

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.

## HOUSE ENROLLED ACT No. 1316

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AN ACT to amend the Indiana Code concerning corrections.

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

SECTION 1. IC 11-10-2-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 11. (a) The division of youth services transitional services fund is established for the purposes described in subsection (e). The department shall administer the fund.**

**(b) The fund consists of money collected under IC 31-40-1-3.5.**

**(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.**

**(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.**

**(e) Money in the fund is for the purposes of:**

**(1) augmenting and supplementing the funds appropriated to the department of correction to provide juvenile transitional services to delinquent offenders; and**

**(2) paying collection costs incurred under IC 31-40-1-3.5.**

SECTION 2. IC 31-40-1-1, AS AMENDED BY P.L.146-2008, SECTION 663, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. This article applies to costs paid by the department, **the department of correction, and counties** under ~~section 2~~ of this chapter, including costs resulting from the institutional

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placement of a child adjudicated a delinquent child or a child in need of services.

SECTION 3. IC 31-40-1-2, AS AMENDED BY P.L.182-2009(ss), SECTION 387, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 2. (a) Except as otherwise provided in this section and subject to:

- (1) this chapter; and
- (2) any other provisions of IC 31-34, IC 31-37, or other applicable law relating to the particular program, activity, or service for which payment is made by or through the department;

the department shall pay the cost of any child services provided by or through the department for any child or the child's parent, guardian, or custodian.

(b) The department shall pay the cost of returning a child under IC 31-37-23.

(c) Except as provided under section 2.5 of this chapter, the department is not responsible for payment of any costs of secure detention.

(d) The department is not responsible for payment of any costs or expenses for child services for a child if:

- (1) the juvenile court has not entered the required findings and conclusions in accordance with IC 31-34-5-3, IC 31-34-20-1, IC 31-37-6-6, IC 31-37-19-1, or IC 31-37-19-6 (whichever is applicable); and
- (2) the department has determined that the child otherwise meets the eligibility requirements for assistance under Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.).

(e) In all cases under this title, if the juvenile court orders services, programs, or placements that:

- (1) are not eligible for federal assistance under either Title IV-B of the federal Social Security Act (42 U.S.C. 620 et seq.) or Title IV-E of the federal Social Security Act (42 U.S.C. 670 et seq.); and
- (2) have not been recommended or approved by the department;

the department is not responsible for payment of the costs of those services, programs, or placements.

(f) The department is not responsible for payment of any costs or expenses for housing or services provided to or for the benefit of a child placed by a juvenile court in a home or facility located outside Indiana, if the placement is not recommended or approved by the director of the department or the director's designee.

(g) The department is not responsible for payment of any costs or

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expenses of child services for a delinquent child under a dispositional decree entered under IC 31-37-19, if the probation officer who prepared the predispositional report did not submit to the department the information relating to determination of eligibility of the child for assistance under Title IV-E of the Social Security Act (42 U.S.C. 670 et seq.), as required by IC 31-37-17-1(a)(3).

(h) If:

- (1) the department is not responsible for payment of costs or expenses of services, programs, or placements ordered by a court for a child or the child's parent, guardian, or custodian, as provided in this section; and
- (2) another source of payment for those costs or expenses is not specified in this section or other applicable law;

the county in which the child in need of services case or delinquency case was filed is responsible for payment of those costs and expenses.

**(i) If a county is responsible for the payment of:**

- (1) any costs or expenses of services for or the placement of a child in need of services; or**
- (2) the costs or expenses of services for or the placement of a delinquent child;**

**the court may order the parents to reimburse the county as set forth in section 3.8 of this chapter.**

SECTION 4. IC 31-40-1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 3.5. (a) If a juvenile court:**

- (1) adjudicates a child to be a delinquent child; and**
- (2) awards wardship of the child to the department of correction;**

**the juvenile court may conduct a hearing. The juvenile court shall use the Child Support Rules and Guidelines of the Indiana supreme court and the child support obligation worksheet developed by the Indiana supreme court to determine what each parent should pay for the services provided for the child under this section. If the parent participates with the treatment plans developed by the department of correction, the parent or parents are entitled to receive a parenting time credit under the Child Support Rules and Guidelines. The hearing may be conducted before or after the department of correction incurs costs for a child.**

**(b) Each parent shall, before a hearing under subsection (a), furnish the juvenile court and the department of correction with an accurately completed and current child support obligation worksheet on the same form that is prescribed by the Indiana**

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supreme court for child support orders.

(c) A juvenile court may not order a parent to pay or reimburse the department of correction if the juvenile court makes a specific finding that the parent is unable to pay or that justice would not be served by ordering payment from the parent.

