1, 2012) or peer review (after June 30, 2012)** process; or
- (ii) that involve findings, recommendations, evaluations, opinions, or other actions of the committee or a committee member.

SECTION 79. IC 25-2.1-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) Notwithstanding section ~~8(4)(B)~~ **8(b)(4)(B)** of this chapter, information, documents, or records that are publicly available are not immune from discovery or use in any civil action, arbitration, administrative proceeding, or Indiana board of accountancy proceeding merely because they were presented or considered in connection with the quality review **(before July 1, 2012) or peer review (after June 30, 2012)** process.

(b) Any:

- (1) materials prepared in connection with a particular engagement merely because they happen to subsequently be presented or considered as part of the quality review **(before July 1, 2012) or peer review (after June 30, 2012)** process; or
- (2) dispute between review committees and individuals or firms subject to a quality review **(before July 1, 2012) or peer review (after June 30, 2012)** arising from the performance of the quality review **(before July 1, 2012) or peer review (after June 30, 2012)**;

are not privileged.

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SECTION 80. IC 25-2.1-8-1, AS AMENDED BY P.L.190-2007, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) The board may impose sanctions for any of the following reasons:

- (1) A violation of IC 25-1-11-5, **including:**
 - (A) a peer review rating of fail; or
 - (B) an act or omission that is the basis of a peer review rating of fail;

on any peer review report issued under this article after June 30, 2012.

- (2) Revocation or suspension of the right to practice before a state or federal agency.
- (3) Dishonesty, fraud, or gross negligence in the practice of accountancy or in the filing of or failure to file the licensee's own income tax returns.
- (4) Any conduct reflecting adversely on the licensee's fitness to engage in the practice of accountancy.
- (5) Failure to complete continuing education requirements satisfactorily.
- (6) Failure to furnish evidence, when required, of satisfactory completion of continuing education requirements.

(b) A holder of a CPA certificate issued under this article is subject to disciplinary action in this state if the CPA certificate holder:

- (1) offers or renders services or uses the CPA title in another state; and
- (2) commits an act in that other state for which the CPA certificate holder would be subject to discipline in the other state if the CPA certificate holder were licensed in the other state.

The board shall investigate a complaint made by a board of accountancy or the equivalent of a board of accountancy in another state.

SECTION 81. IC 25-2.1-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. In place of or in addition to any remedy specifically provided in IC 25-1-11, the board may require the following of a licensee:

- (1) **To undergo** a quality review ~~conducted~~ **(before July 1, 2012) or a peer review (after June 30, 2012).**
- (2) ~~Satisfactory completion of~~ **To satisfactorily complete** continuing professional education programs.

SECTION 82. IC 25-2.1-9-3, AS AMENDED BY P.L.84-2010, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) If the board has reason to believe that the

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subject of an investigation has committed a violation of this article or IC 25-1-11:

- (1) the board shall direct that a complaint be issued under IC 25-1-7, if the subject of the investigation is a licensee; and
- (2) the board shall take appropriate action under IC 25-1-7-14, if the subject of the investigation is not a licensee.

(b) Subsection (a) does not prohibit the board from taking an action permitted under IC 25-1 or IC 25-2.1-8-2, including an action under the following:

- (1) IC 25-1-4-5 (conditional license and other actions related to continuing education or lapsed license).**
- (2) IC 25-1-6-4 (refusal to issue a license or placement on probationary status).**

~~(b)~~ **(c) If the board does not proceed under subsection (a) or (b), the board shall close the matter and may release the information only with the consent of the individual or firm that was under investigation.**

SECTION 83. IC 25-2.1-9-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 4. (a) This section applies to a licensee that receives a peer review rating of fail on a peer review report issued after June 30, 2012, for a peer review conducted under IC 25-2.1-5-8.**

(b) The following definitions apply throughout this section:

- (1) "Administering entity" refers to the oversight body established or sanctioned by the board to conduct a peer review program.**
- (2) "Director" refers to the director of the division of consumer protection in the office of the attorney general.**
- (3) "Oversight committee" refers to a committee of licensees who are not board members that is designated by the board to receive a report.**
- (4) "Report" refers to a peer review report described in subsection (a), including any description of the deficiencies on which the peer review rating of fail is based.**

(c) The board shall provide the director with the name and contact information for the administering entity.

(d) Not more than thirty (30) days after the issuance of a report, the administering entity shall make the report available to the oversight committee. The oversight committee may forward the report to the director. Receipt of the report shall be treated under IC 25-1-7-4, IC 25-1-7-5, and IC 25-1-7-6 as a complaint submitted by the board. If, after conducting an investigation, the director believes that a licensee should be subjected to disciplinary

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sanctions by the board, the director shall report the director's determination to the attorney general. Upon receiving the director's report, the attorney general may prosecute the matter, on behalf of the state of Indiana, before the board. IC 25-1-7-7(b) does not apply to a determination related to a complaint filed under this section.

(e) The administering entity and the peer review committee issuing a report shall cooperate with an investigation under IC 25-1-7 of a complaint filed under this section and with any resulting proceeding, including compliance with any request for access to or production of the proceedings, records, and work papers of the review committee by the director, the office of the attorney general, or a party to any proceeding initiated as a result of the filing of a complaint under this section. However, all complaints and information pertaining to a complaint are confidential until the attorney general files notice with the board of the attorney general's intent to prosecute a licensee under IC 25-1-7-7. Any meeting of the board, the oversight committee, or a designee of the board or oversight committee that is required in an investigation conducted before the attorney general files notice of intent to prosecute shall be conducted as an executive session under IC 5-14-1.5-6.1.

SECTION 84. IC 25-2.1-9-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 5. An:**

- (1) entity administering a quality review program before July 1, 2012, or a peer review program after June 30, 2012;
- (2) officer, member, or employee of an entity administering a quality review program before July 1, 2012, or a peer review program after June 30, 2012;
- (3) employee or member of a quality review committee before July 1, 2012, or a peer review committee after June 30, 2012; and
- (4) entity in which or for which a member of a quality review committee (before July 1, 2012) or peer review committee (after June 30, 2012) is a sole proprietor, a partner, a shareholder, a member, or an employee;

is immune from civil liability that would otherwise arise from communications, supervision, findings, recommendations, evaluations, reports, opinions, or other actions taken or omissions occurring in good faith in the course and scope of the duties of a quality review administering entity (before July 1, 2012) or peer

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review administering entity (after June 30, 2012) or a quality review committee (before July 1, 2012) or peer review committee (after June 30, 2012) that arise under this article, including the rules adopted by the board. The immunity granted under this section includes immunity for an act or omission related to any part of a quality review conducted under this article before July 1, 2012, that becomes part of a peer review conducted or peer review report issued after June 30, 2012.

SECTION 85. IC 25-2.1-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. Before reinstating a suspended certificate or permit under IC 25-1-11-14, the board may require the applicant to show successful completion of specified continuing professional education, and the board may make the reinstatement of a certificate or permit conditional on satisfactory completion of a quality review (before July 1, 2012) or peer review (after June 30, 2012) specified by the board.

SECTION 86. IC 25-2.1-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. The information derived from or as the result of professional services is confidential and privileged. However, this section does not prohibit a certified public accountant, a public accountant, or an accounting practitioner from disclosing any data required to be disclosed by the standards of the profession:

- (1) in rendering an opinion on the presentation of financial statements;
- (2) in ethical investigations conducted by private professional organizations;
- (3) in the course of quality reviews (before July 1, 2012) or peer reviews (after June 30, 2012) or an investigation or proceeding related to a quality review (before July 1, 2012) or peer review (after June 30, 2012); or
- (4) in making disclosure where the financial statements or the professional services of an accountant are contested.

SECTION 87. IC 25-2.1-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. **(a) The following definitions apply throughout this section:**

- (1) "Client provided records" means accounting or other records belonging to the client that were provided to the licensee by or on behalf of the client.
- (2) "Client records prepared by the licensee" means accounting or other records (for example, tax returns, general ledgers, subsidiary journals, and supporting schedules such as

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detailed employee payroll records and depreciation schedules) that the licensee was engaged to prepare for the client.

(3) "Supporting records" means information not reflected in the client's books and records that are otherwise not available to the client with the result that the client's financial information is incomplete.