(d) If, after a hearing, the juvenile court orders a parent to pay or reimburse costs, the parent is financially responsible for the costs of treatment services incurred by the department of correction.

(e) Any parental reimbursement obligation under this section shall be paid directly to the clerk of the court so long as the juvenile delinquency case is open. The clerk of the court shall keep track of all payments made by each parent and shall provide a receipt for each payment received. At the end of the juvenile delinquency action, the clerk of the court shall provide an accounting of payments received, and the juvenile court may consider additional evidence of payment activity and determine the amount of parental reimbursement obligation that remains unpaid. The juvenile court shall reduce the unpaid balance to a final judgment that may be enforced in any court having jurisdiction over such matters.

(f) After a judgment for unpaid parental reimbursement obligation is rendered, payments made toward satisfaction of the judgment shall be made to the clerk of the court in the county where the enforcement action is filed and shall be forwarded promptly to the department of correction in the same manner as any other judgment payment.

(g) The department of correction may compromise a claim owed by a parent under this section. The department of correction, after obtaining the advice of the attorney general, may notify the court of a parental reimbursement obligation that is willfully ignored.

(h) Upon release from the department of correction, the parental reimbursement obligation payment to the department of correction ends. If there was a child support order for the child adjudicated delinquent, it reverts to the most recent child support order in effect before the child's adjudication. If the child is placed with a person other than a custodial parent, the juvenile court shall establish a new support order for the benefit of the child being released from the department of correction.

(i) The department of correction shall deposit money collected under this section in the division of youth services transitional services fund established by IC 11-10-2-11.

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SECTION 5. IC 31-40-1-3.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 3.8. (a) If a county is responsible for the payment of:**

- (1) any costs or expenses of services for or the placement of a child in need of services; or**
- (2) the costs or expenses of services for or the placement of a delinquent child under section 2 of this chapter;**

**the juvenile court ordering the services that the county is responsible for may hold a hearing. The juvenile court shall use the Child Support Rules and Guidelines of the Indiana supreme court and the child support obligation worksheet developed by the Indiana supreme court to determine what each parent should pay for the services provided for the child under this section. If the parent participates with the treatment plans developed by the department or court, the parent or parents are entitled to receive a parenting time credit under the Child Support Rules and Guidelines.**

**(b) Each person described in subsection (a) shall, before a hearing under subsection (c) concerning payment or reimbursement of costs, furnish the court with an accurately completed and current child support obligation worksheet on the same form that is prescribed by the Indiana supreme court for child support orders.**

**(c) At:**

- (1) a detention hearing;**
- (2) a hearing that is held after the payment of costs by the county;**
- (3) the dispositional hearing; or**
- (4) any other hearing to consider modification of a dispositional decree;**

**the juvenile court shall order the child's parents to pay for, or reimburse the county for, the cost of services provided to the child or the parent unless the court makes a specific finding that the parent is unable to pay or that justice would not be served by ordering payment from the parent.**

**(d) Any parental reimbursement obligation under this section shall be paid directly to the clerk of the court so long as the child in need of services case, juvenile delinquency case, or juvenile status offense case is open. The clerk of the court shall keep track of all payments made by each parent and shall provide a receipt for each payment received. At the end of the child in need of services, juvenile delinquency, or juvenile status action, the clerk**

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of the court shall provide an accounting of payments received, and the court may consider additional evidence of payment activity and determine the amount of parental reimbursement obligation that remains unpaid. The court shall reduce the unpaid balance to a final judgment that may be enforced in any court having jurisdiction over such matters.

(e) After a judgment for unpaid parental reimbursement obligation is rendered, payments made toward satisfaction of the judgment shall be made to the clerk of the court in the county where the enforcement action is filed.

(f) The county may collect any money that is owed under this section as provided by IC 36-1-4-17.

(g) Upon release from services ordered under this section, the parental reimbursement obligation payment ends. If there was a child support order for the child adjudicated delinquent, it reverts to the most recent child support order in effect before the child's adjudication. If the child is placed with a person other than a custodial parent, the juvenile court shall establish a new support order for the benefit of the child.

SECTION 6. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to refer to a study committee that meets during the 2011 legislative interim the issues of whether:

- (1) there should be additional oversight of the division of youth services transitional services fund under IC 11-10-2-11;
- (2) there should be additional oversight of how the department of correction uses funds generated under IC 31-40-1-3.5;
- (3) there should be additional oversight of funds generated by counties under IC 31-40-1-3.8; and
- (4) there should be any legislative changes to IC 11-10-2-11, IC 31-40-1-3.5, or IC 31-40-1-3.8.

(b) This SECTION expires January 1, 2012.

SECTION 7. An emergency is declared for this act.

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Speaker of the House of Representatives

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President of the Senate

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President Pro Tempore

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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