(4) "Working papers" include, but are not limited to, audit programs, analytical review schedules, and statistical sampling results, analyses, and schedules prepared by the client at the request of the licensee.

(b) All statements, records, schedules, working papers, and memoranda made by a licensee or a partner, a member, a shareholder, an officer, a director, or an employee of a licensee, including information prepared by the client for the work and services rendered to a client in the practice of accountancy, except the reports submitted by the licensee to the client and records that are part of the client's records, must remain the property of the licensee except in an express agreement between the licensee and the client to the contrary.

(c) Upon a client's request, a licensee is required to provide the following to the client:

(1) Client provided records in the licensee's custody or control.

(2) Client records prepared by the licensee. However, client records prepared by the licensee may be withheld if the preparation of the records is not complete or there are fees due the licensee for the engagement to prepare those records.

(3) Supporting records related to a completed and issued work product of a licensee. However, supporting records prepared by the licensee may be withheld if there are fees due to the licensee for the specific work product.

(d) A licensee may make and retain a copy of any records returned to a client. Records may be provided in any format usable to the client. To the extent practicable, records shall be returned to a client not more than forty-five (45) days after a request is received.

SECTION 88. IC 25-2.1-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) This chapter does not prohibit a temporary transfer of work papers or other material necessary to carry out quality reviews (before July 1, 2012) or peer reviews (after June 30, 2012), conduct an investigation or proceeding related to a quality review (before July 1, 2012) or peer review (after June 30, 2012), or to comply with the disclosure of

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information under this chapter.

(b) A licensee is not required to keep any work paper beyond the period prescribed in any applicable statute."

Page 53, after line 42, begin a new paragraph and insert:

"SECTION 117. IC 25-27.5-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. "Supervising physician" means a physician ~~registered with~~ **licensed by** the board who supervises and is responsible for a physician assistant.

SECTION 118. IC 25-27.5-2-14, AS AMENDED BY P.L.3-2008, SECTION 190, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) "Supervision" means **overseeing the activities of, and accepting responsibility for, the medical services rendered by a physician assistant and, except as provided in subsection (c),** that the conditions set forth in subdivision (1) or (2) are met at all times that services are rendered or tasks are performed by the physician assistant:

(1) The supervising physician or the physician designee is physically present at the location at which services are rendered or tasks are performed by the physician assistant.

(2) Both of the following apply:

(A) The supervising physician or the physician designee is:

- (i) immediately available for consultation **through the use of telecommunications or other electronic means; and**
- (ii) **available to see the patient in person within twenty-four (24) hours upon request of the patient or physician assistant.**

(B) ~~Either:~~

- (i) ~~The supervising physician or the physician designee is in:~~
 - (i) the county ~~of;~~ or a ~~contiguous county to;~~ **in which** the onsite location ~~in~~ **at** which services are rendered or tasks are performed by the physician assistant **is located;** or
 - (ii) ~~the physician or physician assistant is practicing at a hospital or health facility; or traveling to or from the hospital or health facility;~~

(ii) a county that is contiguous to the county described in item (i).

(b) The term includes the use of protocols, guidelines, and standing orders developed or approved by the supervising physician.

(c) If, after June 30, 2011, a physician assistant's onsite location does not meet the condition specified in subsection (a)(2)(B), the medical licensing board created by IC 25-22.5-2-1 may grant a waiver of the condition as follows:

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(1) A request for a waiver must be filed with the medical licensing board as part of the supervisory agreement and must include the following:

(A) A description of the location of the physician assistant's onsite location in relation to the location of the supervising physician or physician designee.

(B) An explanation of the reason for the request for a waiver, including the reason that compliance with subsection (a)(2)(B) is not feasible.

(2) The medical licensing board:

(A) shall review a request filed under subdivision (1);

(B) may request a personal appearance of the supervising physician or the physician assistant, or both, before the medical licensing board to discuss the request for a waiver; and

(C) shall make a determination regarding whether to grant the waiver.

A physician assistant described in this subsection shall not provide services or perform tasks at the onsite location described in this subsection unless the medical licensing board has granted a waiver described in this subsection.

SECTION 119. IC 25-27.5-3-5, AS AMENDED BY P.L.177-2009, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. (a) The committee shall have regular meetings, called upon the request of the president or by a majority of the members appointed to the committee, and upon the advice and consent of the executive director of the Indiana professional licensing agency, for the transaction of business that comes before the committee under this article. At the first committee meeting of each calendar year, the committee shall elect a president and any other officer considered necessary by the committee by an affirmative vote of a majority of the members appointed to the committee.

(b) Three (3) members of the committee constitute a quorum. An affirmative vote of a majority of the members appointed to the committee is required for the committee to take action on any business.

(c) The committee shall do the following:

(1) Consider the qualifications of individuals who apply for an initial license under this article.

(2) Approve or reject license applications.

(3) Approve or reject renewal applications.

(4) Approve or reject applications for a change or addition of a supervising physician.

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~~(5)~~ (4) Propose rules to the board concerning the competent practice of physician assistants and the administration of this article.

~~(6)~~ (5) Recommend to the board the amounts of fees required under this article.

SECTION 120. IC 25-27.5-5-2, AS AMENDED BY P.L.177-2009, SECTION 55, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) A physician assistant must engage in a dependent practice with physician supervision. A physician assistant may perform, under the supervision of the supervising physician, the duties and responsibilities that are delegated by the supervising physician and that are within the supervising physician's scope of practice, including prescribing and dispensing drugs and medical devices. A patient may elect to be seen, examined, and treated by the supervising physician.

(b) If a physician assistant determines that a patient needs to be examined by a physician, the physician assistant shall immediately notify the supervising physician or physician designee.

(c) If a physician assistant notifies the supervising physician that the physician should examine a patient, the supervising physician shall:

- (1) schedule an examination of the patient in a timely manner unless the patient declines; or
- (2) arrange for another physician to examine the patient.

(d) If a patient is subsequently examined by the supervising physician or another physician because of circumstances described in subsection (b) or (c), the visit must be considered as part of the same encounter except for in the instance of a medically appropriate referral.

(e) A supervising physician or physician assistant who does not comply with subsections (b) through (d) is subject to discipline under IC 25-1-9.

(f) A physician assistant's supervisory agreement with a supervising physician must:

- (1) be in writing;
- (2) include all the tasks delegated to the physician assistant by the supervising physician;
- (3) set forth the supervisory plans for the physician assistant, including the emergency procedures that the physician assistant must follow; and
- (4) specify the name of the drug or drug classification being delegated to the physician assistant and the protocol the physician assistant shall follow in prescribing a drug.

(g) The physician shall submit the supervisory agreement to the

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board. ~~for approval.~~ The physician assistant may ~~not~~ prescribe a drug under the supervisory agreement ~~until unless~~ the board ~~approves~~ **denies** the supervisory agreement. Any amendment to the supervisory agreement must be resubmitted to the board, ~~for approval;~~ and the physician assistant may ~~not~~ operate under any new prescriptive authority under the amended supervisory agreement ~~until unless~~ the agreement has been ~~approved~~ **denied** by the board.

(h) A physician or a physician assistant who violates the supervisory agreement described in this section may be disciplined under IC 25-1-9.

SECTION 121. IC 25-27.5-5-4, AS AMENDED BY P.L.90-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 4. (a) Except as provided in this section, a physician assistant may prescribe, dispense, and administer drugs and medical devices or services to the extent delegated by the supervising physician.

(b) A physician assistant may not prescribe, dispense, or administer ophthalmic devices, including glasses, contact lenses, and low vision devices.

(c) ~~As permitted by the board;~~ A physician assistant may use or dispense only drugs prescribed or approved by the supervising physician. A physician assistant may not prescribe or dispense the following drugs:

- (1) A schedule I substance listed in IC 35-48-2-4.
- (2) A schedule II substance listed in IC 35-48-2-6.
- (3) ~~A schedule III, schedule IV, or schedule V drug if the drug contains oxycodone.~~

However, a physician assistant may prescribe one (1) dose of a drug listed in subdivision (2) ~~or (3)~~ for immediate administration if the patient is in an inpatient hospital post-operative setting and the physician is unavailable to make the prescription.

(d) A physician assistant may request, receive, and sign for professional samples and may distribute professional samples to patients if the samples are within the scope of the physician assistant's prescribing privileges delegated by the supervising physician.

(e) A physician assistant may not prescribe drugs unless the physician assistant has successfully completed at least thirty (30) contact hours in pharmacology from an educational program that is approved by the committee.

(f) A physician assistant may not prescribe, administer, or monitor general anesthesia, regional anesthesia, or deep sedation as defined by the board. A physician assistant may not administer moderate sedation:

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(1) if the moderate sedation contains agents in which the manufacturer's general warning advises that the drug should be administered and monitored by an individual who is:

- (A) experienced in the use of general anesthesia; and
- (B) not involved in the conduct of the surgical or diagnostic procedure; and

(2) during diagnostic tests, surgical procedures, or obstetric procedures unless the following conditions are met:

- (A) A physician is physically present in the area, is immediately available to assist in the management of the patient, and is qualified to rescue patients from deep sedation.
- (B) The physician assistant is qualified to rescue patients from deep sedation and is competent to manage a compromised airway and provide adequate oxygenation and ventilation by reason of meeting the following conditions:

- (i) The physician assistant is certified in advanced cardiopulmonary life support.
- (ii) The physician assistant has knowledge of and training in the medications used in moderate sedation, including recommended doses, contraindications, and adverse reactions.

(g) Before a physician assistant may prescribe drugs, the physician assistant must have ~~been continuously employed~~ **practiced** as a physician assistant:

- (1) ~~for not less than at least one (1) year after graduating from a physician assistant program approved by the committee; To be considered to have been continuously employed as a physician assistant for a year for purposes of this subsection, a person must have worked as a physician assistant more than and~~
- (2) ~~at least one thousand eight hundred (1,800) hours. during the year.~~

SECTION 122. IC 25-27.5-5-6, AS ADDED BY P.L.90-2007, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. (a) Except as provided in section 4(d) of this chapter, a supervising physician may delegate authority to a physician assistant to prescribe:

- (1) legend drugs except as provided in section 4(c) of this chapter; and
- (2) medical devices (except ophthalmic devices, including glasses, contact lenses, and low vision devices).

(b) Any prescribing authority delegated to a physician assistant must be expressly delegated in writing by the physician assistant's

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supervising physician, including:

- (1) the name of the drug or drug classification being delegated by the supervising physician; and
- (2) the protocols the physician assistant shall use when prescribing the drug.

(c) A physician assistant who is delegated the authority to prescribe legend drugs or medical devices must do the following:

- (1) Enter the following on each prescription form that the physician assistant uses to prescribe a legend drug or medical device:

- (A) The signature of the physician assistant.
- (B) The initials indicating the credentials awarded to the physician assistant by the NCCPA.
- (C) The physician assistant's state license number.

- (2) Comply with all applicable state and federal laws concerning prescriptions for legend drugs and medical devices.

(d) A supervising physician may delegate to a physician assistant the authority to prescribe only legend drugs and medical devices that are within the scope of practice of the licensed supervising physician or the physician designee.

(e) A physician assistant who is delegated the authority to prescribe controlled substances under subsection (a) ~~and in accordance with the limitations specified in section 4(c) of this chapter~~, must do the following:

- (1) Obtain an Indiana controlled substance registration and a federal Drug Enforcement Administration registration.
- (2) Enter the following on each prescription form that the physician assistant uses to prescribe a controlled substance:

- (A) The signature of the physician assistant.
- (B) The initials indicating the credentials awarded to the physician assistant by the NCCPA.
- (C) The physician assistant's state license number.
- (D) The physician assistant's federal Drug Enforcement Administration (DEA) number.

- (3) Comply with all applicable state and federal laws concerning prescriptions for controlled substances.

(f) A supervising physician may only delegate to a physician assistant the authority to prescribe controlled substances:

- (1) that may be prescribed within the scope of practice of the licensed supervising physician or the physician designee;
- (2) in an amount that does not exceed
 - (A) ~~a seven (7)~~ **a one (1) time thirty (30)** day supply; ~~for~~

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treatment of a single acute episode of a condition or injury; or
(B) if a controlled substance cannot be dispensed in an amount
that is small enough to meet the requirement of clause (A), the
smallest dispensable amount; and

(3) in accordance with the limitations set forth in section 4(c) of
this chapter.

**If an additional prescription for the controlled substance is
necessary after the one (1) time thirty (30) day supply described in
subdivision (2) has been prescribed, the additional prescription
may be prescribed only by a physician.**

SECTION 123. IC 25-27.5-6-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) Supervision by
the supervising physician or the physician designee must be continuous
but does not require the physical presence of the supervising physician
at the time and the place that the services are rendered.

(b) A supervising physician or physician designee shall review all
patient encounters not later than ~~twenty-four (24)~~ **seventy-two (72)**
hours after the physician assistant has seen the patient.

SECTION 124. IC 25-27.5-6-4, AS AMENDED BY P.L.177-2009,
SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2011]: Sec. 4. (a) A physician supervising a physician
assistant must do the following:

- (1) Be licensed under IC 25-22.5.
- (2) Register with the board the physician's intent to supervise a
physician assistant.
- (3) Submit a statement to the board that the physician will
exercise supervision over the physician assistant in accordance
with rules adopted by the board and retain professional and legal
responsibility for the care rendered by the physician assistant.
- (4) Not have a disciplinary action restriction that limits the
physician's ability to supervise a physician assistant.

**(5) Maintain a written agreement with the physician assistant
that states the physician will:**

- (A) exercise supervision over the physician assistant in
accordance with any rules adopted by the board; and**
- (B) retain responsibility for the care rendered by the
physician assistant.**

**The agreement must be signed by the physician and physician
assistant, updated annually, and made available to the board
upon request.**

(b) Except as provided in this section, this chapter may not be
construed to limit the employment arrangement with a supervising

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physician under this chapter.

SECTION 125. IC 34-30-2-98.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 98.3. IC 25-2.1-9-5 (Concerning immunity of an entity administering a quality review (before July 1, 2012) or peer review (after June 30, 2012) program and members of a quality review committee (before July 1, 2012) or peer review committee (after June 30, 2012)).**

SECTION 126. IC 34-46-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. IC 25-2.1-5-8 (Concerning proceedings, records, and work papers of a quality review committee that conducts a quality review of an accounting firm **before July 1, 2012, or a peer review committee that conducts a peer review of an accounting firm after June 30, 2012).**

SECTION 127. IC 35-48-3-9, AS AMENDED BY P.L.204-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. (a) Except for dosages medically required for a period of not more than forty-eight (48) hours that are dispensed by or on the direction of a practitioner or medication dispensed directly by a practitioner, other than a pharmacy, to an ultimate user, no controlled substance in schedule II may be dispensed without the written **or electronic** prescription of a practitioner.

(b) In emergency situations, as defined by rule of the board, schedule II drugs may be dispensed upon oral prescription of a practitioner, reduced promptly to writing and filed by the pharmacy. Prescriptions shall be retained in conformity with the requirements of section 7 of this chapter. No prescription for a schedule II substance may be refilled.

(c) Except for dosages medically required for a period of not more than forty-eight (48) hours that are dispensed by or on the direction of a practitioner, or medication dispensed directly by a practitioner, other than a pharmacy, to an ultimate user, a controlled substance included in schedule III or IV, which is a prescription drug as determined under IC 16-42-19, shall not be dispensed without a written, **electronic**, or oral prescription of a practitioner. The prescription shall not be filled or refilled more than six (6) months after the date thereof or be refilled more than five (5) times, unless renewed by the practitioner. Prescriptions for schedule III, IV, and V controlled substances may be transmitted by facsimile from the practitioner or the agent of the practitioner to a pharmacy. The facsimile prescription is equivalent to an original prescription to the extent permitted under federal law.

(d) A controlled substance included in schedule V shall not be

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distributed or dispensed other than for a medical purpose."

Page 68, line 41, after "JULY 1, 2011]:" insert "IC 2-5-1.5;"

Renumber all SECTIONS consecutively.

(Reference is to EHB 1233 as printed April 15, 2011.)

MILLER

SENATE MOTION

Madam President: I move that Engrossed House Bill 1233 be amended to read as follows:

Page 47, line 12, delete "review whether to allow a physician to adopt" and insert "**oversee the adoption of**".

Page 47, line 15, delete "if such a protocol is recommended by the board." and insert "**in the protocol**".

Page 53, between lines 20 and 21, begin a new paragraph and insert: "SECTION 92. IC 25-26-16-1, AS AMENDED BY P.L.1-2009, SECTION 143, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. As used in this chapter, "protocol" means the policies, procedures, and protocols of a:

- (1) hospital listed in IC 16-18-2-161(a)(1); **or**
- (2) **physician licensed under IC 25-22.5;**

concerning the adjustment of a patient's drug regimen by a pharmacist.

SECTION 93. IC 25-26-16-3, AS AMENDED BY P.L.98-2006, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. (a) At the time of admission to a hospital that has adopted a protocol under this chapter, the following apply:

- (1) The admitting practitioner shall signify in writing in the form and manner prescribed by the hospital whether the protocol applies in the care and treatment of the patient.
- (2) A pharmacist may adjust the drug therapy regimen of the patient pursuant to the:
 - (A) written authorization of the admitting practitioner under subdivision (1); and
 - (B) protocols of the hospital.

The pharmacist shall review the appropriate medical records of the patient to determine whether the admitting practitioner has authorized the use of a specific protocol before adjusting the patient's drug therapy regimen. The admitting practitioner may at any time modify or cancel a protocol by entering the modification or cancellation in the patient's medical record.

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(b) Notwithstanding subsection (a)(2), if a protocol involves parenteral nutrition of the patient, the pharmacist shall communicate with the admitting practitioner to receive approval to begin the protocol. The authorization of the admitting practitioner to use the protocol shall be entered immediately in the patient's medical record, if required by the protocol.

SECTION 94. IC 25-26-16-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 3.5. (a) This section does not apply to a protocol adopted in a hospital.**

(b) Upon authorization of a physician who has adopted a protocol under this chapter, the following apply:

- (1) The physician shall signify in writing whether the protocol applies in the care and treatment of the patient.
- (2) A pharmacist may adjust the drug therapy regimen of the patient under the authorization of the physician.
- (3) The pharmacist shall review the appropriate medical records of the patient to determine whether the physician has authorized the use of a specific protocol before adjusting the patient's drug therapy regimen.

(c) The physician who has adopted a protocol under this chapter:

- (1) shall take appropriate actions to assure that the pharmacist has the appropriate training to administer the protocol; and
- (2) may at any time modify or cancel a protocol by entering the modification or cancellation in the patient's medical record.

SECTION 95. IC 25-26-16-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 4.5. (a) This section does not apply to a pharmacist who is practicing in a hospital.**

(b) As used in this section, "direct supervision" means that the supervising physician is readily available to consult with the pharmacist while the protocol services are being provided.

(c) This section applies to a pharmacist who:

- (1) is employed by, or has entered into a contract with, a physician, a group of physicians, or an outpatient clinic; and
- (2) is under the direct supervision of a physician.

(d) The protocols developed under this chapter must:

- (1) be developed by the physician described in subsection (c)(2) and the pharmacist; and

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(2) at a minimum, require that:

(A) the medical records of the patient are available to both the patient's physician and the pharmacist; and

(B) the procedures performed by the pharmacist relate to a condition for which the patient has first seen the physician or another licensed practitioner.

SECTION 96. IC 25-26-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 5. **(a)** If a hospital or private mental health institution elects to implement, revise, or renew a protocol under this chapter, the governing board of the hospital or private mental health institution shall consult with that facility's medical staff, pharmacists, and other health care providers selected by the governing board. However, the governing board is the ultimate authority regarding the terms, implementation, revision, and renewal of the protocol.

(b) If a physician elects to implement, revise, or renew a protocol in a setting other than a hospital or private mental health institution, the physician shall consult with a pharmacist. However, the physician is the ultimate authority regarding the terms, implementation, revision, and renewal of the protocol.

SECTION 97. IC 25-26-16-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7. A protocol of a health care facility **or a physician that is** developed under this chapter must be reviewed at least annually."

Re-number all SECTIONS consecutively.

(Reference is to EHB 1233 as printed April 15, 2011.)

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